



NONMONETARY INFLUENCES ON PSYCHOLOGICAL EMPOWERMENT IN THE LODGING ORGANIZATIONS

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Abstract

Purpose of the study: The primary purpose of this study is to investigate the extent of influence of the nonmonetary factors on the psychological empowerment of the employees.

Methodology: Quantitative design was employed in this study. A total of 290 frontline employees in lodging facilities were surveyed using a convenience sampling method during the data gathering. It used frequency counts, percentage, mean, and Stepwise Multiple Regression Analysis (MRA) in the data analysis to describe perceptions and examine the predictive power of the factors to psychological empowerment.

Main Findings: Nonmonetary factors can influence the psychological empowerment of employees in lodging organizations. It reveals that variation in the rating of psychological empowerment is explained by the factors namely: nature of work, operating procedures, promotions, and supervision.

Applications of this study: The findings of this study are beneficial primarily to hospitality organizations in designing effective empowerment programs for its employees which enables them to foster a positive organizational culture in the long run. Future researchers can use this study as one of the references in studying organizational behaviors in the hospitality industry.

Novelty/Originality of this study: This study provides an in-depth analysis of the nonmonetary factors to psychological empowerment of employees in lodging sectors using quantitative approaches.

Keywords: *Psychological Empowerment, Organizational Behavior, Hospitality, Job Satisfaction, Lodging, Nonmonetary.*

INTRODUCTION

Psychological empowerment may be the most essential factor that contributes to positive employee outcomes (O'Brien, 2011). It provides positive effects on job satisfaction (Meyerson & Dewettinck, 2012) and even to customer satisfaction (Chebat & Kollias, 2000). In fact, various empowerment programs have been introduced in many organizations in order to improve productivity, customer satisfaction, and competitive standing of the organizations as a whole (Hamed, 2010). Recently, more organizations have adopted some kind of empowerment schemes (Tetik, 2016). Various researches have been carried out to understand employee empowerment but mostly it examines consequences of empowerment to organizations especially to other attitudinal and behavioral aspects such as in employee job satisfaction (esp. Stewart et al., 2010; Ambad & Bahron, 2012; Saif & Saleh, 2013; Fong & Snape, 2015). For example, empowerment has a significant role in increasing employee satisfaction which also helps in retaining the best employees (Elnaga & Imran, 2014; Fernandez & Moldogaziev, 2015; Lee & Ok, 2015). It eventually reduces employee turnover and increases organizational commitment (Chang et al., 2010). This creates interest to the researcher to study further the influences of psychological empowerment in order to better craft useful employee empowerment efforts for the organizations considering the positive consequences of empowering people in the workplace. Thus, this work hopes to contribute to researches that endeavor in understanding and predicting organizational behaviors in the hospitality sectors.

RESEARCH FRAMEWORK

Thomas & Velthouse (1990) defined empowerment as “internal motivation that can be explained by four perceptible dimensions, which are sense, competence, choice, and impact”. From this definition, it can be implied that it highlights the psychological components of empowerment. Previous studies (such as Conger & Kanungo, 1998 and Spreitzer, 1995) have pointed out that these four components are essential for employee empowerment. Therefore, psychological empowerment is not a single concept (Thomas & Velthouse, 1990), and rather it is measured and manifested through four cognitions such as meaning, competence, self-determination (choice), and impact. These four concepts are argued to combine additively in order to define psychological empowerment as a construct (Spreitzer, 1995). Dimensions of psychological empowerment are discussed below:

Meaning: This dimension refers to the sense of purpose or personal connection of an employee to his or her work goal (Spreitzer, 1995). Empowered employees create a feeling of meaning (Quinn & Spreitzer, 1997), and they feel that they are important when they were able to participate in an organization's activities (Tubbs & Moss, 2000). They become more willing to put the effort into tasks given to them when they perceive that they are important to them (Thomas & Velthouse, 1990).

Competence: This dimension refers to the ability of the employee to skillfully and competently perform tasks (Thomas & Velthouse, 1990). It is an employee believes that he or she is able to work well, thus, giving him or her a feeling of self-

confidence that a task can be accomplished (Quinn & Spreitzer, 1997). Employees engage themselves more in the organization when they feel that they are competent in performing their tasks (Kara, 2012).

