

FACTORS AFFECT EMPLOYEES' PERFORMANCE  
IN HOTEL INDUSTRY

By

CHNG HUI CHEI  
HEE CUI YEE  
LIEW POOI MEN  
LOKE LOO BEE

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- (2) No portion of this research project has been submitted in support of any application for any other degree or qualification of this or any other university, or other institutes of learning.
- (3) Equal contribution has been made by each group member in completing the research project.
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Name of Student:	Student ID:	Signature:
1. <u>CHNG HUI CHEI</u>	<u>11 ABB07317</u>	_____
2. <u>HEE CUI YEE</u>	<u>09 ABB03886</u>	_____
3. <u>LIEW POOI MEN</u>	<u>12 ABB06027</u>	_____
4. <u>LOKE LOO BEE</u>	<u>11 ABB06465</u>	_____

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## PREFACE

The research study is one of the important components which must be conducted in our course, Bachelor of Business Administration (Hons). Therefore, it is compulsory for us to conduct the research in order to complete our degree course at University Tunku Abdul Rahman (UTAR). Our research survey topic is “Factors that affect the employees’ performance in hotel industry”.

In this research study, we have 4 important variables that have influence towards the employees of hotel industry. The variables are empowerment, transformational leadership, team work and work environment. These four variables play the important roles in determining the possible factors that might influence the employees’ performance in hotel industry.

Special thank are given to our supervisor, Ms. Azeyan bt Awee who guided us on this survey. This survey may not be complete if without her invaluable help.

## ABSTRACT

The main objective of this research is to study the relationship between empowerment, transformational leadership, teamwork, work environment, and employee performance in the hotel industry. There are 400 sets of questionnaires were prepared and distributed to the targeted respondents who are working in the hotel industry of the Kuala Lumpur area. After that, the SAS software was used to examine those data which were collected and also to generate the final result. The result shows that, there are significant correlations between employee performance with the other four independent variables (empowerment, transformational leadership, teamwork, and work environment). The major findings, limitations for the study, implications of the study and recommendations of this study will be discussed.

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## **CHAPTER 1: INTRODUCTION**

### **1.0 Introduction**

An organization's success mostly is depends on the employee performance. Poor performance will detrimental to the organization's success and great performance will make an organization success in every industry. On the road to success, there are many factors that affect the success. Explore and understand those factors affect the employee performance in hotel industry is the purpose of conducting this research.

In chapter 1, there will start with background of the research to fully understand the concepts of hospitality industry and factors (independent variables) influence on employee performance (dependent variables) in hotel industry. Next section is problem statement to determine the problems that will impact on employee performance in hotel industry.

After that, this chapter will continue with research questions, research objectives, hypotheses and significance of the study. Lastly, the chapter layout is formed and followed by a conclusion to summarize the whole chapter.



## 1.1 Research Background

In Malaysia, services sector is considered vital since it contributed around 54 percent to Gross Domestic Product (GDP) in the year 2012 (Department of Statistics Malaysia, 2012). By other words, more than half of GDP is contributed from services sector. By the way, tourism industry in Malaysia is constantly growing annually and it provides a considerable amount of national revenue to government. Hotel industry in Malaysia seems to be a promising business in this sector as the existence of tourism industry since tourists are considered as important customers. In addition, the profit of hotels is mainly come from tourists by providing accommodation and service to them.

According to Table 1.1, it indicates that the average occupancy rates of hotels had increased from 2011 to 2012 and the difference is 1.8 (Tourism Malaysia, 2012). The figure has reflected to the domestic as well as the foreign visitors. However, it is indicates that high occupancy rate is most likely to occur as a result of more foreign visitors come to Malaysia. Many visitors from foreign countries are attracted to Malaysia due to the different cultures and heritage buildings that other countries do not have.

Malaysia comprises of Malay, Chinese, Indian and some ethnic group. Each race has its own unique cultures and beliefs. Also, they celebrate different festivals, which have made Malaysia gain an edge advantage over other countries. In short, those festival celebrations are able to attract the tourists since they seek for having rural experience (Ben, Trevor & Brent, 2002). Those festivals include "Hari Raya", "Tahun Baru Cina" and "Hari Deepavali". While celebrating those festivals, each ethnic group will wear their traditional costumes in their rituals respectively. Furthermore, Ministry of Tourism Malaysia also organized the events such as Year-End Sales and Cuti-cuti Malaysia in order to attract more visitors (Chyn W., Sie L., Shiann H., Yaw Y. & Chee H., 2013).

Consequently, the festivals and launched events lead to higher demand in hotel industry. Asides from providing accommodation, hotels also provide various types of services to customers (Liana, Rohit, Gerhard & Chekitan, 2005). Between, good services are generally come from the excellence of employees' performance. There also have certain factors that can affect employees' performance. Since we are aware of such importance, we conduct this research and aimed at how empowerment, transformational leadership, teamwork, and work environment give influences to employee performance.

Empowerment is meant by delegating authority to subordinates and tries to let them get involved to decision-making (Russ, 2000). There is a tendency that the superiors have decided to give authority to their subordinates nowadays. Sometimes, it is time-consuming for the superiors to make the decisions that are not such important. Actually, the subordinates also can make such decisions in properly way. Delegation of authority to subordinates will lead to high commitment of employees since the subordinates will feel they are valued by their organization. Thus, it leads to high performance of employees eventually.

Transformational leadership can be explained as a leadership style that is likely to inspire, motivate their subordinates, and direct them in achieving the specific goal (Ronald F. & Jason A., 2006). Moreover, it tends to foster organization commitment as well. It can be said that high level of employee performance will be achieved by implementing transformational leadership since this type of leadership style is likely to give precise directions to subordinates so as they would not feel lost.

Teamwork can be described as the accomplishment of tasks by work groups within the organization (Michelle A., John E. & Stephen J., 2001). Teamwork requires high level of interactions among co-workers. It is indicated that teamwork is likely to contribute high employee performance since each co-worker may possess certain competences, skills, and expertise which others do not have but it is essential in completing a specific task.

Work environment can be said that the situation of workplace. It is also an organization's ability of providing facilities and infrastructures to employees. Good work environment is likely to contribute higher employee performance because only health employees can achieve desired outcomes, thus enhance the overall performance (Nora, Greg R. & Michael G., 2002). Therefore, this study will explore the influences of these determinants in Malaysia's hotel industry and how it can affect the employee performance.

Table 1.1: The Average Occupancy Rates(AOR) Of Hotels 2012



**AVERAGE OCCUPANCY RATES (AOR) OF HOTELS 2012**

LOCALITY	2011	2012	DIFFERENCE
PAHANG	79.1	81.8	2.7
KUALA LUMPUR	68.6	69.3	0.7
SELANGOR	66.2	67.3	1.1
LABUAN	65.6	66.9	1.3
PUTRAJAYA	65.8	65.3	-0.5
PENANG	63.5	64.0	0.5
MELAKA	60.8	62.0	1.2
SABAH	58.8	60.8	2.0
SARAWAK	53.3	57.2	3.9
JOHOR	52.0	56.1	4.1
KEDAH	51.5	52.9	1.4
PERAK	47.2	49.6	2.4
TERENGGANU	42.5	46.3	3.8
NEGERI SEMBILAN	40.6	43.0	2.4
PERLIS	37.1	41.2	4.1
KELANTAN	39.0	39.8	0.8
<b>MALAYSIA</b>	<b>60.6</b>	<b>62.4</b>	<b>1.8</b>

Source : Research Division, Tourism Malaysia

Source: Tourism Malaysia (2012)

## 1.2 Problem Statement

The service sector in Malaysia is constantly growing, especially for tourism industry. Indeed, tourism industry has greatly contributed to the economy growth in Malaysia. In this few years, the number of tourists is keep increasing along with mass promotion activities that are actively promoting Malaysia tourism. Based on the information that provided by one of the authors in Star Online (Lai, 2013), Malaysia is the country which has ranked 10<sup>th</sup> place where has attracted 25 million of the tourists around of the world. As a consequences, the increase number of tourists will generally advocate thus stimulate the development of hotel industry in Malaysia. Hence, high performance in hotel industry will become one of the major indicators of advancing the overall economy in Malaysia.

However, in order to cure the problems that encountered in hotel industry more effectively, we shall access certain criteria of organizational performance which comprise of profit, annual occupancy rate, and turnover rate of employees (C. Wah, S. Lih, S. Heng, Y. Yang, & C. Hung, 2013).

In fact, many researchers discovered that hotel industry is facing the problem of overcoming personnel shortage (Mohamad & Nurzeti, 2010). It reflects the turnover and employment rate eventually. As cited by Alan, Radzi, Hemdi, Othman, & Mara (n.d.), there is an excessive annual turnover rate of about 60% is happened in all level of employee in hotel industry around the world and Malaysia is no exception. According to Mohammad & Aizzat (2004), high turnover rate amongst managers always take place.

It can be said that human capital determines the success of hotel industry. It is because this industry is also considered as labor-intensive sector that rely heavily on human interaction or activities. Besides, high demand of qualified employees is essential in order to provide a higher quality of services toward their customers (C. Wah et al., 2013). The higher intention to leave they are, the poorer of the quality of

services provided. Hence, hotel industry is encouraged to retain those valuable employees as possible. Not merely for that, the hotels also have to realize that excessive turnover rate is detrimental to them since it is costly for them to recruit, select, hire and supervise new comers than training existing employees (C. Wah et al., 2013). As a consequence, the failure to retain the talents has led to low productivity thus minimize the profit of the organization (Mohamad & Nurzeti, 2010).

Furthermore, hotel industry provide relatively low salary when compare to other sectors in Malaysia. An average salary of RM5, 686 per month is received by Malaysian who works in food, hospitality, tourism, and catering sector. On the contrary, Malaysian who works in telecommunication sector, an average salary of RM11, 156 is received. Apart from that, for employee who works in executive and management sector is able to earn RM 11,866 per month (Salary Explorer, 2013). It has indicated that higher average salary can be earned by shifting jobs to other sectors instead of staying in hotel industry. The salary of hotel industry is merely half of them.

As the standard of living in Malaysia has significantly increased over years, Malaysian is much eager of seeking for jobs which those can provide them higher salary in order to afford with high living expenses nowadays. As a result, it promotes high turnover rate in this industry indirectly. The employees definitely will choose the job in other industry which able to provide higher salary (C. Wah et al., 2013).

Moderate occupancy rate is another problem that encountered by the hotels in Malaysia. Rapid growth in Malaysia tourism industry has increased the arrival of tourists to Malaysia and high occupancy rate is supposed to be. However, the occupancy rate in hotel industry still maintains at moderate level. The occupancy rate in the year of 2007, 2008 and 2009 indicated that certain improvements have to be made in order to enhance hotel performances in Malaysia (Tourism Malaysia, 2010).

Table 1.2: Malaysia Tourist Arrival Report in Year 2007, 2008, and 2009

Year	Arrivals
2007	20,972,822
2008	22,052,488
2009	23,646,191

Source: Tourism Malaysia, 2010

The table above has listed the number of arrivals to Malaysia in year 2007, 2008, and 2009. In year 2007, the total arrivals are amounted to 20,972,822. It increased 22,052,488 to in year 2008. Again, it increased to 23,646,191 in year 2009 (Tourism Malaysia, 2010).

Table 1.3: Average Occupancy Rates of Hotels in Year 2007, 2008, and 2009

Year	Average Occupancy Rates
2007	70.0
2008	66.3
2009	60.9

Adapted from: Tourism Malaysia, 2010

Hotel occupancy rate is the percentage of hotel rooms occupied by occupants during a specific period of time. As the table shown, the percentage of occupancy rate in year 2007 is 70.0. In year 2008, the percentage dropped to 66.3 and in year 2009 the percentage further dropped to 60.9. The total average occupancy in 2007, 2008 and 2009 was dropped constantly (Tourism Malaysia, 2010).

Generally, average occupancy rate will reflect customers' satisfaction towards services provided by the particular hotel. Higher occupancy rate indicates that the employees have fully satisfied the customers' demands, thus enable them to stay in the hotel. In contrast, the reduction in occupancy rate normally is due to low customer satisfaction towards services provided and the particular hotel is failed to fulfill customers' demands (C. Wah et al., 2013). Some of the tourists may shorten the duration of staying in Malaysia since few of them is likely to spend their money to poor services provided by hotels in Malaysia.

Actually, average occupancy rate is supposed to have a positive relationship with total arrivals. However, from the data collected, we found that the number of tourists visit to Malaysia keep increasing whereas the occupancy rate of the hotels is dropping gradually. This situation may be the problem that we ought to think through by the way.

In our research, we will study on how is the empowerment, transformational leadership, teamwork, and work environment influence the employees' performance in hotel industry and how strong of the relationships are. Besides, our study aimed at the hotel industry in Malaysia. All of these issues mentioned above have decided the survival of hotels in Malaysia. As concluded, hotel industry lies heavily on the employee performance since it is a labor-intense sector. High level of employee performance is more likely can gain competitive advantage (Mohamad & Nurzeti, 2010).

## **1.3 Research Objective**

### **1.3.1 General Objective**

There are two purposes in this research. First, is aim to provide a better understanding of the factors that will affect the employee performance in hotel industry. Secondly is to identify the relationship between the variables which are include empowerment, transformational leadership ,teamwork and work environment and how these factors affect the employee performance in hotel industry.

### **1.3.2 Specific Objective**

1. To identify whether there is a significant relationship between empowerment and employee performance in hotel industry.
2. To identify whether there is a significant relationship between transformational leadership and employee performance in hotel industry.
3. To identify whether there is a significant relationship between teamwork and employee performance in hotel industry.
4. To identify whether there is a significant relationship between work environment and employee performance in hotel industry.
5. To identify the most critical impact among all the independent variables (empowerment, transformational leadership, teamwork, and work environment) toward employee performance in hotel industry.



After going through a group discussion, we have finally come to a conclusion that empowerment can play an important role in improving the employee's performance in the hotel industry. This is because the more power the employee had the more responsible will they be in performing their job. With empowerment, certain key employees will be granted with a higher level of freedom and authority in performing their daily job and hence minimize delays in making decision, avoiding unnecessary arguments and enhance creativity.

## **1.4 Research Questions**

The research questions that stated below are the main focus for this proposed study:

1. How does empowerment affect employee performance in hotel industry?
2. How does transformational leadership affect employee performance in hotel industry?
3. How does teamwork affect employee performance in hotel industry?
4. How does work environment affect employee performance in hotel industry?
5. Are the empowerment, transformational leadership, teamwork, and work environment will influence employee performance?

## **1.5 Hypotheses of the study**

### **Hypotheses 1**

H<sub>0</sub>: There is no significant relationship between empowerment and employee performance.

H<sub>1</sub>: There is significant relationship between empowerment and employee performance.

### **Hypotheses 2**

H<sub>0</sub>: There is no significant relationship between transformational leadership and employee performance.

H<sub>1</sub>: There is significant relationship between transformational leadership and employee performance.

### **Hypotheses 3**

H<sub>0</sub>: There is no significant relationship between teamwork and employee performance.

H<sub>1</sub>: There is significant relationship between teamwork and employee performance.

### **Hypotheses 4**

H<sub>0</sub>: There is no significant relationship between work environment and employee performance.

H<sub>1</sub>: There is significant relationship between work environment and employee performance.

## 1.6 Significance of the study

The purpose of this study is to investigate on factors that affecting employee performance in hotel industry. These days, employers should concern about the factors that affecting employee performance due to it will affect the entire organization as well. A successful organization is regarding on how an employee perform their job, and what factor will affecting an employee performance in the industry.

In addition, this research may great significant to employers, it gives additional information and knowledge to which able to carry out effective employee performance. Hence, employers serve as a guideline and concept in order to strengthen employee performance for organization effectiveness and able to achieve goals of organization. Therefore, managers can focus on which factors can actually affecting employee performance and helps in organization for earning higher profit in the future.

It is beneficial to employers to well understand about the factors that affecting employee performance. This study also significantly for employer to figure out the factors that affect employee performance in hotel industry especially in five star hotels. Hotel industry provides various services to customer. To retain existing customer, organization should enhance employee performance to provide high quality of services. So that, employer are require to know the factors that affecting employee performance.

Furthermore, employee performance will affect to organizational development either. It is because organizational development is based on how employee performing in the company, if employees perform well in organizational development, organization might be good in development like changes of organizational culture. Thus, managers, employers and human resource department need to take consideration on determinants towards employee performance.

Apart from that, employee performance appraisals not only affected to employee, but also affected to organizational growth. Employees are greatest asset for every organization, organization will growth in the market if employees performing well.

Lastly, this research can hope to helps employers to understand better on employee performance. Thus, employers concern and take consideration on employee performance be likely to lower employee's turnover rate and increase customer satisfaction.

## **1.7 Chapter Layout**

There are contain a total 5 chapters in this research project which is use to conduct a study of the relationship between different types of factors and employee performance in hotel industry.

## **1.8 Conclusion**

There is a summary review of the research background and problem statement in chapter 1 about the employee's performance in hotel industry. This chapter also had included for the research objective, research question, significance and hypothesis of the study. Next chapter will carried out further review and discussion about the dependent variable (employee performance) and independent variables (empowerment, transformational leadership, teamwork, and work environment) of the research.

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## **CHAPTER 2: LITERATURE REVIEW**

### **2.0 Introduction**

Literature review is a process to gather up the important information from different type of sources such as journals, articles, newspaper, internet, books and others. In this chapter information obtained is all in secondary data. Researcher will focus on the discussion of factors (empowerment, transformational leadership, teamwork, and work environment) influence employees performance in hotel industry of Malaysia in this chapter.

Besides that, researcher will take an overview of how others author evaluated factors impact on employee performance in relevant industry and justify the hypothesis that formulated in chapter 1. All the selected factors would be test scientifically.

Before end up this chapter, there have a clear proposed framework which is regarding the factors influence the employee performance in hotel industry based upon relevant theoretical framework and a conclusion of chapter 2.

## 2.1 Literature Review

### 2.1.1 Dependent Variable – Employee Performance

Performance is a major multi-dimensional construct aimed to achieve results and has a strong link to strategic goals of an organization (Mwita, 2000). Employee performance is the activities related to job and how well those activities were executed by employees. Actually that not every employee behavior is subsumed under performance concept. The behavior of employee need relate to the objective of the organization such as increase the sales of the organization and making profit.

Stephen J. Motowildo had mentioned “Job performance is defines as the total expected value to the organization of the discrete behavioural episodes that an individual carries out over a standard period” (Motowidlo, 2003). Thus, the performance is defines by the actions judgemental and evaluative processes but not the actions itself and it is carried out by employee after a period time.

For every organization, the most important element is the employee's performance because the success or failure of an organization is depends on the performance of an employee. Many business personnel directors assess the employee performance of each staff member on an annual or quarterly basis in order to help them identify suggested areas for improvement. The firm that gets the advantage over other competitors through their talented can take the lead in the market. The performance of employees on different jobs in close coordination is needed for success of the unit.

The meaning of employee performance is exactly same as job performance. According to Kahya's articles there identified two dimensions of employee behavior in the job performance, task performance and contextual performance (Kahya, 2009). Task performance is the behavior of the employee that directly involved in the producing goods or service activities provide indirect support for the organization's

core technical processes. Task performance means when employee use their specific skills and knowledge to support the organization's core technical processes.

