Job Satisfaction and Service Quality in Hotel Industry

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Contributor: Goran Perić , Marko Slavković , Marko Gašić , Boban Đurović , Sandra Dramićanin

The quality of service is one of the key assumptions of a sustainable and profitable business in the hotel industry. On the other hand, employees as direct providers of hotel services have a direct impact on the perceived quality of service. Establishing a relationship between job satisfaction and perceived intangible service quality is of great importance for customer relationship management and sustainable competitive advantage.

job satisfaction   intangible service quality   hotel industry

1. Introduction

Competition between hotel organizations is increasing, and employees are becoming one of the most important factors for gaining a sustainable competitive advantage and the guest's trust in a highly competitive market. Nowadays, the hotel industry focuses on employees and guests [1], which requires an effective management of human resources and strengthening the quality of the relationship between employees and guests as a crucial strategy for long-term success. Consequently, employees (human resources) play a central role in the hotel sector since it is a labor-intensive activity, where employees and guests as service users are directed at each other and there is a high level of interaction between them [2][3]. One of the elementary service characteristics is that services are produced and consumed simultaneously, and the process of providing services highlights the importance of employees who directly provide services to guests and communicate with them. Their experience is shaped based on the result of this relationship, and the employee's behavior toward guests during service delivery is key to service quality. Harvard professors [4] proposed the concept of a "service–profit chain", suggesting that growth and service organization profits come from loyal customers and their satisfaction with service quality. Satisfied, loyal, and productive employees provide quality services. It starts with the social exchange theory [5], which emphasizes the significance of interpersonal interaction and considers social behavior as an exchange. The outcome of the action–reaction relationship is the perceived benefit, which is represented herein by intangible service quality. The hotel industry employees are the agents of action in social exchange. Frontline service employees are important because it is essential for hotel organizations to manage human resources effectively to ensure that employee attitudes and behaviors positively influence service quality perception. Job satisfaction has become a crucial issue in the hotel industry because the ability to attract and manage human resources is considered a critical element of success [6]. In the not-too-distant future, when intelligent machines can replace human resources in certain operations, the aforementioned is of particular importance. In this manner, it is possible to attain certain benefits through cost reduction, but recent research has demonstrated that productivity is more dependent on the

availability of human resource than on automation [7]. In addition, it is highly questionable whether intelligent machines can completely supplant employees in the communication and psychological interaction with guests.

The hotel industry has a relatively bad reputation in the labor market because it is characterized by low employee job satisfaction and high employee turnover rates [8][9][10]. Furthermore, the hotel industry is known for low earnings, poor work–life balance, extended working hours, unsatisfactory job security, and the deficiency of professional development and qualified staff [11][12][13][14]. Other factors are responsible for the low satisfaction level and high turnover in this sector, such as the rapid growth of the hotel industry and the high expectations of young workers [15]. Owing to these characteristics, job satisfaction is a critical issue for employers and managers in the hotel industry. Satisfied employees provide high-quality services and tend to be more productive, creative, and positive [8].

2. Job Satisfaction

Researchers have adopted various approaches to define the concept of job satisfaction. Locke's value theory is the theoretical foundation of job satisfaction, which has spawned numerous other concepts, studies, and research in related areas, including goal setting and employee performance [16][17][18]. According to this theory, job satisfaction exists insofar as employees are satisfied with the outcome of their work. In addition, discrepancy and deviation of satisfaction from expectations regarding certain aspects of the job also influence overall job satisfaction [19]. There is no general agreement about the definition of job satisfaction [20]. In this discussion, the definition given by Spector is used [21]: job satisfaction is the way employees feel about work and different aspects of work. Spector identified nine aspects of work: pay, promotion, supervision, benefits, rewards, operational procedures, coworkers, nature of work, and communication [21]. To predict job satisfaction, an employee's satisfaction with certain job aspects and expectations from that job must be determined. Job satisfaction has become one of the most important issues the hotel and tourism industries face [22]. This thesis is confirmed by earlier studies that indicated that service organizations must pay special attention to job satisfaction [4][23][24][25]. The results of empirical research identify plentiful positive effects associated with job satisfaction: employee retention [26][27][28], satisfied consumers [29][30][31], market share, increased competitiveness [32][33][34], and profitability [30][35][36][37].