Choice: This dimension is defined as choice which "...involves causal responsibility for a person's actions." (Thomas & Velthouse, 1990, p. 673). The term "choice" is equivalent to the term "self-determination" which used by Spreitzer (1995) and she defines it as "...autonomy in the initiation and continuation of work behaviors and processes" (p.1443).

Impact: This dimension refers to the employees' belief that they can have a significant role in the organization's goal achievement and that they can control outputs and handle limitations and barriers (Lussier, 2002).

This study identified nonmonetary factors that may influence the psychological empowerment of employees in lodging organizations. It measures how satisfied the employees are with promotional activities, immediate supervision is given to employees, operating policies and procedures, coworkers, and the kind of work they have done within the organization. Understanding the psychological empowerment of lodging employees and the factors that significantly influence it is relevant since this sector is one of the major sectors that are affected by problems associated with employee attitude and behaviors.

Relationship with coworkers, supervisory relationship, and promotion opportunities were among the nonmonetary factors that were among the push factors introduced by Kinicki, et al. (2002). It can be said that an employee's job attitude towards his or her organization can be explained based on their satisfaction with one or all of these factors. For instance, organizations that provide fair promotional policies increase job satisfaction and organizational commitment among employees (Rehman et al., 2013); it makes employees feel that they are understood, valued, and cared about if the managers in hotels show high levels of supervisory support behavior towards their people (Laskarin Azic, 2017); and employees feel satisfied at work when they are offered opportunities where they can use their capabilities and skills, and provided chances to carry out diverse tasks, autonomy at work, and feedback of their efficiency in doing their jobs (Robbins & Judge, 2012).

PURPOSE OF THE STUDY

The purpose of this study was primarily to analyze nonmonetary factors that influence employees' psychological empowerment in lodging organizations. Specifically, it aimed to (1) determine the level of employees' psychological empowerment, (2) determine the level of employee satisfaction with nonmonetary factors such as promotions, supervision, operating procedures, coworker relationship, and nature of work, and (3) investigate extent of influence of these factors to psychological empowerment of the employees.

Research Hypothesis

Null Hypothesis: None of the nonmonetary factors significantly influence employee psychological empowerment.

METHODOLOGY

This study used a quantitative research design. Correlational analysis was used to measure the extent of influence of the nonmonetary factors to employee psychological empowerment. Licensed SPSS version 23 software of Ateneo de Davao University was used to do the statistical processing. Data processed using this software include demographic characteristics of employees, and ratings of psychological empowerment, job satisfaction. Stepwise Multiple Regression Analysis was used as inferential statistics.

Sample

Convenience Sampling was used in this study. Employees from the Philippine Department of Tourism (DOT) accredited lodging facilities in South Cotabato Province, Sarangani Province, and General Santos City also are known as SOCSARGEN Area were the respondents of this study where a total 290 respondents have voluntarily participated. Respondents were consisting of managers or supervisors, and staff members from the frontline departments of the lodging establishments such as front office and concierge, food and beverage, and housekeeping departments.

Samples were drawn from the listings of the full-time employees provided by the human resource or personnel office of the DOT accredited lodging facilities. Only those establishments that have permitted the researcher to conduct the survey were included in the actual data gathering. The type of establishments considered is based on the accredited and categorized as guest accommodation establishments by the Philippine Department of Tourism Office of Region 12 which include hotels, resorts, inns, and pension houses only. The researcher has considered only the list from this office since this office provides the most reliable source of existing lodging facilities in the area and the most accurate parameters on the selection of the establishments.

Instrument

The Measuring Empowerment Questionnaire (MEQ) developed by Spreitzer (1995) was used to measure the psychological empowerment of the employees. To measure nonmonetary variables, it adopted the Job Satisfaction Survey (JSS) of Spector (1997). But only scales for promotion, supervision, operating procedures, coworkers, and nature of work were considered to measure the independent variables of this study. Permission to use the scales was secured from the

author. All questionnaires asked the respondents to indicate their strength of agreement for each item by selecting a number ranging from 1 (strongly disagree) to 7 (strongly agree).