There are two types of task performance. Activities that transform raw materials into the goods and services that are the organization's products, such as operating a production machine in manufacturing plant and selling merchandise in a retail store are one of the task performances. Next type of task performance is activities that service and maintain the technical core by replenishing its supply of raw materials or distributing its finished products (Kahya, 2009).

On the other hand, according to Werner, contextual performance also called as citizenship performance and it defined as the effort of employee is not directly related to the main task function but still important (Werner, 2000). This is because they shape the organization, social, and psychological context that serves as the critical catalyst for task activities and processes. There have two type concepts in contextual performance. First is behavior which aim primary at the smooth functioning of the organization. Second is behavior that aim changing and improving work procedures and organization processes.

Task performance and contextual performance can be easily distinguished at the conceptual level. The several effects of task performance and contextual performance are on turnover rate, job satisfaction and organization commitment (Scotter, 2000). Organization need to ensure effective employees are satisfied with the organization and encouraged to stay. Besides that, the abilities and skill are tend to predict task performance while personality and relates factors are tend to predict contextual performance (Werner, 2000).

An effective employee is using their specific knowledge and skill for doing task in correct way. Employee is performs different job in the organization, mainly in production, manufacturing, marketing, finance, storage, transportation, public relation and etc. All these activities perform by employees is inter-related to the goal of

organization. Having an effective employee performance, it can be affect the productivity of the organization, sales, profit and market position of the organization in the market.

The importance of employees' performance must be understood by the management and taking steps to develop and motivate employees to perform well. When the performance of organization effectively, it may take the lead the market and grab the opportunities available in the market.

### **2.1.2 Independent Variable – Empowerment**

The original meaning of the word empowerment has been referred to as “authorize, give power to” (Tulloch, 1993, as cited in Kay, 2005). Kenneth E. (2006) also focused on power as the point of empowerment. He concludes empowerment as assigning decision making power to employees and making them responsible for the results. Besides, Anil Kumar (2012) also believes power can enable the transferring of control with proper training and converting a whole company to an empowerment model. It may give a certain degree of authority to certain entrusted employees so that the employees have the ability to make their own decision making in order to complete the task. It means that the chosen employees have sufficient freedom to adopt any methods or ideas which he or she consider effective in performing a given task.

Employee empowerment has emerged and established as a popular managerial concept, many researches and studies had conclude that empowerment has the potential to offer benefits such as enhancing organizational performance, stronger task commitment, higher levels of initiative in carrying out role responsibilities, more innovation and learning, higher job satisfaction and strengthened the organization culture (Michal, 2011).



A research carried out by Gretchen M. (2008) found that in recent years, around 70% of the organizations have adopted some kind of empowerment initiative in their workforces because those organization believe these kind of empowerment can act as a powerful energy which can drive the organization to be successful. According to these organizations, their employees have become more motivated and committed to organizational operation after the empowerment initiative was introduced, especially for the services sector organization which main goal is to increase services quality and customer satisfaction.

Generally, empowerment could be study separately as structural and psychological empowerment (Martin M. & Steve, 2007). Structural empowerment is referring to organizational policies, practices, ideas and structures of power-sharing between superiors and subordinates while making decision (Gretchen M, 2008). Those granted with power in the organization is normally guises through organizational empowering structure such as information ,resources, support, opportunities and responsibility (Allison W., 2010).

By exploiting the power sharing, the top managements of the organization will have more time to focus on making strategic decisions that would lead the organization to greater success. While the employees have the power and authority to access information and operational control over the organization resources in order to reach the best performance.

Besides, they also have the great autonomy and ability to make decisions in performing their work roles. One of the example carry by Allison W. (2010) was the top management can change the behavior of an organization and allow the employees to have the legal authorization to decide on their own service problem and methods of recover rather than wait for their supervisor to give them direction or help.

Psychological empowerment moves away from the organization policies, practices, ideas and structures. It only focuses on the employees' individual perspective and

what employee experienced in their work life (Kay, 2005). According to Lee and Koh (2001) psychological empowerment can be described into 4 dimensions (listed as below):

- 1) Meaningfulness: The work or task has the meaning or value to an individual's own work role.
- 2) Competence: Belief in individual's capability and ability to perform the work or task skillfully.
- 3) Self-determination: Autonomy or choices in the initiation and continuation of work processes to achieve desire outcomes.
- 4) Impact: Believe an individual can impact or influence on the certain outcome in the work environment.

Giving more power to employees will increase their sense towards the 4 dimensions mentioned above and ultimately lead to the increment of self-efficacy. Employee who has greater sense of self-efficacy are more likely to put more effort in performing a particular task in order to achieve a good outcome because the self-efficacy will tend to make the employees to feel more confident regarding their competencies (Michal, 2011). Lissa (2011) further mention that if a person is lacking self-efficacy he or she will focus on his or her deficiencies until cannot devote the necessary attention and effort to the task on hand.

Lastly, empowerment can help in the development of employee's skill as empowerment allows them to solve problem and please customers in accordance to their personal style (Kenneth E., 2006). Undeniably, employee empowerment is a very important concept for all the organizations because it can bring positive values and change among the entire organizational employees. When employees are given more authority and power in making decision, they will feel more empowered and hence increase their loyalty toward the organization.

Empowered employees will perform more effective and efficient as compared to those working in centralized organizational structure because the latter will eventually feel that they are not a part of the organization or just as a follower. They are not in a position to voice out their opinions and it may cause them to lose their working direction. This is the reason why they perform poorly within the organization (Choong, Wong and Lau, 2011).

Ultimately, training plays an important role in employee empowerment because training enhances employee's skills and their understanding towards the overall work scope. In order to make empowerment can be more effective in an organization, employee must needs gains more specific skill, information and knowledge as most job responsibilities are continually evolving as the company matures. A well-trained employee can make a better decision toward their task and has the qualified for a higher level of the empowerment.

Hence, the role of training cannot be underestimated in delegating power or authority to employees. An empowerment without skill training and building development will most likely turn out to be a failure.

### **2.1.3 Independent Variable – Transformational Leadership**

Transformational leadership is different from other leaderships such as charismatic leadership, transactional leaderships and others. Transformational leader is leaders who are good in judgment, competent communication skill and confidence. In addition, Transformational leader centralized on employee development, for example, leaders clearly defined the goal and try to motive employees to challenge for goal.

Other than that, a transformational leader also able to carry on employee development process successfully due to he/she has good judgment and decision making (Suliman,

Hussien, & Ayat, 2011). Transformational leader do not discriminate against employees in terms of their race, color, sex, family background and so on. However, leader will treat every employee fairly and enhance all employees get the same level of knowledge. Furthermore, transformational leadership helps employee by creating their personal value, self-belief and self-confidence for the purpose of organizational support and mission.

Yet, transformational leadership can be conceptualized into four dimensions of behavior which are inspirational motivation, idealized influence, intellectual stimulation and individualized consideration.

### **Idealized influence**

Idealized influence is related of formulation of vision and challenge goals and motivate follower to work beyond self-interest. Transformational leader with idealized influence can be trusted and respected by employees. According to Shelley D., Francis J., Leanne E. & William D. (2004) stated that transformational leaders are like a role model of employees in order to make a good decision for organization. In this way, transformational leader are able to influence attitude and behavior of employees. On the other hand, transformational leader behavior also helps employees to further understanding about organizational success, and their performance will significantly affect overall organizational performance. Idealized influence in transformational leaderships style which assisted cohesion between employees and leader, thus, it will improve performance of employees through leader support (Shelley D. et al, 2004).

### **Inspirational motivation**

Besides, another dimension of transformational leadership is inspirational motivation. As cited by Sulieman et al. (2011) stated that inspirational motivation is a leader. A transformational leader set an example to employees in order to encourage, discuss

and communicate about organizational mission to employees. Leader also motivate employees and let the employees tend to challenge the goal instead of escape it. Other than that, team spirit is significantly needed for organizational success. Therefore, transformational leader also tend to build up a good relationship and interaction with employees through caring and understanding them. Leaders also build up trust with employees. So, employee can get the attention easily and this led to employees willing to work for organization. Moreover, leaders encourage employee spirit to achieve goal. Inspirational motivation also refers to the way of leaders strongly motivate and inspire employees to reach the vision and goal of organization.

### **Intellectual stimulation**

Next, intellectual stimulation meaning transformational leaders have critical thinking and good in problem solving to make organization better. Intellectual stimulation leadership style that stimulates employees be creative and innovative to challenge their beliefs and value (Anona and Nuttawuth, n.d.). Therefore, employees can have creative and innovative solution to solve the problem. It is because, transformational leader try to challenge their assumption and encourage them to think differently, so that, they have different perception and seek for idea in order to solve problem in different situation (Adam M., 2012). Besides, transformational leader do not criticize employees in front of public about their mistakes, however, transformational leader encourage and direct them to the right way (Sulieman et al., 2011).

### **Individualized consideration**

Lastly, transformational leaders with individualized consideration are paying attention to every employee's need for achievement and growth in the organization (Voon, Lo, and Ayob, 2011). Every individual have different requirement and needs. Hence, Transformational leader try to fulfill employee requirements and needs in order employee will get improvement in terms of satisfaction, performance and productivity. For example, an employee will increase their performance and productivity if they

have got leader's appreciation and rewards. Thus, leader who used transformational leadership style has to pay attention on every employee's need for achievement and growth.

Likewise, individualized consideration is a style of leadership who provides supportive to their employees. Individualized consideration also involves personally interaction with employees and acting as mentor and coach (Anona and Nuttawuth, n.d.). Transformational leader gives support and encouragement to employees through clearly defining goal and some of praise. For instance, leaders watch and care about employees when performing the tasks. At the same time, leaders can give some encouragement and support to employees for the purpose of develops abilities and also potential of employees.

#### **2.1.4 Independent Variable- Teamwork**

In today's business world, the role of teamwork is essential for the survival of a company (Clayton, Allen & Karl, 2002). Based on Sheikh R., Hafiz, Murad & Zulqarnain M. (2011), teamwork is commonly defined as the collaboration among groups of people who possess certain level of competency, ability, and knowledge to perform tasks together, at the same time they also are responsible for the outcomes as well. Generally, teamwork is developed through three major phrases, which are team inputs, team processes, and team outputs (David P., Lisa, Michael, Lynn & Eduardo, 2005).

Team inputs consist of the characteristics of the task which are needed to be performed, the elements of the context in which teamwork takes place, and the attitudes of team members in a team situation. Team process includes the collaboration and interaction of co-workers in order to perform tasks and achieve

specific goals. Meanwhile, team outputs concern for the products that result from the performance of team (David P. et al., 2005).

In past, more leaders emphasize more on individual performance. The upper level of management will evaluate their employees' performance on individual basis. However, due to the advance of the technology, they changed the origin concept to team-oriented since recent study indicated that working as a team can generate more outputs if compared to individual (Jones, Richard, Paul, Sloane & Peter, 2007). Indeed, teamwork tends to be a powerful strategy for every organization; however, it always takes time to nurture (Sheikh R. et al., 2011).

By establishing teamwork, employees will have more opportunity to explore new and creative ideas as a result from the interaction between co-workers (Kakayi S., 2012). Team tends to come up with more unique and border ideas than perform those tasks by individual. It tends to foster innovation (Khalid, 2008). Without any doubt, an organization can gain a competitive edge by contributing unique ideas. In short, the creation of ideas is the key factor which will determine the survival of an organization especially for service sector.

Teamwork is supposed to be a tool of gathering human resources and should use them effectively for the purpose to enhance the overall performance of the organization (Khalid, 2008). It also tries to engage people to achieve goals together (Khalid, 2008). Between, it requires coordination, goal setting, problem solving, team leadership and monitoring (Kakayi S., 2012) in order to develop efficiently. Moreover, team performance relies heavily on the interaction of team members (Kakayi S., 2012). An excellent engagement between the employees and leader or superior will able to meet mutual objective. Working as team is more likely able to establish such engagement.

We cannot deny that most of the employees desired to seek the recognition and support from their leader. Nobody likes to be distrusted or neglected by the superior and they hope that their efforts can be seen and recognized. Have a faith to team

members is one of the criteria of becoming an outstanding leader. When the employee who is fully appreciated and trusted by leader only able to perform the task perfectly. All of these can be done through teamwork. Furthermore, they have to ensure that their goals are consistent with each other, thus the employees can gain confidence to do or handle the tasks better, and it will definitely enhance the overall performance eventually.

Therefore, this is the reason why managers are more likely to assign more team projects to employees nowadays (Hartenian, 2003). In overall, teamwork enhances the productivity of the organization since it has gathered all of the abilities, competencies, talents, and skills from different individuals to perform those tasks. It also ensures that most of the tasks can be run smoothly since each task may need different type of knowledge to establish it. Between, clear visions should be stated or communicated before establishing an effective teamwork.

### **2.1.5 Independent Variable – Work Environment**

Work environment defined as actions and that contending with employees' activities and performance. Employees and work environment is interrelated (Akinyele, 2010). Employees will work harder and improve performance once they have good working environment. According to Akinyele (2010), the ability for employees to share knowledge with one another is depends on how the environment utilize. This helps organization to improve effectiveness in terms of profit, level of competitiveness and so on.

Safety and health work environment is one of the determinants that organization needs to take consideration of. It is because some of job description will cause disease, injuries, accident and hazard. Safety means risk free from injuries and loss. As cited by Badekale (2012), employee's safety is to protection of employees from danger.



Organizations take consideration on employees since health employees able to contribute to wealth of the industries. It is because the employee is the asset of the entire organization (Badekale, 2012). A hostile work environment is likely to give physical dissonance. Poor and unsafe working environment will bring serious danger to employees.

Next, Lighting is essential for employees when task performing. An appropriate lighting can produce more products and minimize error ("Lighting in the Workplace," n.d.). Adequate lighting which can reduce eyes strain while work is performing. Proper lighting assists employee to concentrate on work and increase productivity. "Lighting in the Workplace" (n.d.) has indicated that lighting levels needed is regarding of task that perform. For example, organizations have to provide great deal of light for those employees, who work for inspection work whereas less light needed for handling materials.

As cited as Peter R., Susannah C., & Luc JM. (2007) stated that brightness and wavelength of light which impact on task performance and human system like mood and alertness. As cited by Emmanuella, Christiana, Grace, Comfort & Leticia (2012) said that employees who use computer display to perform tasks typically prefer low lighting levels due to reduce reflection from computer to employee. Whereas, employees who use to read, write and draw on paper typically prefer higher lighting levels because employees can clearly seen small letters. For older employees, they are weak in vision, so they need higher level of lighting instead of lower lighting level. Exposure to brightness lighting during morning and evening will impact on personal mood, energy, alertness, productivity and task performance (Peter R. et al., 2007).

As cited as Amina & Shehla (2009), Office layout and design which defined good design and layout of workplace, so that, employees can better performing. Office design and work performance are interrelated. Office design can be also explained by work flow process which understanding how is the work performed. Good office

design can be develop teamwork between employees of sharing ideas, information and knowledge. In this way, this can be enhance the work is running smoothly.

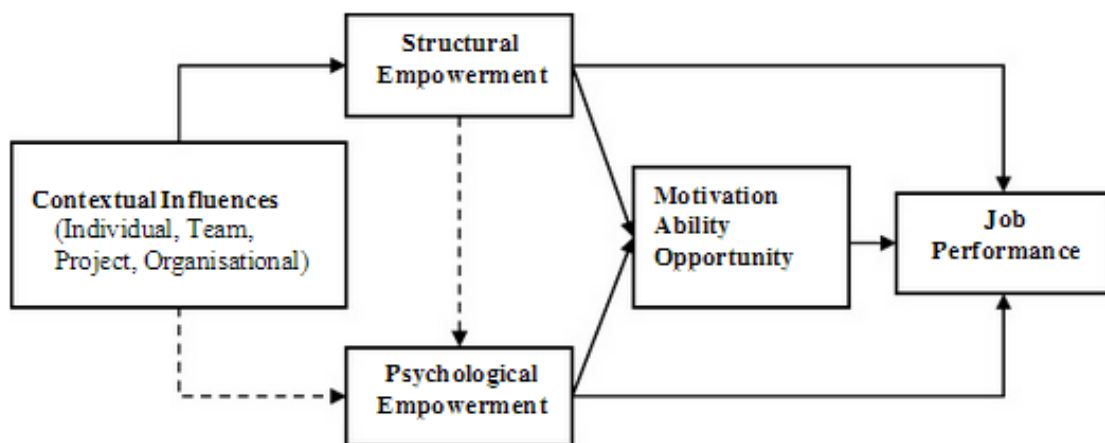
Moreover, lots of organization try to significant importance of office design, organization try to construct new design and layout, so that, employees can increase job satisfaction, productivity and performance. Apart from that, organization also notice that office design and layout will brings effective management process and this will raise up employees performance (Amina & Shehla, 2009).

Another example of office design which is office space planning. Take an example, regarding to co-location of department. Organization more likely to places job related department close with one another (Amina & Shehla, 2009).

## 2.2 Review of Relevant Theoretical Models

### 2.2.1 Independent Variable – Empowerment

Figure 2.1: Model of Empowerment on Job Performance



Adapted from: Academia.edu research September 2007

Looking at the points that have been discussed above it seem to be reasonably fine to presume that empowered individual or groups should perform better than those that are not. However, in practice this is not always the case because the effectiveness of empowerment can be influence by a variety of individual, interpersonal and positional variables. To have better understanding of the relationship between empowerment and employee job performance, a research was carry out by Martin M. (2007) with the theoretical framework model.

The theoretical framework model categorized all the variables under four contextual factors and those contextual influences of empowerment have direct influence to the structural empowerment and interaction with psychological empowerment.

The four factors are individual, team, project and also organizational. Although the contextual factors were not discussed thoroughly in the theoretical framework model due to space constrain but Martin M. (2007) state that those factors could identify by taking a grounded research. The contextual factors should be taken into serious consideration rather than simply follow the zeitgeist if organizations want empowerment's impact on job performance to be effective (Martin M., 2007).

In the above theoretical framework model, psychological empowerment (individual cognitive factors) is shaped through integration (denoted by the broken lines) with the environment factors (structural empowerment and contextual influences) in accordance with a triadic model introduced in social cognitive theory. According to social cognitive theory the interactions between the environment, behavior and individual cognitive factors (triadic model) are the backbone of human functioning and hence psychological empowerment should interact with structural empowerment and contextual influences to produce the behavioral outcome of job performance (Bandura, 1986, as cited in Martin M., 2007). If the structural and psychological empowerment is separate and taken alone, it only provides a partial or incomplete process to the performance (Martin M., 2007).

As many researches and studies believe that there is a direct relationship between the empowerment and employee job performance a solid straight line was drawn from empowerment (structural and physiological) to job performance as seen from the theoretical framework model above.

