

**A JOB SATISFACTION AMONG THE
EMPLOYEES AT REDANG MUTIARA RESORT**

BY

NORAZMI OMAR

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ABSTRACT

A JOB SATISFACTION AMONG THE EMPLOYEES AT REDANG MUTIARA RESORT

**BY
NORAZMI BIN OMAR
2006**

Supervisor : Dato` Dr. Abdul Kuddus Bin Ahmad

This is a study of job satisfaction among the employees at Redang Mutiara Resort. A study of job satisfaction is important because it has direct implications for organization functioning. Apart of examining the job satisfaction among the employees, the aim of the study was also to identify the overall management system that was being practiced in the resort. In addition, the study also tried to determine the relationship between management style and job satisfaction.

The study employed a modified Likert scale to measure organizational management profile and the Job Diagnostic Survey developed by Hackman and Oldham to measure job satisfaction. A questionnaire was developed to obtain data from the populations in the resort. Data analysis was done using the SPSS programme. Statistical analysis was done using the Spearman's rank-order correlation for the ordinal data and the chi-square test for the nominal data.

The overall job satisfaction level among the employees in the resort was found to be `slightly satisfied`. It was also found that job satisfaction was related to management style and slightly influenced by personnel characteristics such as gender and age. Several recommendations have been put forward in order to improve the job satisfaction in the resort.

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Name of Student: NORAZMI BIN OMAR
Matriculation No.: CGS 00034701

Director
Centre for Graduate Studies
Open University Malaysia

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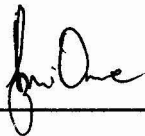
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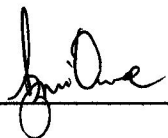
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CHAPTER 1

INTRODUCTION

1. Introduction

Tourism can be defined as the act of travel for the purpose of recreation and the provision of services for this act. Tourism is a service industry, comprising a number of tangible and intangible components. The tangible elements include transport systems - air, rail, road, water and now, space; hospitality services-accommodation, foods and beverages, tours, souvenirs; and related services such as banking, insurance and safety and security. The intangible elements include: rest and relaxation, culture, new and different experiences (<http://en.wikipedia.org/wiki/Tourism>, 2005). The World Tourism Organization forecasts that international tourism will continue growing at the average annual rate of 4 percent (www.world-tourism.org, 2003).

Tourism is one of the most important sectors in the Malaysian economy. It is ranked second in Malaysia. Malaysia, having earlier diversified its economy to become a world leader in electronics manufacturing and assembly, turned in its new search for growth to the development of service industries, including tourism and health care. Tourism industry has

experienced a rapid growth and gained in importance in the Malaysian economy during the last two decades.

Being a major contributor to the GDP, when foreign tourist spends money on domestically produced goods, economic impacts of the industry will be in generating foreign exchange earnings, government revenues through commodity taxes and employment of labour of various skill categories through the inter-industrial linkages. Government has incorporated tax breaks for small and medium-sized companies as well as special incentives for hotel and tourism operators.

a. Background of The Study

Redang Mutiara Resort in Pulau Redang, Terengganu is one of the contributors in the Malaysia Tourism. This resort was formed in 1974 with a small family business in camping. Its main objective is to enhance the socio economic well being for the family members. Thus, the responsibility and role of Redang Mutiara Resort has become bigger. The present staffs strength is more than seventy compared to less than ten in 1974. Redang Mutiara has grown tremendously in size where systems of human collaboration are developed beyond a certain size like face to face leadership of a small handful of individual followers; the bureaucratic form of the organization is inescapable. Like all other resorts, in Redang Mutiara Resorts the importance of effective management in achieving goals need no further emphasis.

In order to achieve the excellence in tourism industry and improve the quality of services in the resort, understanding critical factors that associate with services quality is vital. One of these factors is employee's job satisfaction. Researchers in the west have studied the issue widely. Ostroff, (1992) and Mathieu, (1991), linked the job satisfaction with organizational performance. Herzberg (1959) earlier found that there are two factors, extrinsic and intrinsic that can influence job satisfaction. The extrinsic factors are such as administrative and policies that govern it, social working order, co-workers relationship, future security, fringe benefits and monetary rewards.

b. Research Problem

In managing an organization like Redang Mutjara Resort, where bureaucracy is being practiced among many factors, one of the most important and necessary factors administrators and managers must deal with job satisfaction among the staffs. Job satisfaction is the way a person feels about the job relating to the tasks and performance of the job situation. Furthermore, it refers to the good feeling an employee has about the work situation.

Job satisfaction is the favourable or unfavourable with which employee view their work. It expresses the amount of agreement or congruence between one's expectation of the job and the rewards that the job provides.