To ensure the applicability of the instruments to the target respondents, a pilot study was conducted among 30 hotel employees prior to the final data gathering to analyze the internal consistency of the scales. This set of respondents was a different set from the main samples. The MEQ revealed general reliability statistics of 0.910. Scale for promotions has an alpha value of 0.743, supervision scale has alpha values of 0.896, operating procedures have an alpha of 0.764, coworker scale has an alpha of 0.740, and 0.833 for nature of work scale. Moreover, numerous studies have reported the validity and reliability to measure job satisfaction dimensions. The instrument has shown good construct validity and internal consistency (Spector, 1997; Laschinger, et al., 2003; Hochwalder & Brucefors, 2005). MEQ has established strong reliability and validity in several populations over the years (Spreitzer, 1995; Kraimer, Seibert & Liden, 1999; Laschinger, Finegan, Shamain & Wilk, 2001; Hochwalder & Brucefors, 2005).

Procedures

The researcher visited each establishment to secure permission from the management prior to the conduct of the survey. Human resource managers and personnel-in-charge of each establishment have served as focal persons of the establishments. The purpose of the study was explained to the respondents. So that they would have a full understanding of its significance and to encourage them to cooperate with the researcher. For more effective and accurate responses, instructions were explained clearly. A formal communication to establishments and other private and government agencies was made. The researcher did not proceed to any data gathering activities until he has granted approval from the concerned person or offices. The researcher had made sure that only the establishments which have provided the researcher the consent and permission to conduct a survey in their respective establishments were included in the actual survey. The anonymity of the respondents was ensured throughout the study.

RESULTS AND DISCUSSIONS

Demographics

In this study, 89.7% of the respondents were within the age range of 18 to 34 years old; 53.4% were female and 46.6% were male; 89% consists of employees in the rank and file positions; 57% were college graduates, and 74.7% were already been working in the lodging establishments for not more than 4 years. The respondents rated themselves as satisfied with the supervision, coworker relationships, and nature of work they have in their current job, while they were neither satisfied nor dissatisfied with the promotion opportunities, and operating procedures at their present work. Their level of psychological empowerment in the workplace was rated very high.

Regression Analysis

The stepwise multiple regression analysis generated four models as shown in Table 1t yielded Model 4 with four significant variables as the best model.

The model has the highest coefficient of determination (R^2) of 0.387 and adjusted R^2 of 0.378 as shown in Table 2. The variance in the dependent variable ‘psychological empowerment’ is explained by the independent variables nature of work, operating procedures, promotions, and supervision. This model explains that 37.8% of the variation in the dependent variable may be explained by the variation in the independent variables included in the model. The model has the lowest variability as shown by its Standard Error of the Estimate of 0.71338.

Table 1: Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients		Collinearity Statistics	
		B	Std. Error	Beta	t	Sig.	Tolerance VIF
4	(Constant)	3.283	.435		7.539	.000	
	Nature of Work	.324	.054	.319	5.994	.000	.759 1.318
	Operating Procedures	-.324	.062	-.252	-5.187	.000	.915 1.092
	Promotions	.248	.061	.206	4.030	.000	.823 1.215
	Supervision	.177	.047	.190	3.736	.000	.835 1.197

a. Dependent Variable: Psychological Empowerment

Table 2: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.484 ^a	.234	.232	.79297
2	.567 ^b	.321	.316	.74795
3	.597 ^c	.357	.350	.72937

4	.622 ^d	.387	.378	.71338
a. Predictors: (Constant), Nature of Work				
b. Predictors: (Constant), Nature of Work, Operating Procedures				
c. Predictors: (Constant), Nature of Work, Operating Procedures, Promotions				
d. Predictors: (Constant), Nature of Work, Operating Procedures, Promotions, Supervision				
e. Dependent Variable: Psychological Empowerment				

Collinearity diagnostics and collinearity statistics can also be seen in Table 1 in Table 3, the highest VIF for the data is 1.318 (model 4), the highest Condition index is 26.386, and the lowest Tolerance values is 0.759. Since that there are no VIF values that exceed 5 or 10, no Condition index that exceeds 30, and the Tolerance values are greater than .50, it indicates that their multicollinearity is not of a high problem with the data.

Table 3: Collinearity Diagnostics^a

Model	Dimension	Eigenvalue	Condition Index	Variance Proportions				
				(Constant)	Nature of Work	Operating Procedures	Promotions	Supervision
4	1	4.901	1.000	.00	.00	.00	.00	.00
	2	.046	10.369	.00	.05	.46	.11	.01
	3	.028	13.116	.01	.02	.02	.31	.60
	4	.018	16.570	.01	.91	.01	.16	.33
	5	.007	26.386	.98	.02	.51	.42	.06

a. Dependent Variable: Psychological Empowerment

Table 4 shows that the ANOVA has an F-value of 44.911 (p-value = .000). Since the p-value is less than .05, this means that the value differs significantly from zero, and therefore the model is meaningful and there is a good fit between the model and the data.