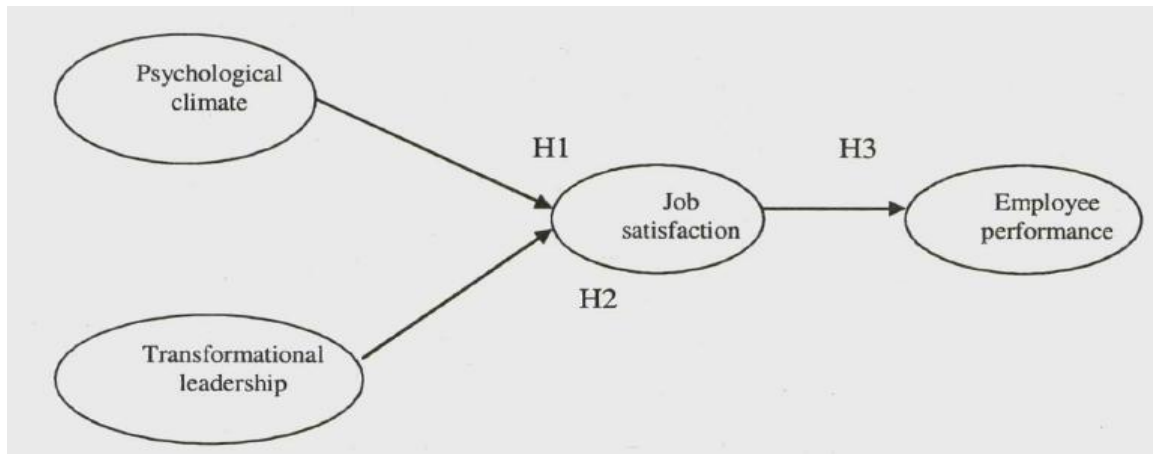
However, according to the empowerment theory Spreitzer (2008) believe that key intermediate performance determinant such as the motivation basis of the empowerment and job design is also deeply rooted in empowerment theory and therefore additional relationship between empowerment and the key intermediate performance determinant should be drawn. He believes that empowerment may actually have an indirect relationship with the employee job performance through key intermediate performance because empowerment can influence performance consequences through the motivation effects.

Last but not least, the result of the research which carry out by Martin M. (2007) shows that the structural empowerment and psychological empowerment on the job performance of teams and individuals should be taken because it can help to improve the organization overall performance.

To conduct this research, Martin M. (2007) has used preliminary interviews to understand how the contextual factors influence the empowerment of teams and individuals. Besides, he also used the questionnaire survey to measure and tests the relationship between empowerment and job performance.

## 2.2.2 Independent Variable – Transformational Leadership

Figure 2.2 : Model of Psychological Climate and Transformational Leadership on Job satisfaction and Employee Performance



Adapted from: Biswas, S. (2012) Impact of Psychological Climate & Transformational Leadership on Employee Performance. *The Indian Journal of Industrial Relations*.

As the figure shown above, Soumendu (2012) cited that transformational leadership not directly will affect employee performance. In fact, transformational leadership will positively affected job satisfaction and eventually job satisfaction will significantly influence employee performance. There are two variable can be affected job satisfaction and employee performance: psychological climate and transformational leadership. First of all, psychological climate is the individual perception towards working environment.

Generally, climate factors, interaction between employees, relationships between employer & employees and individual perception towards employee job description will influence the degree of employee perform their jobs. It is because employee will have more confidence if they have adequate information to support the tasks. Hence,

employee performance will arise due to employee highly satisfy with their jobs and tasks.

In addition, supervisory support also will affect employee satisfaction on job. Human resource rules & regulation and practices will significantly influence all the organizational level of employees (Soumendu, 2012). For instance, human resource management has doing fairly practices on employee scheduling in terms of day-by-day workforce, employees would increase job satisfaction and employee performance.

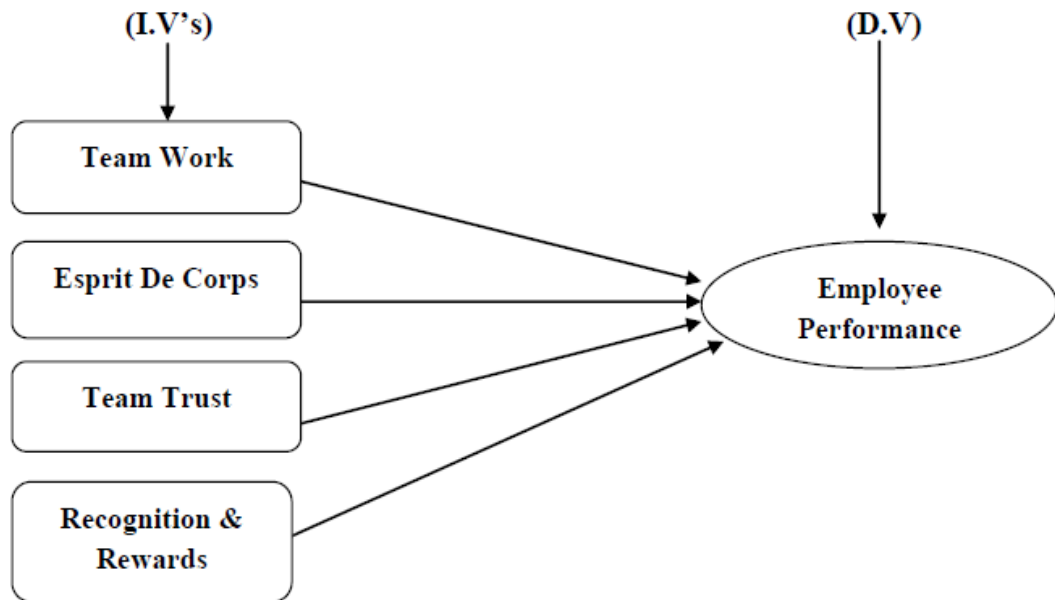
Furthermore, the other variable which is transformational leadership affected employee job satisfaction and eventually influence to employee performance. Transformational leaders are those who encourage employee spirit such as self belief and confidence in order to achieve goal of organization. Soumendu (2012) stated that transformational leaders also gives detail information through verbal and nonverbal communication to enhance that the goal shall be achieved.

When employee had motivated from leaders, they will increase job satisfaction levels, job productivity levels and even employee performance levels. Transformational leaders also provided meaningful interpretation about goal and rules in order to ensure that every employee performing the task with appropriate strategy Soumendu (2012).

As the connection in this figure which shown above, psychological climate and transformational leadership variable have positive relationship towards employee performance through the job satisfaction. Meaning, a satisfied employee will brace up his / her job performance and it can leading to reduce turnover rate and decrease in intention to leave.

### 2.2.3 Independent Variable – Teamwork

Figure 2.3: Model of Team Work, Esprit De Corps, Team Trust and Recognition & Rewards on Employee Performance



Adapted from: Manzoor, S. R., Ullah, H., Hussain, M., & Ahmad, Z. M. (2011). Effect of Teamwork on Employee Performance. *International Journal of Learning and Development*.

The employee performance of an organization is more likely will be influenced by teamwork, esprit de corps, team trust, and recognition and rewards (Sheikh R. et al, 2011). Indeed, recognition and rewards is an important criterion for the employees of an organization to motivate them effectively thus enhance their performance. However, due to the advance of technology nowadays, teamwork is getting much important to improve the overall performance of employees as well. For now, it is naturally that the upper management level seeks for high quality of work from his or her subordinates. In short, the requirements from the upper management level may different from the past.

Working as an individual may not be able to establish those assigned tasks well since some of those tasks are required to have certain knowledge or skills that the individual does not possess with. As cited by Sheikh R. et al. (2011), working as a team has become another alternative to improve the performance of the employees nowadays. However, it tends to take some time to develop.

### 2.2.4 Independent Variable – Work Environment

Figure 2.4: Model of Payment, Job security, Promotion, Freedom, Friendly Environment and Training on Job Performance

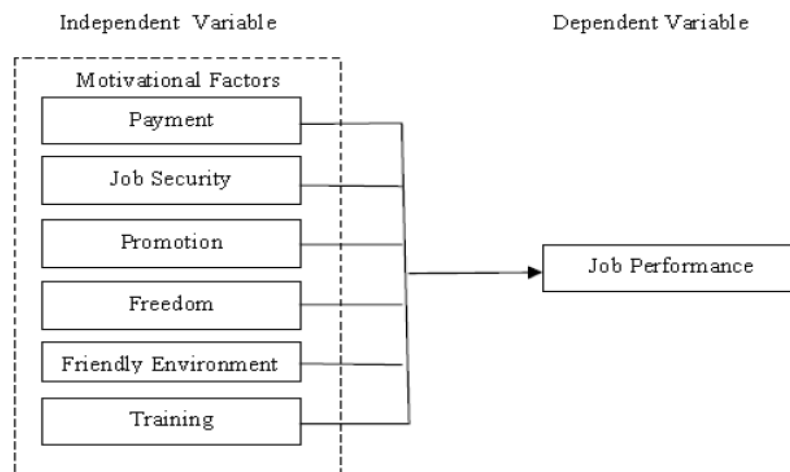


Figure 1. Theoretical framework for the relationship between motivational factors and job performance

Adapted from: Aarabi, M. S., Subramaniam, I. D., & Abu, Baker, Akeel, A. B. A. (2013) Relationship between Motivational Factors and Job Performance of Employees in Malaysian Service Industry. *Asian Social Science*.

According to Mohammad, Indra & Abu Baker Almintisir (2013) stated that there is a relationship between motivational factors and job performance. The motivational factors included payment, job security, promotion, freedom, friendly environment and training which positive significant relationship towards job performance.



First of all, all the business use pay, promotion, bonuses other type reward to motivate and encourage higher performance of employees. It is the effective way to enhance and maintain performance of employees instead of using other method. As cited by Mohammad et al. (2013) stated that performance-pay can ensure employee productivity and effectiveness. In addition, high payment also can influence employee to work harder and increase performance.

On the other hand, job security will also affect job performance. Mohammad et al. (2013) stated that lower job security and low morale will cause lower performance. If employee gets motivated and increase loyalty to organization, it is because; if employees have loyalty to organization will lead to lower turnover rate, they will also improve their productivity and performance.

Another motivational factor which is promotion, organizational has providing employees opportunity to higher position. Promotion is one of the factors to motivated employees in terms of productivity and performance. In addition, promotion and advancement opportunity to be best methods of maintain job performance and job satisfaction (Mohammad et al., 2013).

Furthermore, freedom can affect job performance. Organization management provides freedom and flexibility to employees (Mohammad et al., 2013). Take an example, like freedom to communicate and interaction, freedom to research and promote the ability of employees, freedom to state them for promotion & freedom to get into group and act as a team for goals and objectives.

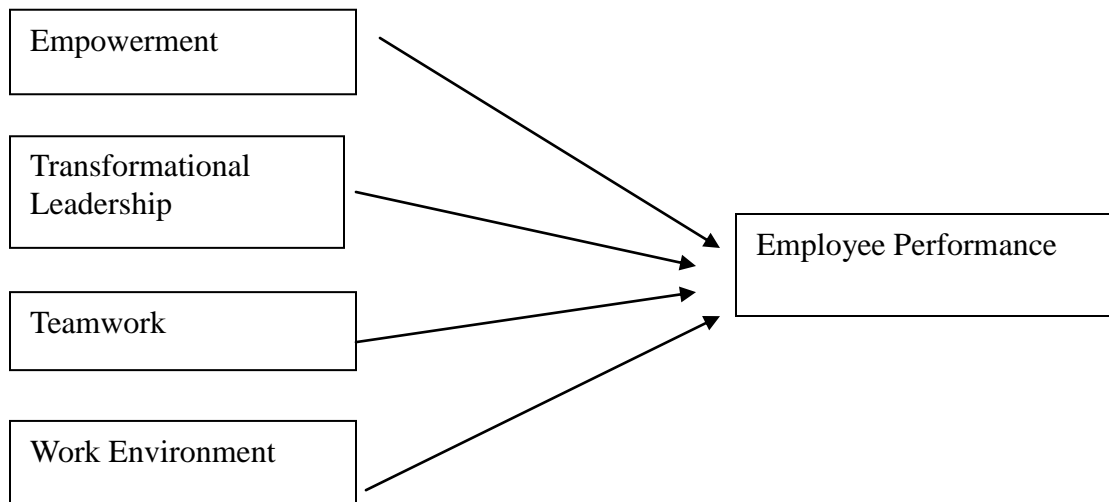
In addition, friendly environment also have positive relationship towards job performance. According to Mohammad et al. (2013), numbers of employees have intention to leave the organization because of work environment issues. Organization does not provide minimum requirement of work environment to employees causes employees not motivated and reduce productivity. Thus, to improve employees'

productivity and job performance, organization needs to provide harmonious and friendly environment.

Lastly, organization may be offering some training programs to employees so that, employees can pursue to higher position/ career (Mohammad et al, 2013). Other than that, training program also can direct the correct methods of work process and reduce human error Employees also can increase their skill, knowledge and ability for better performing in organization.

### 2.3 Proposed Theoretical / Conceptual Framework

Figure 2.5: Proposed Theoretical / Conceptual Framework



Adapted from: Developed for the research

Based on this research, those independent variables (empowerment, transformational leadership, teamwork, and work environment) are the factors to influence employee performance.

### **2.3.1 Empowerment**

According to Logan and Ganster (2007), empowerment is used to produce significant benefits and gains in the employee performance because it has the ability to improve the working attitudes of employees. Employees' performance can be improved by enhancing the authority given to employees thus maximizing their working potential. If employees have more power in the organization they will perform better in their task because they are emotionally attached to the task and therefore they will appreciate every opportunity that is given to them.

Besides, if an organization delegates power to its employee it indirectly gives them the right to make decision and that will cause them to feel that they are being valued in the organization. This will also increase employees' loyalty towards that particular organization.

### **2.3.2 Transformational Leadership**

Transformational leaders motivates employee to perform job better by acting a role model. Transformational leaders would like to set as a example for employees, hence, employees can be act , imitate and perform the job like the way leader always do (Jixia, Zhi-Xue, Anne, 2010). Moreover, transformational leaders like to inspire employees creativity and innovative during discussion. Therefore, employees able seek for creative and innovative way for problem solving. Eventually, employees have self-confidence on their work and leading higher levels of performance.

Yet, sometimes employees has accidentally make some of the mistakes, Transformational leaders never criticize employees in front of public , however, transformational leaders encourage and direct them to the right way due to leaders has considered personal feelings of employees (Sulieman et al., 2011) . Transformational

leader will get liking of employees and has successfully motivated them to perform job even better.

On the other hand, as cited by Jixia et al. (2010) stated that transformational leaders also try to communicate high expectation and provides consideration on employee needs and requirement. For example, if a leader has fulfill requirement for employees such as improve better working environment, giving reward, employees will appreciate and thankful to leader, and they more likely to work harder for their job.

Furthermore, according to Raed, John and Ashraf (2005) says that transformational leader do boost employee satisfaction and performance, it is because, transformational leader able to used qualities of idealized influence, inspirational motivation, individualized consideration and intellectual stimulation to strengthen employee satisfaction and performance. In addition, transformational leadership has brings positive impact toward employee performance. For instance, transformational leader consider about personal feelings of employees and inspire employee creative and innovative into higher levels.

As cited by Fred O. and Chad A. (2011), transformational leader increase employee self-efficacy by role modeling. Transformational leader would like to set him/ her-self as an example when accomplishing task for the purpose of direct employee using different strategy into different situation. In this way, employee might have flexible capabilities on task.

### **2.3.3 Teamwork**

In our research, there are four factors which will influence the performance of employees in hotel industry which are empowerment, transformational leadership, teamwork and work environment. For teamwork, it enables to accumulate the skills

and knowledge needed from different individuals in order to perform certain tasks thus enhance the overall performance of the employees. At the same time, it also reveals the potential abilities of each employee (Khalid, 2008). By the way, cooperation and collaboration between the individuals tends to be an important criterion of creating lots of ideas which are crucial for hotel industry.

Other than providing required skills and knowledge for specific tasks, it also advocates the cohesiveness between the manager as well as the co-workers. At the end, mutual goal reached as the result of achieving it. So, it is concluded that team cohesiveness is the main element of improving organizational commitment, thus will positively affect the performance of the employees eventually (Khalid, 2008).

#### **2.3.4 Work Environment**

As cited by Badekale (2012), every company is responsible for providing a safety and health environment in order to prevent their employees from getting any hurts, injuries or loss during work hours. By providing a safety environment, the employees are likely to engage high performance since they will think that their welfares are being guaranteed by the organization. They will more committed to the organization and contribute more efforts in achieving the organization's goals.

According to Emmanuel (2012) stated that, the lighting programs will affect employees performance and productivity. A quality lighting programs will rise up productivity and performance because it's able to reduce fatigue and maintain good health. Other than that, good quality of lighting program also prevents from accident and reduces human error. It is because good lighting program will helps in eyes and hands coordination and therefore employees able to concentrate on duties and tasks.

Furthermore, office layout or facilities of work environment also will affect employee performance. As cited by Emmanuel (2012), open plan is cheaper and flexible and it

also facilitates communication within employees. Hence, employees can exchange ideas and information within short period of time. Employees able to interact with one another, for example, asking for detail information about work process. Office layout with effective management process will get helps employees to get improvement in performance Emmanuel (2012).

## **2.4 Hypothesis Development**

### **2.4.1 Empowerment**

To have the better life style, nowadays more and more employees place earning money as a sole reason for working rather than to have a good performance. This perception has caused the rising employees turnover rates over the recent years (Morris, 2003). Some studies have concluded that low level of empowerment (Boundrias et al., 2009), lack of job dissatisfaction (Moore, 2002) and the top management do not support may lead to turnover. The high turnover rates in an organization will affect the images and reputation of the organization.

Besides, if the employees just perform the daily routine works which is set by the organization they will feel boring and soon will develop a work habit call “iron rice bowl”. Employee with this kind of habit will not be committed to their tasks and ultimately blow their chances of achieving organizational goals.

Empowerment can bring benefits to the organization and individual (Greasley, 2005). These benefits can be achieved by giving power and authority to employees while the employees come out with the best methods they could possibly think of in achieving the target. Employees will feel that the organization is treating them as a part of the family although the organization gives them pressure or limit their financial budget.

By using empowerment organization can retain key employees which are deemed important. In essence, the intention to remain or leave the organization among the employees is based on the job satisfaction of employees. The individual with higher job satisfaction tend to more committed to the organization. They will be more likely to remain in the organization.

**H<sub>1</sub>: There is significant relationship between empowerment and employee' performance.**

### **2.4.2 Transformational Leadership**

Based on the framework that stated above, transformational leadership has positive relationship towards employee performance through determinants of transformational leadership which is idealized influence, inspirational motivation, individualized consideration and intellectual stimulation. Transformational leader is able to stimulate their employee in to higher levels in terms of job satisfaction, job performance and job productivity. Regarding to higher level of job satisfaction, job performance and job productivity can be leading to organizational commitment and success.

Review from the model above, transformational leadership is one of the important leadership for employees in an organizational. According to Soumendu (2012), transformational leadership has significantly influence to job satisfaction and eventually affect employee performance. Consequently, an organizational commitment and success is regarding on how much of effort of an employee put into their work performance. Higher levels of employee performance help in organizational development.

**H2: There is a significant positive relationship between transformational leadership and employee performance.**

### **2.4.3 Teamwork**

From this study, it has indicated that teamwork is positively related to the performance of employees. Besides, teamwork has minimized the possibility of having excessive workloads. The burden and the responsibility can be shared among co-workers, no matter how toughness of those assigned tasks since it is too hard for an employee to handle such tasks on solely. Another words, teamwork tends to relieve stress at the same time also encourage the involvement of employees.

By the way, employee involvement will build stronger organizational commitment. It also led to high motivation of the employees, thus the quality of work will be enhanced eventually. From this research, we can understand that teamwork positively affects organizational commitment which can strengthen employee involvement as well. Moreover, a workplace that is full of employee involvement will automatically improve organizational commitment and increase quality of work.