Since job satisfaction involves expectations, it relates to equity theory, the psychological contract and motivation. Employees who are not motivated to perform positively may react in one or more of the followings:

- 1-fight the organization
- 2-leave the organization
- 3-develop interest away from the job
- 4-allow skills to deteriorate.

In other words, job satisfaction is important for effective management.

c. Objectives of The Study

The study of job satisfaction is of academic value and practical importance because it has direct implications for organizational functioning. As the result of the study of job satisfaction in an organization like Redang Mutiara Resort will be useful to other resort organizations in the country.

The objectives of the study are as follows:

- a. to identify the overall management system that is being practiced in Redang Mutiara Resort.
- b. to examine the job satisfaction among staffs and managers in Redang Mutiara Resort.
- c. to determine the relationship between management style and job satisfaction.

d. Significance of The Study

It is meaningful to assist the management in understanding the characteristics of the employees and their job satisfaction, providing some strategies for the organization to success in future and offering ideas for further penetration and research that could help the relevant departments in planning and making related decisions successful. It is also the fundamental issue on how the management could work together in achieving compatible existence.

e. Definition of Terms

The basic Job Diagnostic Survey measures only affective reactions or feelings a person obtains from performing the job. The affective dimensions of the 'Personal and Work outcome' part of the theory are defined as:

i. General Satisfaction : An overall measure of the degree to which the employee is satisfied and happy with the job.

ii. Specific satisfaction : A number of short scales which provide separate measures of satisfaction with:

a. job security

b. pay and other compensation (social satisfaction)

c. peers and co-workers

d. supervision

e. opportunities for personal growth and development on the job
(growth satisfaction)

The Job Diagnostic Survey is adopted in this study because the instrument is founded on an empirical and theoretical framework.

As measures of the different types of job satisfaction, the dependent variable set in this study from the Hackman Oldham definitions as follows:

- a. General satisfaction refers to an overall measure of the degree to which the employee is satisfied and happy with the job.
- b. Growth satisfaction is about the opportunities for personal growth and development on the job.
- c. Supervision satisfaction measures the degree the subordinate is happy with the superior.
- d. Security satisfaction indicates the amount of safety of tenure one has in the organization.
- e. Co-worker satisfaction reveals the amount of social interaction and happy feeling that occurs among staff members in the organization.
- f. Pay satisfaction shows whether one is satisfied with the pay compensation or remuneration that one gets.

f. Limitations of the study

The scope of this study is limited to questionnaires completed by the employees in Redang Mutiara Resort. The questionnaires taps respondents' answer on three separate sets of questions that are personal background, questions on profile of organizational characteristics and questions on job satisfaction.

The study is restricted to the Redang Mutiara Resort employees only because of the time and cost constraint. The time and cost would have been enormous if all the employees in all resorts in Redang Island were to be studied. The top management was not interviewed because they are often busy and inaccessible.

CHAPTER 2

LITERATURE REVIEW

2.0 Literature Review

a. Employee Satisfaction

Employee's satisfaction and retention have always been important issues. But few practices in fact, few organizations have made job satisfaction a top priority, perhaps because they have failed to understand significant opportunity that lies in front of them. Satisfied employees tend to be more creative and committed to their employers and recent studies have shown a direct correlation between staff satisfaction customer satisfaction.

In the late 1950s, Frederick Herzberg, considered by many to be a pioneer in motivation interviewed a group of employees to find out what made them satisfied and dissatisfied. From these interviews Herzberg went to develop his theory that there are two dimensions, motivation and "hygiene". While there is no one right way to manage people , all of whom have different needs , backgrounds and expectations. Herzberg's theory offers a reasonable starting point.

While much of the traditional job satisfaction research demonstrates that employees generally want stable employment, opportunities for promotion and satisfactory compensation, some recent research of employees show that such things as flexible working hours, social satisfaction and the characteristics and behaviors of superiors also have an affect on employee's satisfaction levels. The results of studies support the idea that job satisfactions a product of many different variables operating on the employees.

A great deal on the research on this issue has been dominated by the purported 'structural' or job related explanation of the job satisfaction. Such explanation centers on the attributes of 'good' jobs as the principal factors explaining worker satisfaction. This approach contends that two fundamental categories of job characteristics are of crucial importance in attaining satisfaction among workers: the job's internal rewards such as having diverse and challenging work, and the job's external rewards such as fair compensation and fringe benefits.

Although the Herzberg is well documented, more recent investigations into job satisfaction have questioned the utility of the two-dimensional model and sought a more interact ional approach. Specifically, the works of the Kalleberg (2001), Lee and Wilbur (1985) propose that the characteristics of the employee interact with the internal and external characteristics depicted in