Table 4: ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
4	Regression	91.424	4	22.856	44.911	.000 ^e
	Residual	145.041	285	.509		
	Total	236.465	289			

a. Dependent Variable: Psychological Empowerment
e. Predictors: (Constant), Nature of Work, Operating Procedures, Promotions, Supervision

Interpretation of the Regression Coefficients

Based on the “Coefficients” table (Table 1), the regression variate is shown in the equation below:

$$\text{Psychological Empowerment} = 3.283 + 0.324 (\text{nature of work}) - 0.324 (\text{operating procedures}) + 0.248 (\text{promotions}) + 0.177 (\text{supervision})$$

(Equation 1)

In Equation 1, the regression coefficient indicates that an increase in satisfaction of the employees in the ‘nature of their work’ with one unit leads to an increase in their psychological empowerment with 0.324 units. Interestingly, every unit increase in rating of ‘operating procedures’ leads to a 0.324 decrease in psychological empowerment. Further, every unit increase in employee “promotion opportunities” satisfaction leads to an increase in their psychological empowerment with 0.248 units. Every unit increase in “supervision” satisfaction will lead to an increase in their psychological empowerment with 0.177 units.

The study revealed that factors such as the nature of work, operating procedures, promotions, and supervision significantly influence organizational commitment. Table 2 explains that 37.8% of the variation in the dependent variable (psychological empowerment) may be explained by the variations in the independent variables (nature of work, operating procedures, promotions and supervision). Hence, the hypothesis is rejected.

It can be observed that the coefficient of determination in this study is slightly low. This value can be attributed to the field of study. [Onditi \(2013\)](#) mentioned that any field that attempts to predict human behavior, the values of coefficient of determination are typically below 20% because humans are harder to predict, and it is entirely expected that the R² values

are generally low. [King \(1986\)](#) stated that low R^2 values do not show that the model is not fit, and conclusions are done based on the significance coefficient regardless of the adjusted R^2 value.

CONCLUSION AND PRACTICAL IMPLICATIONS

This study concludes that nonmonetary factors specifically the nature of work, operating procedures, promotions, and supervision are significant predictors of employee psychological empowerment and the satisfaction with coworker relationship do not significantly impact psychological empowerment. This finding is supported by [De Hauw & De Vos \(2010\)](#) in which it was explained that younger workers prefer meaningful work over well-paid work. Additionally, though the salary is considered an important factor, meaning, enjoyment, and challenges in what one does are more important among younger workers. These workers tend to have higher expectations for advancement or promotion opportunities within their careers.

The results of this study revealed that employees feel more psychologically empowered in their organization when they feel that they like what they are doing at work, have a sense of pride and enjoyment in doing their work. Their psychological empowerment rates higher when they feel that the organization offers fair chances of opportunities for promotion, and finally when they feel that they are being given better supervision from a competent supervisor. Interestingly, when employees feel that they are heavily bound with the lodging establishments' policies, rules or regulations, they are likely to feel that they are less empowered psychologically. As with [Kaifi et al. \(2012\)](#), younger workers prefer an organization set up with few rules and regulations because they feel that they need less regulation to guide their decisions, and this is brought by their characteristics as highly confident.

This implies that managers, supervisors or any personnel who handle people in a lodging organization can draft empowerment programs through the provision of fair and consistent promotion structures, well-developed and communicate company policies and procedures, attractive work environment and enriching work tasks where employees can feel very proud of, and competent supervisors who consistently guide, show support and appreciation, and whom they can put their trust on.

LIMITATION AND STUDY FORWARD

Although the coefficient of determination is not of a high issue in this type of analysis (see [Onditi, 2013](#)), the R^2 value would continue to increase through the addition of significant variables to the regression model. This means that there may be other variables that best predict employee psychological empowerment which future researchers can explore. Other multivariate statistical analyses may be used to investigate further the associations among psychological empowerment and job satisfaction dimensions using the same population or for other industries. Future researchers may opt to extend its respondents to back-of-house employees since this study included only the frontline employees or apply the same method to other sectors in the tourism and hospitality industry such as in food service, events, and leisure.

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