From the researches above, we can understand that the employees, regardless from which industry they are, strong employee involvement can strengthen organizational commitment thus increase motivation to strive hard. Besides, productivity or quality of work is used as an indicator for employee performance.

As mentioned, low productivity led poor employee performance. Put in indirect way, teamwork lights up the employees' motivation, establish a strong organizational commitment and employee involvement, which can enhance the performance of the employees. However, clear visions, which intend to be pursuing together with teamwork should be provided by leaders for their employee in order to strengthen



employee involvement. It is shown that teamwork between employee and their leader can enhance employee involvement thus indirectly enhance employee performance as they pursue the same vision and ensure that their goals are always in congruence with each other. Based on all the studies above, we can conclude that teamwork in workplace is significantly positive-related to the employees' performance.

**H3: There is a significant relationship between teamwork and employees performance in hotel industry.**

#### **2.4.4 Work Environment**

There is positive significant correlation between work environment and employee performance in the organization. It is because, employee performance and work environment are interrelated; Employee will carry out duties and tasks effectively if they are given friendly work environment. Thus, the organization given minimum requirement about work environment, employees will work harder to improve performance and effectiveness. Good working environment will help employees in sharing ideas, knowledge and skill in order to increase job performance.

The tools of use in work environment to improve performance like good quality of lighting, safety and health working environment, office design and layout. Organization gives employees friendly work environment will lead to increase employee productivity and performance either. Organization has good policy, values, and procedures to control over the management in order to enhance performance.

**H4: There is significant relationship between work environment and employee performance in Hotel Industry.**

## **2.5 Conclusion**

In this chapter, all dependent variable and independent variables have been defined clearly by comparing with others author research in relevant industry. The theoretical framework has been developed and verified through the literature and journal review. There have some initial hypothesis and it will be test in chapter 3: Research Methodology. Chapter 3 is described the method and steps of research in order to investigate the research problem and hypothesis developed.

## **CHAPTER 3: RESEARCH PROJECT**

### **3.0 Introduction**

In this chapter, we are going to examine the relationship between dependent variable and the independent variables, which can be the factors of affect the employees' performance in hotel industry thoroughly. However, it seems impossible for the researchers to collect all of the research data to answer the hypotheses and research questions. By the way, this chapter provides an appropriate guidance throughout the research procedures and make sure it is fully followed. This chapter is organized as follows: the research design, data collection methods, sampling design, research instrument, construct measurement, data processing and data analysis.

### **3.1 Research Design**

Research design is a master plans that specifying the method and procedures for collecting and analyzing the information. All researches must be planned and designed properly according to the information collected and ensure it is appropriate for the particular research project.

There are three types of the business research that will be used to classify the research purpose which comprise of exploratory research, descriptive research and causal research. We have used the descriptive research in our research project.

Descriptive research is used to describe the characteristics of objects, peoples, groups, organizations, or environments. It also addresses who, what, when, where, why and how questions. Besides, descriptive studies are conducted with a considerable understanding of the situation being studies (Zikmund, Babin, Carr, & Griffin, 2013).

From the research, descriptive research is being used to evaluate the effects of empowerment, transformational leadership, teamwork and work environment on employee performance in hotel industry.

## **3.2 Data Collection Methods**

Data is the most valuable information that collected by the researchers from the respondents and those of the data will be used to answer the hypotheses and research questions. In our research, we are using two types of the data which are primary data and secondary data to assist us of collecting the information. Indeed, both of the data has did a great job of assisting us to find out relevant information and shows there is a significant relationship between independent and dependent variables.

### **3.2.1 Primary Data**

Primary data is the data observed or collected directly from first-hand experience. Primary data collection is necessary when researchers could not find the information through secondary sources. The examples of primary data collection methods are observation, focus group, personal interviews, telephone interviews, self-administered (mail or internet) surveys, questionnaire and etc.

In our research, we used the self-administered questionnaire as our primary data. Such questionnaire is favorable as it is more economically and at the same time it is much easier to collect the detail information from a large number of respondents. Besides, the questionnaire does not require much effort from the questioner since the questions and answers in the questionnaire are standardized, which are much simpler to compile data.

### **3.2.2 Secondary Data**

Secondary data refers to the data that help to support the primary data and it is previously collected by other researchers. In general, secondary data are historical and already assembled such as journals, articles and books. However, secondary data is much easier to find the needed information when compared to the primary data. It can obtain through internet resources and books.

In our research, we search data through the journals, online articles and text books as the proposal references and extra information. Besides, we also use the search engine such as Google in order to access more information for our research.

## **3.3 Sampling Design**

Sampling means selecting a sample from a population. There are five steps in sampling design which are defining the population, determine the sampling frame, select sampling techniques, determine the sample size and execute the sampling process. Through these steps, it helps to identify the qualified target respondents to participate in the survey.

### **3.3.1 Target Population**

In connection with our research title therefore we will only focus on those employees who perform the job in the hotel industry as our target population. In this way, we can save up the unnecessary timing and costing as the target population is clearly defined. Although we already set our target population but there is more than 1000 hotels located in whole Malaysia. By taking this consideration, we are forced to fix our

sample size and the place. In this case, we will only emphasize and target the employees who are work in hotel industry.

### **3.3.2 Sampling Frame and Sampling Location**

In our research, we will distribute the questionnaires to the employees who work in the hotel industry where located at Kuala Lumpur. Since there have many departments in the hotel, therefore we not merely focus in one department, yet, we tried our best to distribute questionnaire for employees who work in different department as well. This is because we believe that employee who work at different department has the different opinion and suggestion even though they are work in the same hotel.

### **3.3.3 Sample Elements**

The respondents of our research are the employee from different departments and the hotels in the Kuala Lumpur area. These respondents come from the 7 different departments which consist of housekeeping, engineering, front office, accounting, human resource, security and food and beverage. Furthermore, the questionnaires are also distributed according to their age, races and gender so as we can collect different types of information that provided by respondents based on their knowledge and experiences respectively.

### **3.3.4 Sample Technique**

There are two types of sampling design which are probability sampling and non-probability sampling. The probability sampling is a sampling technique in which

every member of the population has a known and nonzero probability of selection. Whereas, non-probability sampling is a sampling technique on which units of the sample are selected on the basis of personal judgment or convenience.

Sampling technique that used in our research is non-probability sampling. There are four types of non-probability sampling which include convenience sampling, judgment (purposive) sampling, quota sampling and snowball sampling. In our research, we conducted non-probability with judgment (purposive) sampling. According to the Zikmund (2000), the judgment sampling is to selects the sample based on personal judgment about some appropriate characteristic of the sample member. Since our target respondents are from different department in the hotel therefore the judgment sampling is the best sampling method for us to collect our data.

### **3.3.5 Sample Size**

According to the data that stated from Department of Statistics Malaysia (2013), there are total of 110535 employees who work in the hotel industry in the year of 2010. As cited by Robert V. & Daryle W. (n.d.), we need to distribute 382 sets of questionnaire since the populations in hotel industry are more than 75000 of employees. In case, there is incomplete data, so we decided to distribute 400 sets of questionnaire.

Table 3.1: The total employees who work in the hotel industry in whole Malaysia during year of 2009 and 2010

*Economic Census 2011 (Accommodation Services)*

**SUMMARY FINDINGS**

**ACCOMMODATION SERVICES**

<b>KEY INDICATORS</b>			
	<b>2010</b>	<b>2009</b>	<b>Change (%)</b>
<i>Number of establishments</i>	3,129	2,362	32.5
<i>Value of gross output ((RM million)</i>	9,825	9,037	8.7
<i>Value added (RM million)</i>	5,556	5,065	9.7
<i>Total employment</i>	110,535	104,645	5.6
<i>Salaries &amp; wages (RM million)</i>	1,934	1,793	7.8
<i>Value of fixed assets (RM million)</i>	21,918	22,108	(0.9)
<i>Number of rooms</i>	182,781	165,245	10.6

Source: Department of Statistics Malaysia

### 3.4 Research Instrument

The research instrument used to collect data in our research is self-administered questionnaire because it incurred the lowest cost and it is considered as the fastest way to collect the needed information when compared to other instruments. Moreover, questionnaire can provides sufficient first-hand data and able to have larger amount of respondents. The questions are designed in fixed-alternative response format so as to enhance reliability and easy comparability of responses.



### **3.4.1 Questionnaire Survey**

The questions in questionnaires are the combination of different sets of questionnaire from historical researchers based on the variables. The researchers choose to conduct questionnaires because data are easily to analyze, data entry and tabulation for survey can be easily done with computer software packages. Basically, a good questionnaire should not be complicated and ambiguous to reduce any biases among respondents. Uniform presentation of questionnaires is important to create a peaceful and patience environment when respondents answer the questions. So, simple and direct questions are encouraged to make sure all respondents can understand better and answer it as good as possible.

### **3.4.2 Questionnaire Design**

Questionnaire in this research consists of two major sections: section A and section B. section A is asking about the respondent's biographical information such as gender, age, race, educational level and year of employment. The purpose of the biographical information is to have a better understanding on demographic features of the respondents.

Whereas, Section B carries questions that designed to extra data regarding the independent variables (Empowerment, Transformational Leadership, Teamwork and Work Environment) and dependent variable (Employees' performance). We are using 5 points Likert scale to design for the questionnaire. It is using the measurement scale with five response categories ranging from "strongly disagree" to "strongly agree", which requires respondents to indicate their attitudes by showing the degree to which they agree or disagree with the statements.

### 3.4.3 Pilot Studies

There are total 20 sets of questionnaires are being tested by using the SAS software after collected back from the hotels which are random distributed by us. The result of the pilot test for 20 sets of questionnaires are shown as the value of reliability is more than 0.70 and all the variables are consider as good reliability. The result is shown as below:

Table 3.2: Reliability Analysis

Variables	Dimensions	Cronbach's Alpha
Independent Variables	Empowerment	0.7147
Independent Variables	Transformational Leadership	0.7225
Independent Variables	Teamwork	0.7139
Independent Variables	Work Environment	0.7321
Dependent Variables	Employee Performance	0.7096

Source: Developed for the research

## 3.5 Construct Measurement (Scale and Operational Definitions)

Selecting and constructing a measurement scale requires the consideration of several factors that influence the reliability and validity. There are four levels of measurement which include nominal scale, ordinal scale, interval scale and ratio scale (Zikmund, Babin, Carr, & Griffin, 2013). In our research project, we are used only nominal scale, ordinal scale and likert scale.

### 3.5.1 Nominal Scale

The nominal scale is representing the most elementary level of measurement. Furthermore, a nominal scale also assigns a value to an object for identification or classification purpose (Zikmund et al., 2013). In our research, there are 2 questions in Section A are used nominal scale. For example:

1. Please select your gender <input type="checkbox"/> Male <input type="checkbox"/> Female
---

Source: Developed for the research

### 3.5.2 Ordinal Scale

Ordinal scales have nominal properties but they also allow things to be arranged based on how much of some concept they possess. In other words, an ordinal scale is a ranking scale (Zikmund et al., 2013). From the research, there are 3 questions in Section A are used ordinal scale. Take an example:

1. Educational level <input type="checkbox"/> High School Graduate <input type="checkbox"/> College Graduate <input type="checkbox"/> Bachelor Degree <input type="checkbox"/> Masters Degree <input type="checkbox"/> Doctoral Degree
---

Source: Developed for the research

### 3.5.3 Likert Scale

Likert scales are often used in psychology questions and typically involved offering a response that ranges from strongly disagrees to strongly agree. In this research, we have used the Likert Scale to collect the responses and the opinions of respondents on each statement in the Section B of the questionnaire. One of the examples as shown below:

1 = Strongly Disagree

2 = Disagree

3 = Neutral

4 = Agree

5 = Strongly Agree

No.	Questions	SD	D	N	A	SA
1.	Understands duties, responsibilities, has ability to use materials needed, and has the level of proficiency required to accomplish the work.	1	2	3	4	5

Source: Developed for the research

### 3.6 Data Processing

Data is meaningless and a collection of numbers, characters, and other outputs that are unprocessed. Data collected should be converted into information that have meaning and useful. Data processing is the preparation process before analyzing data, it involves the data checking, editing, coding and processing.

Firstly, we need to count and numbered every questionnaire to assure the required amount of questionnaire is being returned by respondents before we analyze the data. After that, check and edit all the questionnaires that collected from respondents to ensure respondent are fully answer all the questions inside the questionnaire. Any incomplete, illogical responses or double ticking found in the questionnaire would be deleted or taken out because it will influence the reliability test result. Missing responses also will be excluded when running the analysis. In order to reduce the problem, we will tried to guide and explain to the respondent while respondent doing the questionnaires.

The next step of the process was the data coding. We will key in all the data into SAS software system as important data. This specific system might help us to check and found out any errors throughout process. Each of the questions was assigned with a code number and also for the responses as well. For an example, gender which assign 1=male and 2=female.

The following step is data editing. Data editing dealt with detecting and correcting all the illogical, inconsistent and omission in the information returned by respondents. When the result is not harmony with other information, we might edit the response based on the style of answering in previous questions.

Lastly, we will carry out data transformation. Data transformation is a process of changing the original form of data to a new format. Most of the responses in the question choose scale 1 (Strongly Disagree) or 2 (Disagree), it will made the question

become negative form. We will change the negative form question into positive form question. For an example, a 1 (Strongly Disagree) would be transformed to a 6 (Strongly Agree), a 2 to a 5, and so forth. All the data needs to be transformed into a form that is more suitable to perform data analyses.

### **3.7 Data Analysis**

After all the data have been collected from survey questionnaire, we will start to analyze and interpret the data by using SAS system. There are few types of analysis provided by SAS system in our research, which are descriptive analysis, scale measurement and inferential analysis.

#### **3.7.1 Descriptive Analysis**

According to Zikmund (2003), he define descriptive Analysis is the statistic that can represented as the information about a population or sample. In this research, we would use frequency analysis to analyze a set of data. Frequency analysis is used to analyze the demographic information of respondent under Section A of questionnaire. The field will be tested like age, race, gender, education level and year of employment.

#### **3.7.2 Scale Measurement – Reliability Test**

In designing a questionnaire, its reliability is vital as it indicates internal consistency of responses by our respondents. Reliability is a measurement that is used to determine to what extend the questionnaire free from random error and ability to

assess the consistency of results (Chong, Eng, Gwee, Ooi, & Wang, 2013). The results will become much reliable when different attempts at measuring something converge on the same results (Zikmund et al., 2013). The most common reliability tests that research used is the so-called Cronbach's coefficient alpha. Coefficient alpha ( $\alpha$ ) is the figure which indicates the direction and the strength of the linear relationship between the dependent variable and independent variable.

The higher the coefficient alpha value, the higher the reliability of the questionnaire, vice versa. Coefficient alpha value ranges from 0 to 1. "0" means there is an internal inconsistency within response gathered from respondents whereas "1" means the responses from the respondents are in consistency completely. According to Zikmund et al. (2013), coefficient alpha can be categories as follow:

**Table 3.3: Rules of Thumb about Reliability Test**

<b>Coefficient alpha (<math>\alpha</math>) value</b>	<b>Reliability</b>
0.80-0.95	Very good reliability
0.70-0.80	Good reliability
0.60-0.70	Fair reliability
Below 0.60	Poor reliability

Source: Zikmund, W. G., Babin, B. J., Carr, J. C., & Griffin, M. (2010). *Business research methods* (8th ed.). New York: South-Western/Cengage Learning.

As illustrated in Table 3 above, the reliability of questionnaire is considered as very good reliability if the coefficient alpha value is ranged from 0.80 to 0.95. On the other hand, the coefficient alpha value of 0.70 to 0.80 is considered to have good reliability. For the coefficient alpha which ranged from 0.60 to 0.70, the level of reliability is considered as fair reliable. However, the level of reliability is considered poor when coefficient alpha falls below 0.60.

### 3.7.3 Inferential Analysis

Based on the questionnaire, there have four independent variables and one dependent variable. We will focus on using two techniques in inferential analysis, which are Pearson Correlation Coefficient and Multiple Regression Analysis to test the relationship between dependent variable and independent variables.

#### 3.7.3.1 Pearson Correlation Coefficient

Using Pearson Correlation Coefficient Analysis is to test how strong the relationship between dependent variable and independent variables. For Pearson Correlation Coefficient analysis, the value range is from -1 to +1. When the Pearson Correlation Coefficient value showed +0.1, there is a perfect positive correlation; when the Pearson Correlation Coefficient value showed -1, there is a perfect negative correlation. Besides that, when the Pearson Correlation Coefficient value showed 0, it means there is no correlation between dependent variable and independent variables.

Table 3.4: Rule of thumb of Pearson Correlation Coefficient

Coefficient Range	Strength
+/- 0.91 to +/- 1.00	Very strong
+/- 0.71 to +/- 0.90	High
+/- 0.41 to +/- 0.70	Moderate
+/- 0.21 to +/- 0.40	Small but definite relationship
0.00 to +/- 0.20	Small, almost negligible

Source: Hair, J. F., Money, A. H., Samouel, P., Page, M. (2007). *Research methods for business*. Chichester, West Sussex: John Wiley & Sons, Inc.



### 3.7.3.2 Multiple Regression Analysis

Simple Regression Analysis is focus on the impact of one independent variable towards one dependent variable, while Multiple Regression Analysis is test more than one independent variables towards one dependent variable. This is the difference between Simple Regression Analysis and Multiple Regression Analysis. Using Multiple Regression Analysis can let us clearly identify the independent variables that affect dependent variable by comparing the beta weights showed in the statistical table.

## 3.8 Conclusion

As a conclusion, research methodologies are used to collect, analyze and interpreting the data. This chapter also discussed and justified the research methodology of this study which involves research design, data collection method, sampling design, research instruments, constructs measurement, data processing and data analysis. There are 400 respondents participated in our research from the hotel industry at Kuala Lumpur area. This research project is using multiple regression analysis and Pearson correlation coefficient to analyze the data. We collected and implemented the data and the result will be discussed in chapter 4.

## **Chapter 4: Data Analysis**

### **4.0 Introduction**

In the previous chapter, there were 20 sets of questionnaires that were distributed to random employees who are working in the hotel industry and these data were used to run the pilot test. In chapter 4, we will discuss in detail about the result of the 400 sets of questionnaires which were distribute to our target respondents who are working in the hotel industry of Kuala Lumpur. We will use the SAS software as our analytical tool to analyze, interpret and summarize the result of the survey that we have been collected.

There were several analysis involved in this chapter. The descriptive analysis was more focused on the respondents' demographic profile and the general information. It will be described base on the frequency analysis. Following behind the analysis will be the scale measurement which was used to provide the result of the reliability analysis. The last part in this chapter was the inferential analysis. It will use the Pearson's Correlation Analysis and Multiple Linear Regression to examine the relationship between dependent variable and the independent variables. All the results will present in the methods of tables, bar charts and pie chart so that can easy to understand their relationship between each other.

### **4.1 Descriptive Analysis**

A total of 5 questions with regards to the personal information of the respondents were asked at the demographics section in the questionnaire. Those questions include the gender, age, race, educational level and year of employment.