3. Service Quality

On the basis of Richard Oliver's theory of expectations–confirmation [38][39], service quality is defined. In accordance with this theory, service quality entails reaching or exceeding consumer expectations. According to Parasuraman et al. [40] and Grönroos [41], service quality represents the difference between consumer expectations and perceptions of the delivered service. From the guest's perspective, hotel service is an experience. In addition to the specific service characteristics (intangibility, inseparability, heterogeneity, and impermanence) [42], which are generic, Hsu and Powers [43] highlight the participation of people in the service delivery process as an important hotel service characteristic. Initially, Parasuraman et al. [40] contributed significantly to the study of service quality. These authors identified ten dimensions upon which consumers evaluate the quality of a service. A few years later,

based on empirical research in the context of five service activities, they concluded that tangibility, reliability, responsibility, and safety best explain the perceived quality of services [44]. Wakefield and Blodgett [45] point out that tangible dimensions of service quality can be categorized as tangible (tangibility) and intangible dimensions of service quality (reliability, responsibility, safety, and empathy). Intangible components represent the overall relationship in the process of providing and using hotel services, which is how the hotel guest experiences and receives the service. Hotel employees play a dominant role in hotel service delivery, and the way an employee provides a service to the guest affects the guest's perception of quality. Employees are considered the hotel organization's most important resource, and the quality of their services depends on their job satisfaction, knowledge, skills, and abilities [15].

4. Effects of Employees' Job Satisfaction on Perceived Service Quality

Employees who provide a service represent an important factor in guest satisfaction, and that is related to the concept of "chain of services—profit" developed by Harvard professors [4], who emphasize that an employee's job satisfaction creates superior service value, guest satisfaction, loyalty, profit growth, and profitability. Son et al. [46] investigated this concept in the coffee shop industry using a sample of 263 employees and 973 consumers. The results of this study indicate a positive relationship between organizational identification and employee satisfaction. Employee satisfaction positively affects a service's perceived value, which in turn affects consumer satisfaction.

The theory of equity in social exchanges [5][47][48] posits that employee job satisfaction is related to the improvement of the quality of services, particularly intangible components, which depend primarily on human resources. Interpersonal interactions are the foundation of the theory of social exchange, primarily because exchange necessitates a two-way transaction. The employee consciously calculates the costs and benefits of prospective outcomes and bases his decisions and behavior on these estimates [49]. The fundamental premise of equality in exchanges is that the majority of employees anticipate fairness or equality to prevail in interpersonal transactions [48]. In the context of the social exchange theory, when a manager provides employees with favorable working conditions (good salary, opportunity for advancement, reward system, and good communication), employees tend to exert more effort as a form of reciprocity [35], resulting in a higher level of service quality provided by employees in the hotel industry.

The hypothesis that employee job satisfaction affects service quality and guest satisfaction in service activities was confirmed by the results of numerous empirical studies. Namely, Ong'unya et al. [50] observed the influence of internal marketing and job satisfaction on the quality of health services provided in Uganda. A total of 635 respondents (employees and health service consumers) participated in this study. The results showed that internal marketing and job satisfaction positively affect the provided health services quality. Karatepe et al. [51] examined the effect of job standardization and employee job satisfaction on service quality in service industries in northern Cyprus. Research results confirm that job standardization and employee job satisfaction have significant positive effects on service quality and that job standardization has a significant negative effect on employee satisfaction [51]. A study in Hong Kong [29] examined the relationships between employee job satisfaction, service quality, customer

satisfaction, and profitability in service organizations (travel agencies, beauty salons, restaurants, and retail stores). A total of 203 service organizations and 618 respondents participated in this study. The results show that employee satisfaction is significantly correlated with service quality and consumer satisfaction, implying profitability [35]. Sohail and Young [52] examined internal marketing practices, employee satisfaction, service quality, and customer satisfaction in the context of service industries in Saudi Arabia from the perspective of employees. The results show that employees' perceptions of internal marketing are positively related to employee satisfaction. Additionally, the results indicate that service quality plays a mediating role in the relationship between employee job satisfaction and consumer satisfaction. Satisfied employees believe that the only way to return to their organization is to provide quality services equal to the satisfaction they receive, which implies that employee job satisfaction is vital for achieving service quality, customer satisfaction, and loyalty [52].

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