Career Satisfaction and Organizational Commitment among Hotel Employees in Taiwan

Ming-Shan Hsu and Yu-You Tsai

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 352 million in 2013 to 693 million in 2020. 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.
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 that the career commitment of employees affected their 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 proposed 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. 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 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 consistency.

Regarding the goodness of fit of the overall model, the chi-square=45.35 (p=0.092, >0.05), NFI=0.97, NNFI=0.99, RMFI=0.73, CFI=0.99,IFI=0.99, RFI=0.96, NNFI=0.99, NNFI=0.99, RMFI=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
Commitment. This result agrees with those reported by Igbaria 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.

![Figure 1: Structure Model for career satisfaction and organizational commitment of hotel employee.](image)
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.

Reference

1. Tourism Bureau (2002) Doubling Tourist Arrivals Plan, Ministry of Transportation and Communications (MOTC), Taiwan.
2. Tourism Bureau (2011) Tourism statistics, Ministry of Transportation and Communications (MOTC), Taiwan.
3. Directorate-General of Budget Accounting and Statistics (2009) National statistics, Republic of China, Taiwan.
4. Lee CH, Hwang FM, Chung LJ (2010) Perceived of organizational support, organization identification and service-oriented organizational citizenship behavior: An empirical study on hospitality service providers. Leisure Ind Res 8: 49-67.
5. Wood RC (1997) Working in hotels and catering. International Thomson Business Press, London.
6. Riley M, Ladkin A, Szivas E (2002) Tourism employment: Analysis and planning. Channel View Publications, England.
7. Dai YD (2010) A study on relationships among organizational justice, job satisfaction, organizational commitment, and organizational citizenship behavior in international tourist hotels. J Island Tourism Res 3: 26-50.
8. Judge T A, Cable D, Boudreau J, Brefz R (1995) An empirical investigation of the predictors of executive career success. Person Psychol 48: 485-519.
9. Gattiker UE, Larwood L (1988) Predictors for managers’ career mobility, success, and satisfaction. Hum Relat 41: 569-591.
10. Igbaria M (1991) Job performance of MIS professionals: An examination of the antecedents and consequences. J Eng Tech Manag 82: 141-171.
11. Martins LL, Eddleston KA, Veiga JF (2002) Moderators of the relationship between work-family conflict and career satisfaction. Acad Manag J 45: 399-409.
12. Cable DM, DeRue DS (2002) The convergent and discriminant validity of subjective fit perceptions. J Appl Psychol 87: 875-884.
13. Erdogan B, Kraimer ML, Liden RC (2004) Work value congruence and Intrinsic career success: The compensatory roles of leader-member exchange and perceived organizational support. Person Psychol 57: 305-332.
14. Carson KD, Carson PP, Phillips JS, Roe CW (1996) A career entrenchment model: Theoretical development and empirical outcomes. J Career Dev 22: 273-286.
15. Angle HL, Perry JL (1981) An empirical assessment of organization commitment and organizational effectiveness. Admin Sci Q 26: 1-14.
16. Robbins SP (1995) Organizational behavior. Prentice Hall, New Jersey.
17. Ghiselli RF, Joseph MLL, Billy B (2001) Job satisfaction, life satisfaction, and turnover intent among food service managers. Cornell Q 42: 28-37.
18. Igbaria M, Greenhaus JH (1992) Determinants of MIS employees turnover intentions: A structural equation model. Comm ACM 35: 34-49.
19. Aryee S, Chay Y (1994) W. An examination of the impact of career-oriented mentoring on work commitment attitudes and career satisfaction among professional and managerial employees. Br J Manag 5: 241-249.
20. Chang E (1999) Career commitment as a complex moderator of organizational commitment and turnover intention. Hum Relat 52: 1257-1278.
21. Bozionelos N (2008) Intra-organizational network resources: How they relate to career success and organizational commitment. Person Rev 37: 249-263.
22. Kuchinke KP, Kang HS, Oh SY (2008) The influence of work values on job and career satisfaction and organizational commitment among Korean professional level employees. Asia Pac Educ Rev 9: 552-564.
23. Joo BK, Park SY (2010) Career satisfaction, organizational commitment, and turnover intention: The effects of goal orientation, organizational learning culture and developmental feedback. Leader Organ Dev J 31: 482-500.
24. Simo P, Enache M, Léves JM, Alarcón VF (2010) Analysis of the relation between subjective career success, organizational commitment and the intention to leave the organization. Transylvanian Rev Admin Sci 29: 144-158.
25. Wang YF, Homg JS, Lin ZY (2008) The causal model of organizational commitment, career satisfaction, work values and P-O-Fit: Evidence from the employees at food and beverage department in international tourist hotels. J Tourism Leisure Stud 14: 277-302.
26. Hwang PC (2005) Internal marketing and its effects on hospitality service employees: From the perspectives of organization-based self-esteem and customer orientation. J Tourism Stud 11: 89-112.
27. Meyer JP, Allen NJ (1990) Affective and continuance commitment to the organization: Evaluation of measures and analysis of concurrent and time-lagged relations. J Appl Psychol 75: 710-720.
28. Fornell C, Larcker DF (1981) Evaluating structural equation models with unobservable variables and measurement errors: Algebra and statistics. J Market Res 18: 382-388.