### 4.1.1 Respondent Demographic Profile

Table 4.1 : Summarized Demographic Profile of Respondents

Demographic Factors	Categories	Frequency	Percentage(%)
<b>Gender</b>	Male	179	44.75
	Female	221	55.25
	Total	400	
<b>Age</b>	Under 25 years old	46	11.50
	26-30 years old	125	31.25
	31-35 years old	87	21.75
	36-40 years old	45	11.25
	41-45 years old	66	16.50
	46 years old and above	31	7.75
	Total	400	
<b>Race</b>	Chinese	135	33.75
	Indian	114	28.50
	Malay	100	25.00
	Others	51	12.75
	Total	400	
<b>Educational Level</b>	High School Graduate	88	22.00
	College Graduate	137	34.25
	Bachelor Degree	121	30.25
	Master Degree	54	13.50
	Total	400	
<b>Years of Employment</b>	Under 2 years	59	14.75
	2- less than 5 years	160	40.00
	5- less than 10 years	139	34.75
	10 years and above	42	10.50
	Total	400	

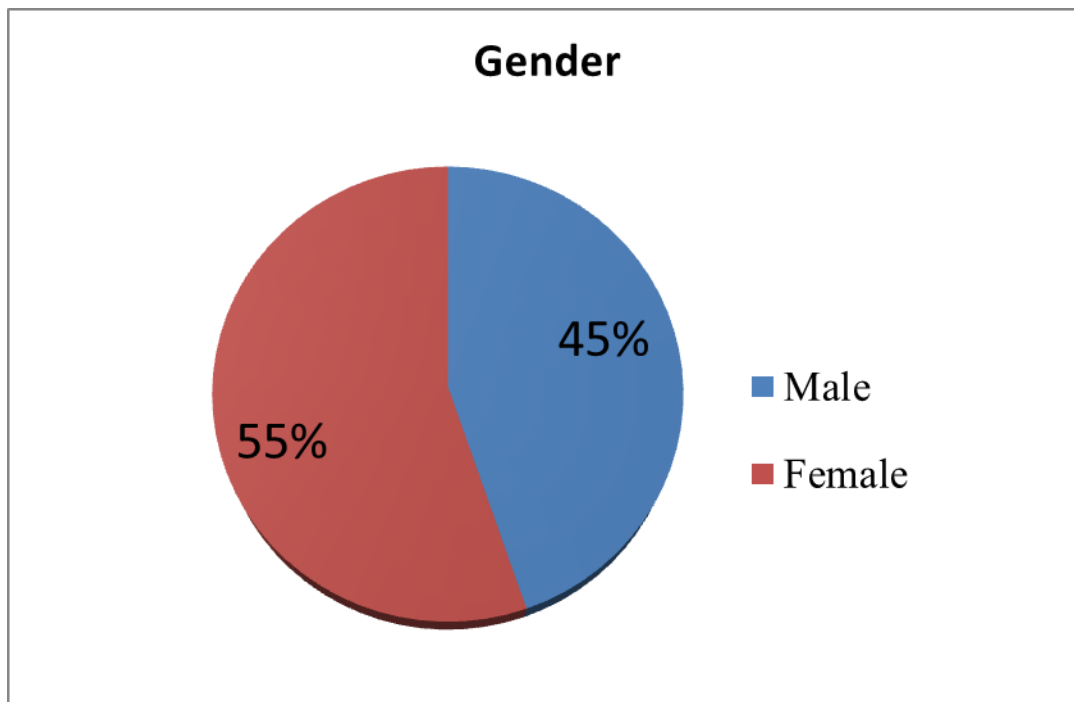
Source: Developed for the research

**4.1.1.1 Gender**

Table 4.2 : Frequency Table for Respondents' Gender

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Male	179	44.75	44.75	44.75
Female	221	55.25	55.25	100.0
Total	400	100.0	100.0	

Figure 4.1 : The Pie Chart Showing Respondents' Gender



Source: Developed for the research

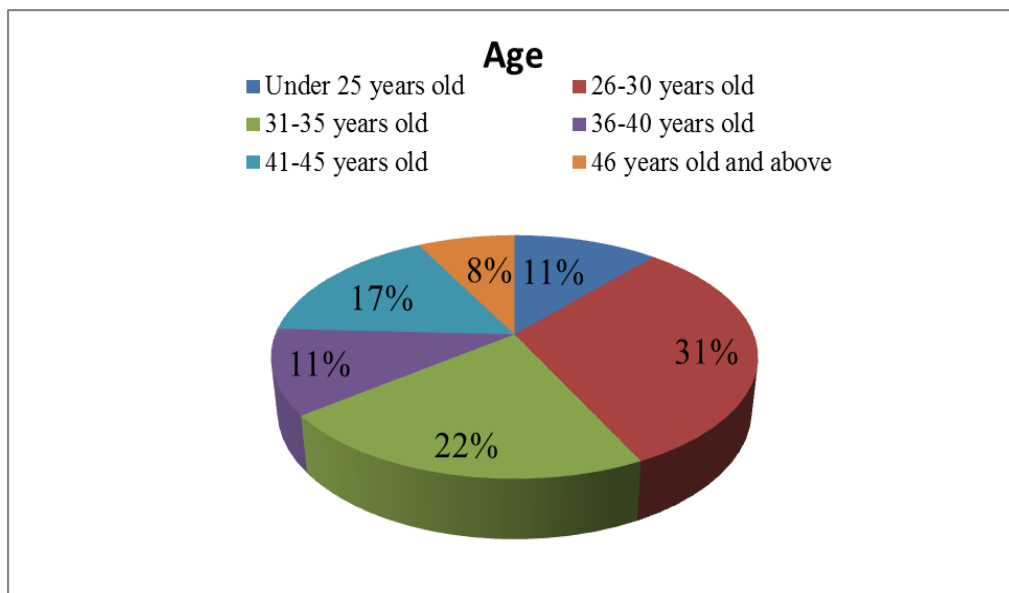
Based on Table 4.2 and Figure 4.1, the majority respondents in the survey were female. There were 221 female respondents and 179 male respondents. This means that out of the 400 respondents 55.25% were female respondents while the remaining 44.75% were male.

**4.1.1.2 Age**

Table 4.3 : Frequency Table for Respondents' Age

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Under 25 years Old	46	11.50	11.50	11.50
26-30 years old	125	31.25	31.25	42.75
31-35 years old	87	21.75	21.75	64.50
36-40 years old	45	11.25	11.25	75.75
41-45 years old	66	16.50	16.50	92.25
46 years old and above	31	7.75	7.75	100.0
Total	400	100.0	100.0	

Figure 4.2 : Pie Chart of Respondents' Age



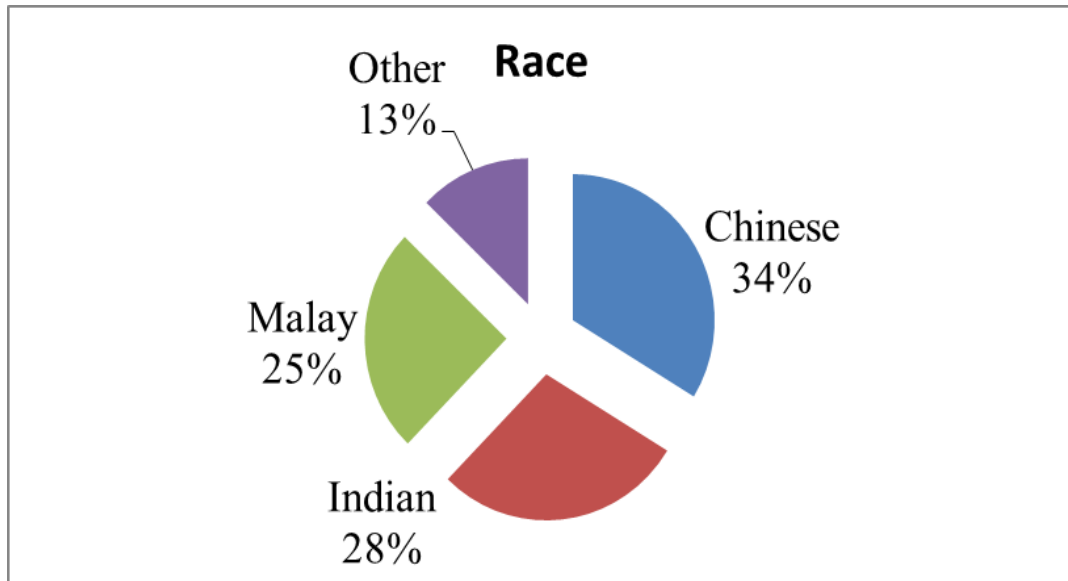
Source: Developed for the research

Referring to Table 4.3 and Figure 4.2, most of the respondents were in the range of 26-30 years old which represent 31.25% or the frequency of 125. This was followed by 87 respondents (21.75%) whom are 31-35 years old. There were 66 respondents who are 41-45 years (16.50%). The respondents whom are under 25 years old have 46 with 11.50% while 36-40 years old have 45 respondents with 11.25%. 46 years old and above age groups consist 31(7.75%) respondents.

#### 4.1.1.3 Race

Table 4.4 : Frequency Table for Respondents' Race

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Chinese	135	33.75	33.75	33.75
	Indian	114	28.50	28.50	62.25
	Malay	100	25.00	25.00	87.25
	Other	51	12.75	12.75	100.0
	Total	400	100.0	100.0	

Figure 4.3 : The Pie Chart Showing Respondents' Race

Source: Developed for the research

Referring to Table 4.4 and Figure 4.3, majority of the respondents are come from Chinese which consisted 33.75% or the frequency of 135. Followed by 114 respondents (28.50%) who are Indian and Malay have 100 respondents with 25.00%. There have 51 of other religion respondents which consisted 12.75%.

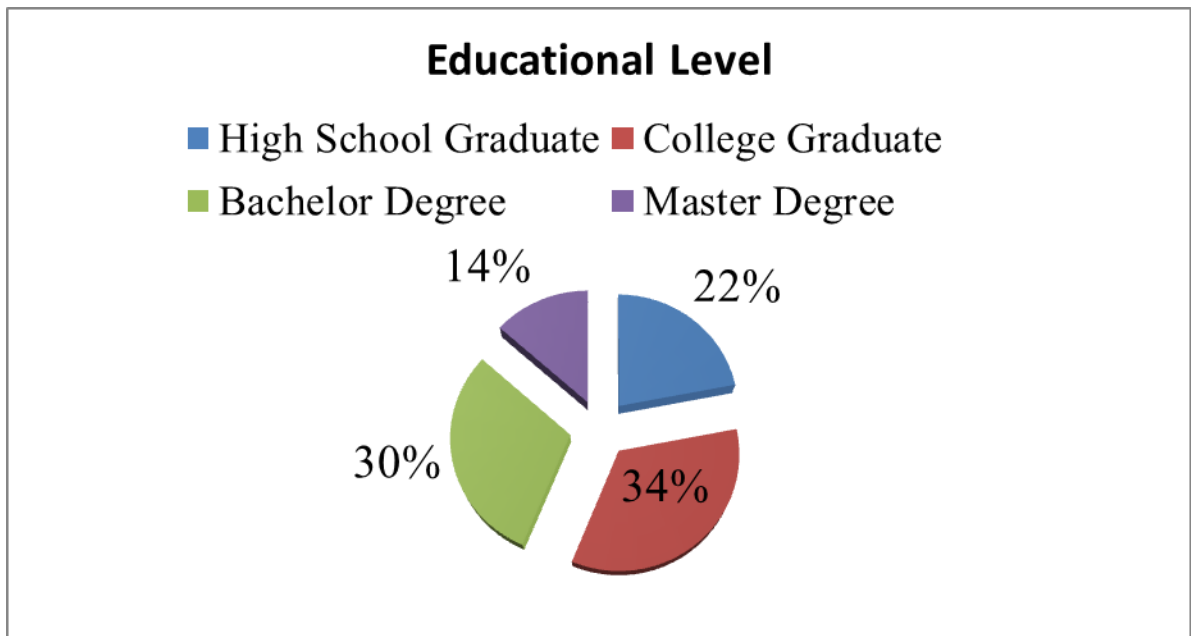
#### 4.1.1.4 Educational Level

Table 4.5 : Frequency Table for Respondents' Educational Level

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	High School Graduate	88	22.00	22.00	22.00
	College Graduate	137	34.25	34.25	56.25

Bachelor Degree	121	30.25	30.25	86.50
Masters Degree	54	13.50	13.50	100.0
Total	400	100.0	100.0	

Figure 4.4 : Pie Chart of Respondents' Educational Level



Source: Developed for the research

Table 4.5 and Figure 4.4 show the frequency of the education level of the research respondents. As shown by the table, majority of the respondents are graduated from college with the frequency of 137 (34.25%). Whereas the Bachelor of Degree's frequency is 121(30.25%). 88 respondents are graduated from high school, it consisted 22.00%. Based on the table, the educational level of master degree consist the lowest frequency with only 54 people (13.50%).

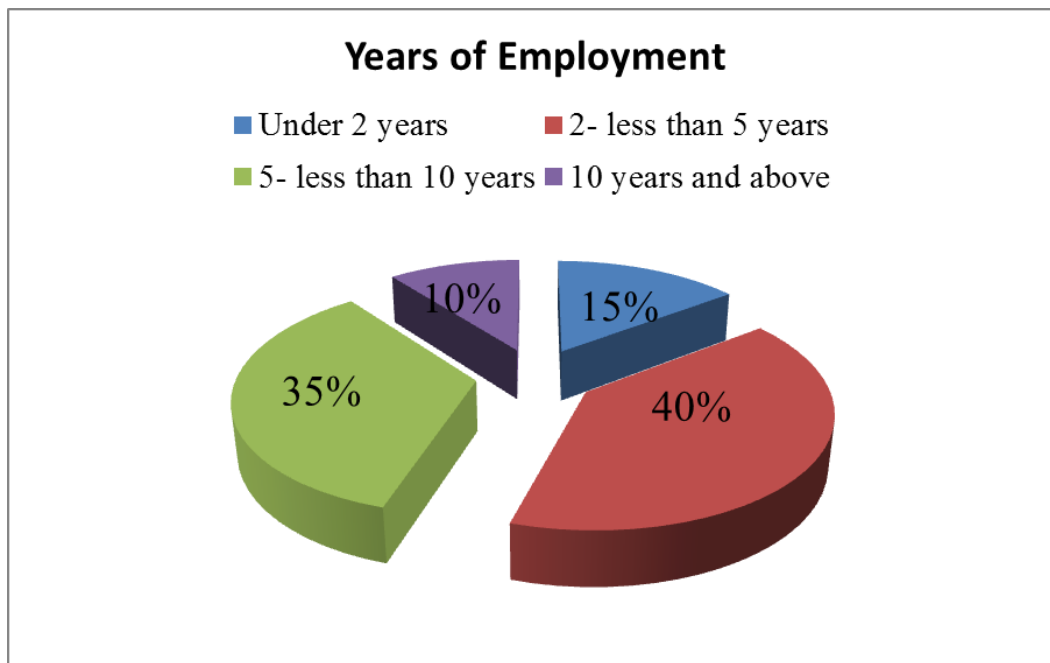


**4.1.1.5 Year of Employment**

Table 4.6 : Frequency Table for Respondents' Year of Employment

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Under 2 years	59	14.75	14.75	14.75
2 - less than 5 years	160	40.00	40.00	54.75
5 - less than 10 years	139	34.75	34.75	89.50
10 years and above	42	10.50	10.50	100.0
Total	400	100.0	100.0	

Figure 4.5 : Pie Chart of Respondents' Year Of Employment



Source: Developed for the research

Table 4.6 and Figure 4.5 show the frequency of year of employment of the research respondents. Based on the table, majority of the respondents who worked at hotel industry is 2 - less than 5 year with the frequency of 160 which is 40.00%. The worked period at the range 5 - less than 10 years are 139 (34.75%. Whereas 59 (14.75%) and 42 (10.50%) respondents worked under 2 years and more than 10 years.

### 4.1.2 Central Tendencies Measurement of Constructs

The measurement of construct in this section was to show the mean and standard deviation value of the dependent variable and the independent variables. A total of 25 questions presented at the section B of the questionnaire will be examine by using the SAS software and all the questions are measure by using the likert scale with 1= Strongly Disagree, 2= Disagree, 3= Neutral, 4= Agree ,5= Strongly Agree. The results were shown below.

#### 4.1.2.1 Empowerment

Table 4.7 : The Central Tendencies Measurement Result of Empowerment

No.	Statement	Mean	Standard Deviation	Ranking
E1	My supervisor give more freedom and authority which can makes my job easier, faster and effective.	3.3775	0.8347	2
E2	The great autonomy and ability to make decision	3.3750	0.8492	3

	can make my job more convenient especially for clients.			
E3	The power sharing among employee will help to reduces work related stress.	3.3375	0.8663	4
E4	Lack of top management support will handicap to give more power and authority for the employee.	3.3200	0.8272	5
E5	Mutual trust among employees will enhance the power and authority toward the decision making.	3.4525	0.8687	1

Source: Developed for the research

Table 4.7 show the central tendencies measurement of empowerment. The table above shown that most of the respondents agree to the E5 with a mean value of 3.4525. E1 was the second highest with a mean value of 3.3775. E2 was third highest with 3.3750 mean value, follow by the E3 with a mean value of 3.3375. E4 was the lowest one with a mean value of 3.3200.

According to the table above, E5 has the highest value of standard deviation with 0.8687. E3 has second highest of standard deviation with 0.8663. E2 was the third and E1 was the forth with a respectively standard deviation value of 0.8492 and 0.8347. The lowest one was E4 with a value 0.8272.

#### 4.1.2.2 Transformational Leadership

Table 4.8 : The Central Tendencies Measurement Result of Transformational Leadership

No.	Statement	Mean	Standard Deviation	Ranking
L1	<b>Idealized influence</b> My supervisor discuss about most important values, beliefs and missions about my work units.	3.5075	0.7723	1
L2	<b>Inspirational leadership</b> My supervisor encourages me to make the most of real skills and capacities to the jobs.	3.4750	0.7387	3
L3	<b>Intellectual stimulation</b> My supervisor challenges me to think about old problems in new ways.	3.4275	0.7624	4
L4	My supervisor has ideas that have forced me to rethink something that I have never questioned before.	3.4975	0.8041	2
L5	<b>Individualized consideration</b> My supervisor gives me careful attention on working conditions.	3.3875	0.6990	5

Source: Developed for the research

Table 4.8 show the central tendencies measurement of transformational leadership. Based on the result, L1 has the highest value of the mean value with 3.5075. L4 was the second highest with a mean value of 3.4975. L2 was third highest with 3.4750 mean value, follow by the L3 with a mean value of 3.4275. L5 is the lowest one with a mean value of 3.3875.

According to the table above, L4 has the highest value of standard deviation with 0.8041. L1 was second highest of standard deviation with 0.7723. L3 was the third and L2 was the fourth with a respectively standard deviation value of 0.7624 and 0.7387. The lowest one was L5 with a value 0.6990.

#### 4.1.2.3 Teamwork

Table 4.9 : The Central Tendencies Measurement Result of Teamwork

No.	Statement	Mean	Standard Deviation	Ranking
T1	This team's overall goals and objectives are clear.	3.3300	0.8590	3
T2	On this team we understand each other's roles and are able to be flexible and creative with them.	3.3625	0.8110	2
T3	Everyone on this team knows what's needed to make the team work well.	3.3700	0.7903	1
T4	Although no one says it, sometimes it's hard to get help with things because people feel that "it's not my job".	3.2050	0.8514	5
T5	People on this team are always frank and open with each other.	3.2725	0.8215	4

Source: Developed for the research

Table 4.9 show the central tendencies measurement of teamwork. The table above shown that most of the respondents agree to the T3 with a mean value of 3.3700. T2

was the second highest with a mean value of 3.3625. T1 was third highest with 3.3300 mean value, follow by the T5 with a mean value of 3.2725. T4 was the lowest one with a mean value of 3.2050.

According to the table above, T1 has the highest value of standard deviation with 0.8590. T3 was second highest of standard deviation with 0.8514, T5 was the third and T2 was the forth with a respectively standard deviation value of 0.8215 and 0.8110. The lowest one was T4 with a value 0.7903.

#### 4.1.2.4 Work Environment

Table 4.10 : The Central Tendencies Measurement Result of Work Environment

No.	Statement	Mean	Standard Deviation	Ranking
W1	Reacts quickly to solve the problem when told about safety concerns.	3.2975	0.8490	4
W2	Invests a lot in safety training for workers.	3.3000	0.8317	3
W3	My workspace is provided with efficient lighting so that I can work easily without strain on my eyes.	3.3950	0.8752	1
W4	Number of windows in my work area complete my fresh air and light need.	3.3475	0.8145	2
W5	My work area is sufficiently equipped for my typical needs (normal storage, movements, etc).	3.2800	0.8476	5

Source: Developed for the research

Table 4.10 show the central tendencies measurement of work environment. Based on the result, W3 has the highest value of the mean value with 3.3950. W4 was the second highest with a mean value of 3.3475. W2 as third highest with 3.3000 mean value, follow by the W1 with a mean value of 3.2975. W5 was the lowest one with a mean value of 3.2800.

According to the table above, W3 has the highest value of standard deviation with 0.8756. W1 was second highest of standard deviation with 0.8490. W5 was the third and W2 was the fourth with a respectively standard deviation value of 0.8476 and 0.8317. The lowest one was W4 with a value 0.8145.

#### 4.1.2.5 Employees' Performance

Table 4.11: The Central Tendencies Measurement Result of Employees' Performance

No.	Statement	Mean	Standard Deviation	Ranking
P1	Understands duties and responsibilities of the work and complete the tasks with the level of proficiency required.	3.4325	0.8616	3
P2	Extend to which employee can be counted on to carry out instructions and fulfill job responsibilities accurately and efficiently.	3.5275	0.8667	1
P3	Punctuality of workers. Reports to work as scheduled and follows established procedures for breaks.	3.4750	0.8839	2
P4	Ability to be self-directed, efficient, creative, and resourceful. Assumes	3.3975	0.9119	4

	extra work on own initiative, adapts quickly to new responsibilities.			
P5	Extent to which employee demonstrates a positive attitude, and promotes cooperation with supervisors, peers and others.	3.3825	0.9319	5

Source: Developed for the research

Table 4.11 show the central tendencies measurement of employee's performance. The table above shown that most of the respondents agree to the P2 with a mean value of 3.5275. P3 was the second highest with a mean value of 3.4750. P1 was third highest with 3.4325 mean value, follow by the P4 with a mean value of 3.3975. P5 is the lowest one with a mean value of 3.3825.

According to the table above, P5 has the highest value of standard deviation with 0.9319. P4 was second highest of standard deviation with 0.9119. P3 was the third and P2 was the forth with a respectively standard deviation value of 0.8839 and 0.8667. The lowest one was P1 with a value 0.8616.

## 4.2 Scale Measurement

Scale measurements were used to identify the reliability of the research result in the survey. The purpose of having the reliability analysis was to understand how well the items in a set are positively correlated with each other variables. The SAS software was used to examine those variables. According to the Cronbach's Alpha rule of thumb which stated by Zikmund (2003), the coefficient alpha value 0.80-0.95 is considered very good reliability. While for the value 0.70-0.80 is considered good reliability, for the value 0.60-0.70 is considered fair reliability and the value which have below 0.60



is considered poor reliability. For this survey 400 sets of questionnaire were tested and the reliability analysis results are shown as below:

Table 4.12 : Reliability Analysis

No.	Variables	Cronbach's Alpha	Number of items
1.	Empowerment	0.8197	5
2.	Transformational Leadership	0.7967	5
3.	Teamwork	0.8013	5
4.	Work Environment	0.7945	5
5.	Employees' Performance	0.8316	5

Source: Developed for the research

Base on the table 4.12 above, the employees' performance variable has the highest Cronbach's Alpha value standing at 0.8316 which range at 0.80-0.95, it consider very good reliability.. Empowerment variable was the second highest with the Cronbach's Alpha value 0.8197, which range at 0.80-0.95, it also consider as very good reliability. The third highest was the teamwork variable standing at 0.8013 which range at 0.80-0.95, it consider as very good reliability. Work Environment variable as the fourth highest and the Cronbach's Alpha value standing at 0.7945. Transformational leadership has the lowest value Cronbach' Alpha which standing at 0.7967. Work Environment and Transformational Leadership which are range at 0.70-0.80, there consider as good reliability. Since the overall Cronbach' Alpha value was more than 0.70, therefore the questionnaire in this research was considered good and consistent.

### **4.3 Inferential Analyses**

The inferential analysis was use to analyze and interpret the data by the SAS software. In this section, we are just focusing on two techniques which are Pearson Correlation

Coefficient and Multiple Regression Analysis. The results of the data are shown below one by one.

Table 4.13 : Rules of Thumb of Pearson Correlation Coefficient

<b>Coefficient Range</b>	<b>Strength of Association</b>
$\pm 0.91$ to $\pm 1.00$	Very strong
$\pm 0.71$ to $\pm 0.90$	High
$\pm 0.41$ to $\pm 0.70$	Moderate
$\pm 0.21$ to $\pm 0.40$	Small but definite relationship
$\pm 0.00$ to $\pm 0.20$	Slight, almost negligible

Source: Hair, J.F, Jr., Money, A.h., Samouel, P. & Page, M. (2007). Research methods for business Chichester. West Sussex: John Wiley & Sons, Inc.

### 4.3.1 Pearson Correlation Coefficient

Pearson Correlation Coefficient Analysis was used to test how strong the relationship between dependent variable and independent variables. Pearson Correlation Coefficient analysis, the value range is from -1 to +1. When the Pearson Correlation Coefficient value showed +0.1, there is a perfect positive correlation but if the value showed -1, there is a perfect negative correlation. Besides that, when the Pearson Correlation Coefficient value showed 0, it means there is no correlation between dependent variable and independent variables.

### 4.3.1.1 Empowerment

#### Hypotheses 1

H<sub>0</sub>: There is no significant relationship between empowerment and employee performance.

H<sub>1</sub>: There is significant relationship between empowerment and employee performance.

Table 4.14: Correlation between Empowerment and Employee Performance

	Empowerment	Employee Performance
Empowerment Pearson Correlation	1	.457**
Sig. (2-tailed)		.000
N	400	400
Employee Performance Pearson Correlation	.457**	1
Sig. (2-tailed)	.000	
N	400	400

\*\* . Correlation is significant at the 0.05 level (2-tailed).

Source: Developed for the research

**Direction**

From the table 4.14, there is positive relationship between empowerment and employee performance because of the positive value for correlation coefficient. The empowerment variable has a 0.457 correlation with the employee performance variable. Thus, when empowerment is high, employee performance is high.

**Strength**

The value of this correlation coefficient 0.457 is fall under coefficient range from  $\pm 0.41$  to  $\pm 0.70$ . Therefore, the relationship between empowerment and employee performance is moderate.

**Significance**

The relationship between empowerment and employee performance is significant. It is because the p-value 0.013 is less than alpha value 0.05.

**4.3.1.2 Transformational Leadership****Hypotheses 2**

H<sub>0</sub>: There is no significant relationship between transformational leadership and employee performance.

H<sub>1</sub>: There is significant relationship between transformational leadership and employee performance.

Table 4.15: Correlation between Transformational Leadership and Employee Performance

		Transformational Leadership	Employee Performance
Transformational Leadership	Pearson Correlation	1	.489**
	Sig. (2-tailed)		.000
	N	400	400
Employee Performance	Pearson Correlation	.489**	1
	Sig. (2-tailed)	.000	
	N	400	400

\*\* . Correlation is significant at the 0.05 level (2-tailed).

Source: Developed for the research

### **Direction**

From the table 4.15, there is positive relationship between transformational leadership and employee performance because of the positive value for correlation coefficient. The transformational leadership variable has a 0.489 correlation with the employee performance variable. Thus, when transformational leadership is high, employee performance is high.

**Strength**

The value of this correlation coefficient 0.489 is fall under coefficient range from  $\pm 0.41$  to  $\pm 0.70$ . Therefore, the relationship between transformational leadership and employee performance is moderate.

**Significance**

The relationship between transformational leadership and employee performance is significant. It is because the p-value 0.015 is less than alpha value 0.05.

**4.3.1.3 Teamwork****Hypotheses 3**

H<sub>0</sub>: There is no significant relationship between teamwork and employee performance.

H<sub>1</sub>: There is significant relationship between teamwork and employee performance.

Table 4.16: Correlation between Teamwork and Employee Performance

		Teamwork	Employee Performance
Teamwork	Pearson Correlation	1	.527**
	Sig. (2-tailed)		.000
	N	400	400
Employee Performance	Pearson Correlation	.527**	1
	Sig. (2-tailed)	.000	
	N	400	400

\*\* . Correlation is significant at the 0.05 level (2-tailed).

Source: Developed for the research

### Direction

From the table 4.16, there is positive relationship between teamwork and employee performance because of the positive value for correlation coefficient. The teamwork variable has a 0.527 correlation with the employee performance variable. Thus, when teamwork is high, employee performance is high.

### Strength

The value of this correlation coefficient 0.527 is fall under coefficient range from  $\pm 0.41$  to  $\pm 0.70$ . Therefore, the relationship between teamwork and employee performance is moderate.

## **Significance**

The relationship between teamwork and employee performance is significant. It is because the p-value 0.02 is less than alpha value 0.05.

### **4.3.1.4 Work Environment**

#### **Hypotheses 4**

H<sub>0</sub>: There is no significant relationship between work environment and employee performance.

H<sub>1</sub>: There is significant relationship between work environment and employee performance.



Table 4.17: Correlation between Work Environment and Employee Performance

		Work Environment	Employee Performance
Work Environment	Pearson Correlation	1	.474**
	Sig. (2-tailed)		.000
	N	400	400
Employee Performance	Pearson Correlation	.474**	1
	Sig. (2-tailed)	.000	
	N	400	400

\*\* . Correlation is significant at the 0.05 level (2-tailed).

Source: Developed for the research

**Direction**

From the table 4.17, there is positive relationship between work environment and employee performance because of the positive value for correlation coefficient. The work environment variable has a 0.474 correlation with the employee performance variable. Thus, when work environment is high, employee performance is high.

**Strength**

The value of this correlation coefficient 0.474 is fall under coefficient range from  $\pm 0.41$  to  $\pm 0.70$ . Therefore, the relationship between work environment and employee performance is moderate.

## **Significance**

The relationship between work environment and employee performance is significant. It is because the p-value 0.018 is less than alpha value 0.05.

### **4.3.2 Multiple Regression Analysis**

Multiple regression analysis is the method which used to examine the single or more than one independent variable to explain variance in a dependent variable.

#### **Hypothesis 5**

H<sub>0</sub>: The four independent variables (empowerment, transformational leadership, teamwork, and work environment) are not significantly explaining the variance in employees' performance.

H<sub>5</sub>: The four independent variables (empowerment, transformational leadership, teamwork, and work environment) are significantly explaining the variance in employees' performance.

Table 4.18: ANOVA for Multiple Regressions

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	35.035	4	8.759	41.960	.000 <sup>a</sup>
	Residual	62.929	395	0.160		
	Total	97.964	399			

- a. Predictors: (Constant), Empowerment, Transformational Leadership, Teamwork, Work Environment
- b. Dependent Variable: Employee Performance

Source: Developed for the research

Based on the table 4.18 (Analysis of variance), p-value (0.009) is less than alpha value 0.05. The F-statistic (41.960) is significant. The model for this research is a good descriptor of the relation between the dependent and predictor variables. Therefore, the independent variables (empowerment, transformational leadership, teamwork and work environment) are significant explain the variance in employee performance. The alternate hypothesis ( $H_5$ ) is supported by the data.

Table 4.19: Model summary for Multiple Regressions

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.589 <sup>a</sup>	.356	.342	.463

- a. Predictors: (Constant), Empowerment, Transformational Leadership, Teamwork, Work Environment
- b. Dependent Variable: Employee Performance

Source: Developed for the research

The R square indicates the extent or percentage the independent variables can explain the variation in the dependent variable. In this study, independent variables (empowerment, transformational leadership, teamwork, and work environment) can explain 35.60% of the variations in dependent variable (employee performance). However, it is still leave 64.40% (100% - 35.60%) unexplained in this study. In other word, there are other additional variables that are important in explaining employee performance that have not been considered in this study.

Table 4.20: Parameter Estimates

<b>Parameter Estimates</b>					
<b>Variable</b>	<b>DF</b>	<b>Parameter Estimate</b>	<b>Standard Error</b>	<b>t Value</b>	<b>Pr&gt;[t]</b>
Intercept	1	1.790	0.348	8.02	0.0000
Empowerment	1	0.349	0.154	1.65	0.0038
Transformational Leadership	1	0.583	0.162	1.96	0.0024
Teamwork	1	0.548	0.157	1.94	0.0022
Work Environment	1	0.459	0.158	1.72	0.0042

Source: Developed for the research

Base on the result on above table, empowerment is significant to predict dependent variable (employee performance) for this study. This is because p-value for empowerment is 0.0038 which is less than alpha value 0.05. Next, transformational leadership is significant to predict dependent variable (employee performance) for this study. This is because p-value for transformational leadership is 0.0024 which is less than alpha value 0.05.

The teamwork is significant to predict dependent variable (employee performance) for this study. This is because p-value for team work is 0.0022 which is less than

alpha value 0.05. Work environment is significant to predict dependent variable (employee performance) for this study. This is because p-value for work environment is 0.0042 which is less than alpha value 0.05.

The four independent variables are the factors that determine employees' performance. This can be represented by the regression equation as below:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4$$

Where,

Y=Employee performance

X<sub>1</sub> = Empowerment

X<sub>2</sub> =Transformational Leadership

X<sub>3</sub> =Teamwork

X<sub>4</sub> =Work Environment

Employee performance=1.790+0.349 (Empowerment) +0.583 (Transformational Leadership) +0.548 (Teamwork) +0.459(Work Environment)

Table 4.21: Ranking of the Beta value of Independent Variables

<b>Independent variables</b>	<b>Standardized Coefficients,Beta</b>	<b>Ranking</b>
Empowerment	0.349	4
Transformation Leadership	0.583	1
Teamwork	0.548	2
Work Environment	0.459	3

Source: Develop for research

Based on the above table 4.21, there are ranking from highest independent variable to the lowest independent variable to show that how much of the contribution toward the dependent variable (employee performance).

### **Highest Contribution**

Transformational Leadership is the predictor variable that contributes the highest to the variation of the dependent variable (employee performance) because Beta value which is under standardized coefficients for Transformational Leadership is the largest (0.583) if compare to other predictor variables (empowerment, team work, work environment). This means that Transformational Leadership make the strongest unique contribution to explain the variation in dependent variable (employee performance), when the variance explained by all other predictor variables in the model is controlled for.

### **Second Highest Contribution**

Teamwork is the predictor variable that contributes the second highest to the variation of the dependent variable (employee performance) because Beta value which is under standardized coefficients for Teamwork is the second largest (0.548) if compare to other predictor variables (empowerment, transformational leadership, work environment). This means that Teamwork make the second strongest unique contribution to explain the variation in dependent variable (employee performance), when the variance explained by all other predictor variables in the model is controlled for.

### **Third Highest Contribution**

Work Environment is the predictor variable that contributes the third highest to the variation of the dependent variable (employee performance) because Beta value which is under standardized coefficients for Work Environment is the third largest

(0.459) if compare to other predictor variables(empowerment, transformational leadership, team work). This means that Work Environment make the third strongest unique contribution to explain the variation in dependent variable (employee performance), when the variance explained by all other predictor variables in the model is controlled for.

### **Lowest Contribution**

Empowerment is the predictor variable that contributes the lowest to the variation of the dependent variable (employee performance) because Beta value which is under standardized coefficients for Empowerment is the lowest(0.349) if compare to other predictor variables(transformational leadership, team work, work environment). This means that Empowerment make the least contribution to explain the variation in dependent variable (employee performance), when the variance explained by all other predictor variables in the model is controlled for.

## **4.4 Conclusion**

All the data collected from the research have been interpreted and summarized by used the SAS software. The result showed that, there had significant relationship of all the independent variables (empowerment, transformational leadership, teamwork, and work environment) and the dependent variable (employees' performance ). Thus, the further discussion and conclusion will be conduct in chapter 5 by using the data analysis in this chapter.

## **CHAPTER 5: DISCUSSION & CONCLUSION**

### **5.0 Introduction**

This chapter provides a brief discussion, implication and conclusion from the previous chapter. In this chapter, we will begin with the summary of statistical analyses which comprise of descriptive and inferential analyses. Then, it is followed by the discussion of major findings and the implication of study as well. Not merely for that, some of the limitations and recommendations for future research and conclusion are also will be discussed in this chapter.

### **5.1 Summary of Statistical Analyses**

#### **5.1.1 Summary of Descriptive Analyses**

In general, a summary description of descriptive analyses is generated from the questionnaire survey results. This descriptive analysis is going to describe the demographic profile of respondents. More than half of total respondent is female which amounted 221.

After that, we measure our respondents' ages and get the result that shown majority of our respondents are from the age group of 26 to 30 years old, while the least contribution of the respondents to this questionnaire survey is from the age group of 46 years old and above.

After that, we examined our respondents' contribution to this questionnaire survey based on their ethnic groups. We can get the result which found that, most of our respondents are Chinese races. Whereas the second highest is Indian races.



The majority of our respondents' education levels are College graduate. From the data collected, there are 54 out of 400 of respondents who participated in our questionnaire survey is from Master Degree levels. In this survey, we are merely focus on Kuala Lumpur.

Year of employment is also one of the determinants that included in descriptive analyses. The results showed that most of our respondents were employed 2 to less than 5 years.

## **5.1.2 Summary of Inferential Analyses**

### **5.1.2.1 Reliability Test**

According to the result that derived from the reliability test, it has reflected that all of the variables are considered as reliable since the coefficient alpha values of all variable fall between the range from 0.70 to 0.80 and 0.80 to 0.95 as well. Both of them are considered as good reliability and very good reliability respectively. The result showed that empowerment scored the coefficient alpha value of 0.819; transformational leadership scored 0.796; teamwork scored 0.801; work environment scored 0.794; and employee performance scored 0.831.

### **5.1.2.2 Pearson Correlation Coefficient**

In overall, based on the Pearson Correlation Coefficient, it reflects that all the independent variables (empowerment, transformational leadership, teamwork, and work environment) are having significant relationship with employee performance. Besides, the values of correlation coefficient of these four independent variables are fall under coefficient range from  $\pm 0.41$  to  $\pm 0.70$  which empowerment scored 0.457,

transformational leadership scored 0.489, teamwork scored 0.527, and work environment scored 0.474. As concluded, these figures have indicated that the relationship between each of the four independent variables and employee performance is considered moderate.

### 5.1.2.3 Multiple Regression Analyses

Subsequently, based on the results from multiple regression analyses, transformational leadership makes the highest contribution to employee performance as its standard coefficient beta value of 0.583 which is the largest value among other independent variables. The second and third strongest contribution is teamwork and work environment which scored 0.548 and 0.459. While empowerment represented the lowest to the variation of the employee performance which scored beta value of 0.349.

## 5.2 Discussions of Major Findings

Table 5.1: Correlation Value between Four Independent Variables and Employee Performance

Independent Variables	Hypotheses	Result
Empowerment	H <sub>1</sub> : There is significant relationship between empowerment and employee performance.	P-value= 0.013 (<0.05)
Transformational leadership	H <sub>2</sub> : There is significant relationship between transformational leadership and employee performance.	P-value= 0.015 (<0.05)

Teamwork	H <sub>3</sub> : There is significant relationship between teamwork and employee performance.	P-value= 0.020 (<0.05)
Work environment	H <sub>4</sub> : There is significant relationship between work environment and employee performance.	P-value= 0.018 (<0.05)

Source: Developed for the research

### 5.2.1 Empowerment

H<sub>1</sub>: There is significant relationship between empowerment and employee performance.

According to the result that shown in Chapter 4 which using Pearson Correlation, the result shows as correlation of 0.4574, this represent that there is significant relationship between empowerment and employee performance. Hence, when empowerment is higher, the employee performance will be higher.

Anil Kumar (2012) stated that employees that given certain level of authority can have sufficient freedom to adopt effective methods and ideas to perform jobs. For example, employees able to access to internal information and control over operational for enhancing efficiency work.

There is a research conducted by Gaudreau & Blanchard (2012) explained that empowerment has significant positive relationship to employee performance. When employees are delegated of power for decision making, trusted and concerned by organizations, they will perform well on their jobs. On the other hand, employees' empowerment is crucial for an organization, it is because, employee minimize error

and enhance performance due to responding quickly in decision making to any changes.

### **5.2.2 Transformational leadership**

H<sub>2</sub>: There is significant relationship between transformational leadership and employee performance.

According to the result that shown in Chapter 4 which using Pearson Correlation, the result shows as correlation of 0.4890, this represent that there is significant relationship between transformational leadership and employee performance. Hence, when transformational leadership is higher, the employee performance will be higher.

Soumendu (2012) indicated that indicates that there is positive relationship between transformational leadership. Transformational leader using four dimensions which is idealized influence, inspirational motivation, individualized consideration and intellectual stimulation to enhance and strengthen employee's performance (Raed, John and Ashraf, 2005). Take an example, transformational leader stimulate employees to become self-belief and self-confidence on their jobs so that they will perform better.

Apart from that, transformational leader will gives rewards when employee reached the target of organizations. Therefore, employees get motivated and strengthen performance to reached target of organizations. Moreover, transformational leader will takes consideration on personal feelings of employees. Furthermore, transformational leader stimulate employees to become creative and innovative way to improve their performance in organizations.

### **5.2.3 Teamwork**

H<sub>3</sub>: There is significant relationship between teamwork and employee performance.

According to the result that shown in Chapter 4 which using Pearson Correlation, the result shows as correlation of 0.5270, this represent that there is significant relationship between teamwork and employee performance. Hence, when teamwork is higher, the employee performance will be higher.

There is a research which conducted by Sheikh R. et al. (2011) shows that positive relationship between teamwork and employee performance. First of all, teamwork is crucial to an organization too. It is because; teamwork enables to share ideas, methods and useful strategy in achieving goals. In addition, it can expose potential skills, abilities and knowledge of each of the employees (Khalid, 2008). Follow by; teamwork also accumulates variety of skills, knowledge and abilities which can boost up employee performance to achieve organizational goals.

### **5.2.4 Work environment**

H<sub>4</sub>: There is significant relationship between work environment and employee performance.

According to the result that shown in Chapter 4 which using Pearson Correlation, the result shows as correlation of 0.4740, this represent that there is significant relationship between work environment and employee performance. Hence, when work environment is higher, the employee performance will be higher.

A study reveal in Mohammad, Indra and Abu (2013) research explained that there is positive relationship between work environment and employee performance. First of

all, to improve greater employee satisfaction, productivity and performance, organizations must be provide harmonious and friendly environment. It is because, if organization able to provide better quality of working environment, employees will increase job satisfaction and performance as well.

Another researcher Emmanuella et al., (2012) indicated that there are interrelated relationship between work environment and performance. For instance, levels of lightings, hygiene, workspace and facilities will dramatic effect on employee performance.

### **5.3 Implication of the study**

The implication of study comprises of theoretical implication and managerial implication.

#### **5.3.1 Theoretical Implications**

The previous stage of this research program has indicated that it was possible to construct an initial explanatory model of the factors which influencing the employees' performance in hotel industry.

The previous stage is utilized a small sample to gain insight into the nature of the factors which influencing employees' performance. However, the results were merely preliminary and cannot be generalized easily, and even the initial explanatory model from the previous stage met all of the relevant criteria for viability (John J., 2000). It is because there is some parts of the results were too vague and irrelevant to be considered as a complete model of representing the employees in hotel industry.

Indeed, one of the major implications of this study is that the initial explanatory model can act as a productive framework in order to study the factors which influencing employees' performance in more detailed way (Hsia-Po, 2004).

As cited by Hsia-Po (2004), in this research, attention is paid to ascertain whether observations are generalizable across similar samples, which means the extent to which patterns observed in one study are similar to patterns observed in another study in which the conditions are similar. This study utilized the characteristics of the previous studies from researchers to criticize and refine elements of the initial explanatory model developed in the previous stage (Hsia-Po, 2004). Several aspects tend to increase the reliability of observation findings that described the factors (empowerment, transformational leadership, teamwork, and work environment).

### **5.3.2 Managerial Implications**

This research has conducted on four factors affecting employee performance. These four factors are empowerment, transformational leadership, teamwork and work environment. This research has provided useful and reliable information for future researcher. Not only useful and reliable information can be provided, this research also helps employers to figure out the significance of employee performance in hotel industry, so that, employees can provide high quality of services to increase reputation of organizations in hotel industry.

In addition, this research also make use of determine that successful of organizations. For instance, employee will be increase their performance when their being concerns by organizations, hence, employees willing to contribute all efforts, skills, know ledges and abilities to organizations. Its can establish positive perception to customers in hotel industry.

Furthermore, this research might be useful to human resource practices. This research could be a guideline or reference for employer to increase employee performance. For example, in this research, employer can improve their knowledge on factors that affecting employees in hotel industry. Therefore, organizations can be successful in future. Moreover, this research enables employers to clearly understanding about the factors that they need to concerns about to enhancing performance.

## **5.4 Limitation of the study**

In this research, we are merely emphasized on Kuala Lumpur as our sampling location. Therefore, the data collected from our research only cover Kuala Lumpur, these data only show the perception of employee on the factors that influencing employee performance in hotel industry in Kuala Lumpur. Frankly, the results from our research were insufficient to be generalized for the perception of employee of hotel industry in whole Malaysia.

It is inevitable that our group also faced some problems when conducting our survey in various hotels in Kuala Lumpur. Some of the respondents are unfamiliar with those specific words due to they have limited levels of knowledge and understanding. Thus, we had given clearly explanation to the respondents in order to answer the questionnaire. It's used lots of time when conducting this research.

On the other hand, insufficient of resources has also brought certain obstacles in our research. Even though there are a lot of academic journals related to our independent variables and employee performance available online, but it is insufficient journals to support our research as our research background which on hotel industry in Malaysia. There are not many journals which analyze on the effect of our independent variables on hotel industry in Malaysia.



## 5.5 Recommendations for Future Research

Despite there are some limitations we have found when we are conducting this research, our study still can be completed. Between, there are some recommendations that we proposed for the future researchers who interested in this topic for the purpose of making some improvements to this study.

In this research, we have shown the relationship between the factors which influencing employee performance in four dimensions – empowerment, transformational leadership, teamwork, and work environment. Four dimensions that we used still might insufficient to provide further evidences that these four dimensions are significant enough to affect employee performance.

Therefore, we are strongly recommended that the future researchers have to add more independent variables in their research so as their research is able to study this topic in different perspectives and more precise and accurate results will be occurred.

Moreover, we concerned on the difficulties that we encountered while gaining information from our respondents. Although we used filter method to distribute our questionnaires to the hotel employees but still lack of comprehensive opinions from our respondents, even some of them have some conservative behaviors while giving opinions to us and refusing disclosing too much to us. Thus, we are suggesting that the future researchers should not merely using one method while distributing their questionnaires or getting information from the respondents.

Furthermore, it is advised that the future researchers should build up mediating mechanism in between each independent variables and employee performance, thus enable to reflect their relationship more clearly.

Lastly, future researches who related to this topic are supposed to include more coverage areas in Malaysia since the result of this research will be more representative on the perception of employees of hotel industry in whole Malaysia.

With the recommendation mentioned above, we hope that this research can be devoted to the future study in this field.

## **5.6 Conclusion**

In this chapter we start with the summary of statistical analyses on descriptive and inferential analyses of the results from chapter 4. Next, we have provided discussions on the results of hypotheses tested in our research and validate our research objectives.

Managerial implication is also discussed in this chapter to allow our research to be practical for policy makers and practitioners in organizations. Limitations that arise when conducting this research are also discussed in this chapter. Lastly, the recommendations are presented to provide improvements for future study.

As conclusion of this study, the results of our research showed our independent variables – empowerment, transformational leadership, teamwork, and work environment have significant positive relationship with employee performance. Our independent variables that are tested in our research, which are empowerment, transformational leadership, teamwork, and work environment are applicable in enhancing the overall employee performance of hotel industry. Thus, the result of our research should be used as guidance when figuring out the factors that will significantly influence the employee performance in hotel industry.

Lastly, the result of our study can be used as a reference for future researches on the factors that will significantly influence the employee performance in hotel industry.

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## Appendix

**Appendix 1.0: The Total Amount Of Tourists Who Visit Malaysia**  
**In Year 2010 and Year 2011**



**HOTEL GUESTS BY LOCALITY**  
**JAN - DEC 2011**

BY LOCALITY	DOMESTIC		% CHANGE	FOREIGNER		% CHANGE	TOTAL		% CHANGE
	2010	2011	10/11	2010	2011	10/11	2010	2011	10/11
KUALA LUMPUR	3,729,245	3,760,325	0.83	8,903,088	8,990,338	0.98	12,632,333	12,750,663	0.94
PUTRAJAYA	107,253	100,783	(6.03)	111,140	144,341	29.87	218,393	245,124	12.24
SELANGOR	968,201	975,748	0.78	1,622,222	1,654,667	2.00	2,590,423	2,630,415	1.54
PERAK	1,819,504	2,006,033	10.25	404,728	408,238	0.87	2,224,232	2,414,271	8.54
PULAU PINANG	2,942,544	2,956,390	0.47	3,048,320	3,063,564	0.50	5,990,864	6,019,954	0.49
KEDAH	1,583,512	1,612,873	1.85	1,168,044	1,170,380	0.20	2,751,556	2,783,253	1.15
PERLIS	74,227	80,622	8.62	4,542	3,387	(25.43)	78,769	84,009	6.65
KELANTAN	753,755	760,943	0.95	74,926	69,331	(7.47)	828,681	830,274	0.19
TERENGGANU	1,117,305	1,027,859	(16.37)	132,255	132,520	0.20	1,249,560	1,160,379	(7.14)
PAHANG	4,950,867	4,888,129	(1.27)	3,208,509	3,218,135	0.30	8,159,376	8,106,264	(0.65)
JOHOR	2,051,955	2,003,611	(2.36)	1,566,977	1,781,765	13.71	3,618,932	3,785,376	4.60
MELAKA	1,799,832	1,811,799	0.66	2,089,161	2,091,249	0.10	3,888,993	3,903,048	0.36
N.SEMBILAN	1,157,537	1,352,621	16.85	479,837	478,877	(0.20)	1,637,374	1,831,498	11.86
PENINSULAR MALAYSIA	23,055,737	23,337,736	1.22	22,813,749	23,206,792	1.72	45,869,486	46,544,528	1.47
SABAH	1,855,060	1,734,822	(6.48)	1,785,712	1,812,350	1.49	3,640,772	3,547,172	(2.57)
LABUAN F.T	173,635	194,502	12.02	110,350	110,570	0.20	283,985	305,072	7.43
SARAWAK	2,450,338	2,469,671	0.79	886,161	889,707	0.40	3,336,499	3,359,378	0.69
GRAND TOTAL	27,534,770	27,736,731	0.73	25,595,972	26,019,419	1.65	53,130,742	53,756,150	1.18

*As at March 2012*

Source: Tourism Malaysia (2013).

**Appendix 2.0: The Total Population Of Employees Who Work In Hotel Industry  
In Year 2009 and Year 2010**

**SUMMARY FINDINGS**

**ACCOMMODATION SERVICES**

<b>KEY INDICATORS</b>			
	<b>2010</b>	<b>2009</b>	<b>Change (%)</b>
<i>Number of establishments</i>	3,129	2,362	32.5
<i>Value of gross output ((RM million)</i>	9,825	9,037	8.7
<i>Value added (RM million)</i>	5,556	5,065	9.7
<i>Total employment</i>	110,535	104,645	5.6
<i>Salaries &amp; wages (RM million)</i>	1,934	1,793	7.8
<i>Value of fixed assets (RM million)</i>	21,918	22,108	(0.9)
<i>Number of rooms</i>	182,781	165,245	10.6

Source: Department Of Statistics Malaysia (2012).

**Appendix 3.0: The Sample Size For The Research**

EDUCATIONAL AND PSYCHOLOGICAL MEASUREMENT  
1970, 30, 607-610.

DETERMINING SAMPLE SIZE FOR RESEARCH

ACTIVITIES

ROBERT V. KREJCIE

University of Minnesota, Duluth

DARYLE W. MORGAN

Texas A. & M. University

The ever increasing demand for research has created a need for an efficient method of determining the sample size needed to be representative of a given population. In the article "Small Sample Techniques," the research division of the National Education Association has published a formula for determining sample size. Regrettably a table has not been available for ready, easy reference which could have been constructed using the following formula.

$$s = \frac{X^2 NP(1-P)}{d^2(N-1) + X^2 P(1-P)}.$$

$s$  = required sample size.

$X^2$  = the table value of chi-square for 1 degree of freedom at the desired confidence level (3.841).

$N$  = the population size.

$P$  = the population proportion (assumed to be .50 since this would provide the maximum sample size).

$d$  = the degree of accuracy expressed as a proportion (.05).

No calculations are needed to use Table 1. For example, one may wish to know the sample size required to be representative of the opinions of 9000 high school teachers relative to merit pay increases. To obtain the required sample size enter Table 1 at  $N = 9000$ . The sample size representative of the teachers in this example is 368. Table 1 is applicable to any defined population.

The relationship between sample size and total population is illustrated in Figure 1. It should be noted that as the population increases the sample size increases at a diminishing rate and remains relatively constant at slightly more than 380 cases.



TABLE 1

*Table for Determining Sample Size from a Given Population*

<i>N</i>	<i>S</i>	<i>N</i>	<i>S</i>	<i>N</i>	<i>S</i>
10	10	220	140	1200	291
15	14	230	144	1300	297
20	19	240	148	1400	302
25	24	250	152	1500	306
30	28	260	155	1600	310
35	32	270	159	1700	313
40	36	280	162	1800	317
45	40	290	165	1900	320
50	44	300	169	2000	322
55	48	320	175	2200	327
60	52	340	181	2400	331
65	56	360	186	2600	335
70	59	380	191	2800	338
75	63	400	196	3000	341
80	66	420	201	3500	346
85	70	440	205	4000	351
90	73	460	210	4500	354
95	76	480	214	5000	357
100	80	500	217	6000	361
110	86	550	226	7000	364
120	92	600	234	8000	367
130	97	650	242	9000	368
140	103	700	248	10000	370
150	108	750	254	15000	375
160	113	800	260	20000	377
170	118	850	265	30000	379

180	123	900	269	40000	380
190	127	950	274	50000	381
200	132	1000	278	75000	382
210	136	1100	285	1000000	384

Note.—*N* is population size.

*S* is sample size.

Source: Krejcie, R. V. & Morgan, D. W. (n.d.). Determining Sample Size For Research. *EDUCATIONAL AND PSYCHOLOGICAL MEASUREMENT*.

**Appendix 4.0: Summarized Demographic Profile of Respondents**

Demographic Factors	Categories	Frequency	Percentage(%)
<b>Gender</b>	Male	179	44.75
	Female	221	55.25
	Total	400	
<b>Age</b>	Under 25 years old	46	11.50
	26-30 years old	125	31.25
	31-35 years old	87	21.75
	36-40 years old	45	11.25
	41-45 years old	66	16.50
	46 years old and above	31	7.75
	Total	400	
<b>Race</b>	Chinese	135	33.75
	Indian	114	28.50
	Malay	100	25.00
	Others	51	12.75
	Total	400	

<b>Educational Level</b>	High School Graduate	88	22.00
	College Graduate	137	34.25
	Bachelor Degree	121	30.25
	Master Degree	54	13.50
	Total	400	
<b>Years of Employment</b>	Under 2 years	59	14.75
	2- less than 5 years	160	40.00
	5- less than 10 years	139	34.75
	10 years and above	42	10.50
	Total	400	

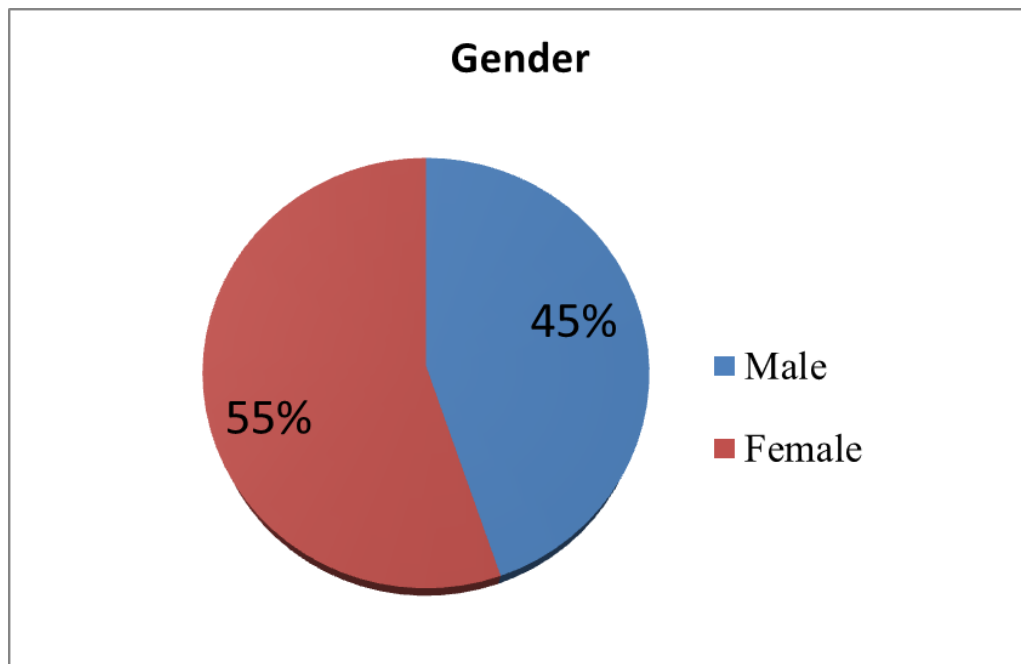
Source: Developed for the research

**Appendix 4.1 :Table of Demographic Profile**

**Gender**

**Gender**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Male	179	44.75	44.75	44.75
Female	221	55.25	55.25	100.0
Total	400	100.0	100.0	

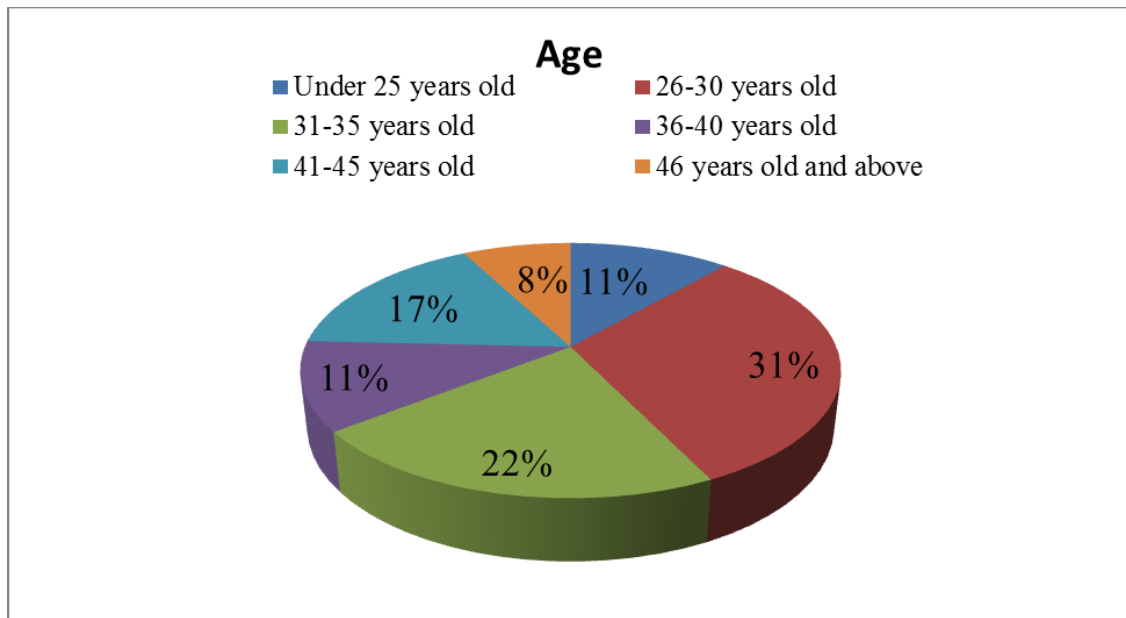


Source: Developed for the research

**Age**

**Age**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Under 25 years old	46	11.50	11.50	11.50
26-30 years old	125	31.25	31.25	42.75
31-35 years old	87	21.75	21.75	64.50
36-40 years old	45	11.25	11.25	75.75
41-45 years old	66	16.50	16.50	92.25
46 years old and above	31	7.75	7.75	100.0
Total	400	100.0	100.0	

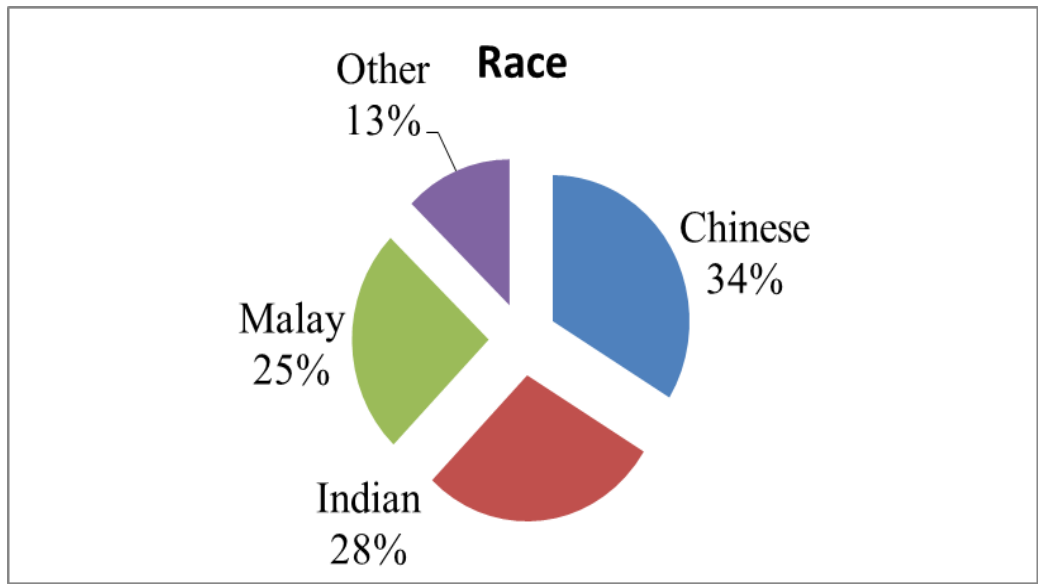


Source: Developed for the research

**Race**

**Race**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Chinese	135	33.75	33.75	33.75
	Indian	114	28.50	28.50	62.25
	Malay	100	25.00	25.00	87.25
	Other	51	12.75	12.75	100.0
	Total	400	100.0	100.0	

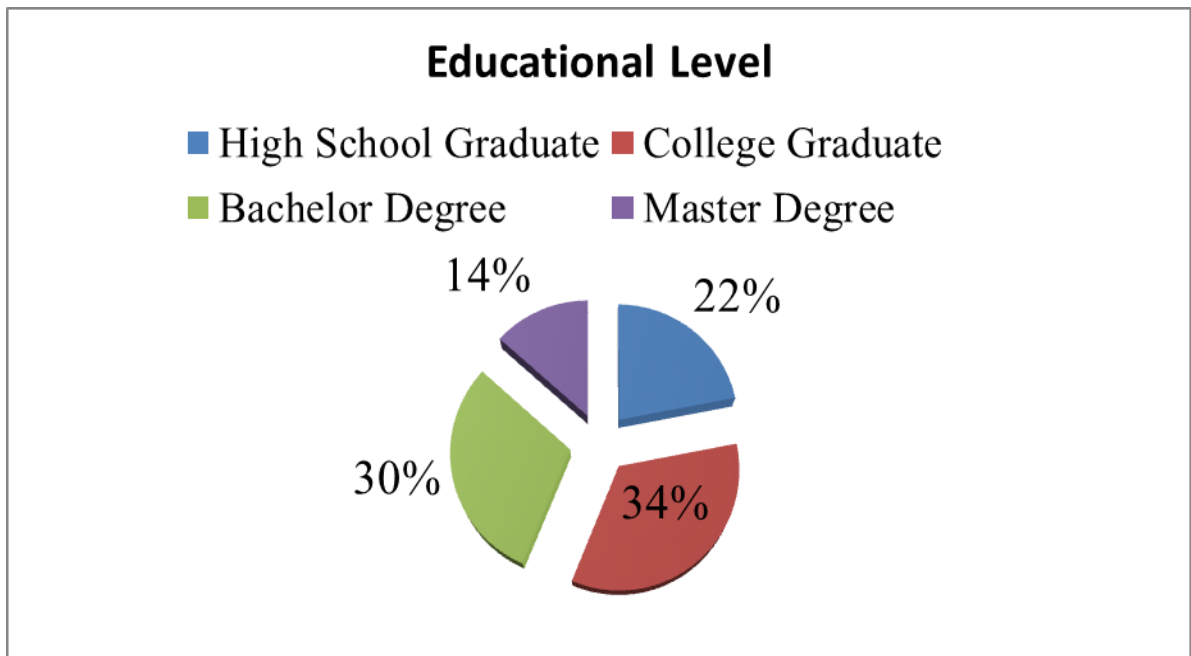


Source: Developed for the research

**Education Level**

**Education Level**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid High School Graduate	88	22.00	22.00	22.00
College Graduate	137	34.25	34.25	56.25
Bachelor Degree	121	30.25	30.25	86.50
Masters Degree	54	13.50	13.50	100.0
Total	400	100.0	100.0	

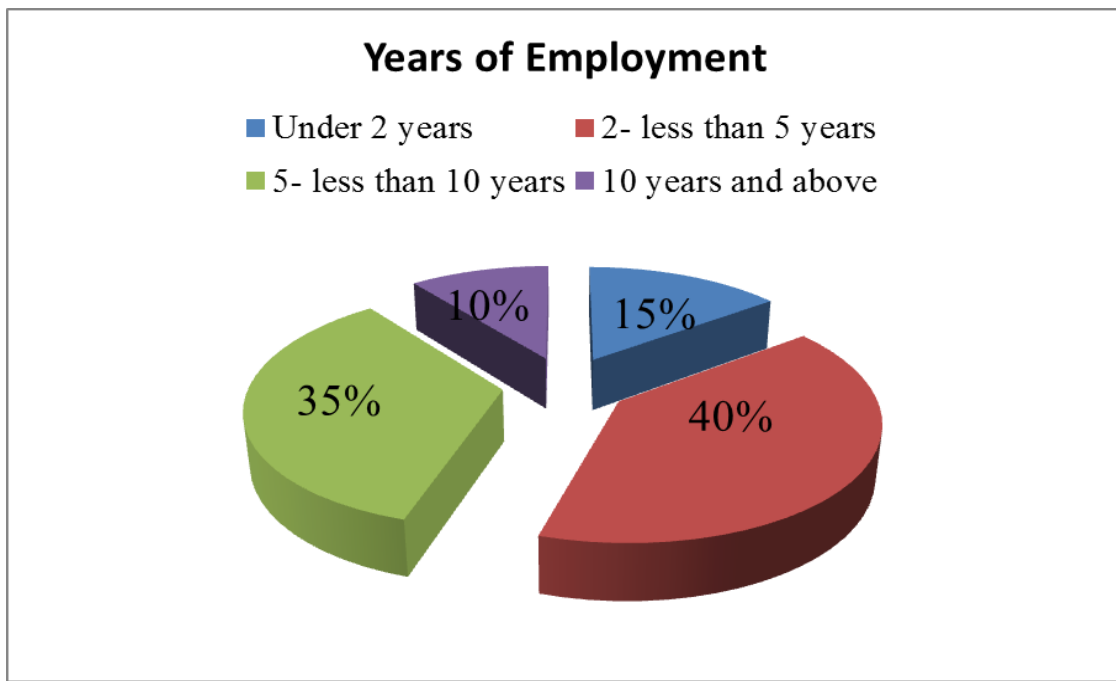


Source: Developed for the research

**Year of Employment**

**Year of Employment**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Under 2 years	59	14.75	14.75	14.75
2 - less than 5 years	160	40.00	40.00	54.75
5 - less than 10 years	139	34.75	34.75	89.50
10 years and above	42	10.50	10.50	100.0
Total	400	100.0	100.0	



Source: Developed for the research



**Appendix 5.0: Central Tendencies Measurement of Constructs****Empowerment**

No.	Statement	Mean	Standard Deviation	Ranking
E1	My supervisors give more freedom and authority which can makes my job easier, faster and effective.	3.3775	0.8347	2
E2	The great autonomy and ability to make decision can make my job more convenient especially for clients.	3.3750	0.8492	3
E3	The power sharing among employee will help to reduces work related stress.	3.3375	0.8663	4
E4	Lack of top management support will handicap to give more power and authority for the employee.	3.3200	0.8272	5
E5	Mutual trust among employees will enhance the power and authority toward the decision making.	3.4525	0.8687	1

Source: Developed for the research

### Transformational Leadership

No.	Statement	Mean	Standard Deviation	Ranking
L1	<b>Idealized influence</b> My supervisor discuss about most important values, beliefs and missions about my work units.	3.5075	0.7723	1
L2	<b>Inspirational leadership</b> My supervisor encourages me to make the most of real skills and capacities to the jobs.	3.4750	0.7387	3
L3	<b>Intellectual stimulation</b> My supervisor challenges me to think about old problems in new ways.	3.4275	0.7624	4
L4	My supervisor has ideas that have forced me to rethink something that I have never questioned before.	3.4975	0.8041	2
L5	<b>Individualized consideration</b> My supervisor gives me careful attention on working conditions.	3.3875	0.6990	5

Source: Developed for the research

**Teamwork**

No.	Statement	Mean	Standard Deviation	Ranking
T1	This team's overall goals and objectives are clear.	3.3300	0.8590	3
T2	On this team we understand each other's roles and are able to be flexible and creative with them.	3.3625	0.8110	2
T3	Everyone on this team knows what's needed to make the team work well.	3.3700	0.7903	1
T4	Although no one says it, sometimes it's hard to get help with things because people feel that "it's not my job".	3.2050	0.8514	5
T5	People on this team are always frank and open with each other.	3.2725	0.8215	4

Source: Developed for the research

**Work Environment**

No.	Statement	Mean	Standard Deviation	Ranking
W1	Reacts quickly to solve the problem when told about safety concerns.	3.2975	0.8490	4
W2	Invests a lot in safety training for workers.	3.3000	0.8317	3
W3	My workspace is provided with efficient lighting so that I can work easily without strain on my eyes.	3.3950	0.8752	1

W4	Number of windows in my work area complete my fresh air and light need.	3.3475	0.8145	2
W5	My work area is sufficiently equipped for my typical needs (normal storage, movements, etc).	3.2800	0.8476	5

Source: Developed for the research

### Employee Performance

No.	Statement	Mean	Standard Deviation	Ranking
P1	Understands duties and responsibilities of the work and complete the tasks with the level of proficiency required.	3.4325	0.8616	3
P2	Extent to which employee can be counted on to carry out instructions and fulfill job responsibilities accurately and efficiently.	3.5275	0.8667	1
P3	Punctuality of workers. Reports to work as scheduled and follows established procedures for breaks.	3.4750	0.8839	2
P4	Ability to be self-directed, efficient, creative, and resourceful. Assumes extra work on own initiative, adapts quickly to new responsibilities.	3.3975	0.9119	4
P5	Extent to which employee demonstrates a positive attitude, and promotes cooperation with supervisors, peers and others.	3.3825	0.9319	5

Source: Developed for the research

**Appendix 6.0: Reliability Analysis (Pilot Test)**

Variables	Dimensions	Cronbach's Alpha
Independent Variables	Empowerment	0.7147
Independent Variables	Transformational Leadership	0.7225
Independent Variables	Teamwork	0.7139
Independent Variables	Work Environment	0.7321
Dependent Variables	Employee Performance	0.7096

Source: Developed for the research

**Appendix 7.0: Reliability Analysis (Real Test)**

No.	Variables	Cronbach's Alpha	Number of items
1.	Empowerment	0.8197	5
2.	Transformational Leadership	0.7967	5
3.	Team Work	0.8013	5
4.	Work Environment	0.7945	5
5.	Employees' Performance	0.8316	5

Source: Developed for the research

**Appendix 8.0: Pearson's Correlation Analysis**

**Empowerment**

	Empowerment	Employee Performance
Empowerment Pearson Correlation	1	.457**
Sig. (2-tailed)		.000
N	400	400
Employee Performance Pearson Correlation	.457**	1
Sig. (2-tailed)	.000	
N	400	400

\*\* . Correlation is significant at the 0.05 level (2-tailed).

Source: Developed for the research

**Transformational Leadership**

	Transformational Leadership	Employee Performance
Transformational Leadership Pearson Correlation	1	.489**
Sig. (2-tailed)		.000
N	400	400
Employee Performance Pearson Correlation	.489**	1
Sig. (2-tailed)	.000	
N	400	400

\*\* . Correlation is significant at the 0.05 level (2-tailed).

Source: Developed for the research

**Teamwork**

		Team Work	Employee Performance
Team Work	Pearson Correlation	1	.527**
	Sig. (2-tailed)		.000
	N	400	400
Employee Performance	Pearson Correlation	.527**	1
	Sig. (2-tailed)	.000	
	N	400	400

\*\* . Correlation is significant at the 0.05 level (2-tailed).

Source: Developed for the research

**Work Environment**

		Work Environment	Employee Performance
Work Environment	Pearson Correlation	1	.474**
	Sig. (2-tailed)		.000
	N	400	400
Employee Performance	Pearson Correlation	.474**	1
	Sig. (2-tailed)	.000	
	N	400	400

\*\* . Correlation is significant at the 0.05 level (2-tailed).

Source: Developed for the research

**Appendix 8.1: Multiple Regression Analysis**

**ANOVA**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	35.035	4	8.759	41.960	.000 <sup>a</sup>
	Residual	62.929	395	0.160		
	Total	97.964	399			

c. Predictors: (Constant), Empowerment, Transformational Leadership, Team Work, Work Environment

d. Dependent Variable: Employee Performance

Source: Developed for the research



**R Square**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.589 <sup>a</sup>	.356	.342	.463

c. Predictors: (Constant), Empowerment, Transformational Leadership, Team work, Work Environment

d. Dependent Variable: Employee Performance

Source: Developed for the research

**Parameter Estimates (Beta)**

<b>Parameter Estimates</b>					
<b>Variable</b>	<b>DF</b>	<b>Parameter Estimate</b>	<b>Standard Error</b>	<b>t Value</b>	<b>Pr&gt;[t]</b>
Intercept	1	1.790	0.348	8.02	0.0000
Empowerment	1	0.349	0.154	1.65	0.0038
Transformational Leadership	1	0.583	0.162	1.96	0.0024
Team Work	1	0.548	0.157	1.94	0.0022
Work Environment	1	0.459	0.158	1.72	0.0042

Source: Developed for the research

## Appendix 9.0: Questionnaire



**UNIVERSITI TUNKU ABDUL RAHMAN (UTAR KAMPAR)**  
**FACULTY OF BUSINESS AND FINANCE (FBF)**  
**BACHELOR OF BUSINESS ADMINISTRATION (HONS)**

Dear respondent:

We are final year students of Bachelor of Business Administration (Hons) from University Tunku Abdul Rahman (UTAR). We are currently doing our final year project with carries the title “**Factors Affect Employees’ Performance In Hotel Industry**”. The purpose of this research is to identify the most critical factors influence employees’ performance.

This questionnaire is comprises of two sections. **Section A** which is about your personal particulars and **Section B** which is your perception or opinion on the factors affecting employees’ performance based on the statements and scale given.

Your co-operation to answer those questions is very important helping in our research. All the information collected use for this research purpose only and the answer provided by you are confidential and anonymous. Thank you in advance for your participation in this research.

**Research Project Team Members’ Details:**

<b>Name</b>	<b>Student ID NO.</b>
CHNG HUI CHEI	11ABB07317
HEE CUI YEE	09ABB03886
LIEW POOI MEN	12ABB06027
LOKE LOO BEE	11ABB06465

## SURVEY QUESTIONNAIRE

### **Section A: Demographics**

Please tick (√) according to the answers in the boxes that best represents you.

2. Please select your gender

Male      Female

3. Please select your age

Under 25 years old      26-30 years old  
31-35 years old      36-40 years old  
41-45 years old      46 years old and above

4. Please select your race

Chinese    Indian      Malay      Others

5. Educational level

High School Graduate      College Graduate  
Bachelor Degree      Masters Degree

6. Years of employment

Under 2 years  
2- less than 5 years  
5- less than 10 years  
10 years and above

**Section B: Factors Affecting Employees' Performance**

Under Section A, it consists of 5 parts. Please circle your answer to each statement using 5 Likert scale [(1)= Strongly Disagree, (2)= Disagree, (3)= Neutral, (4)= Agree, (5)= Strongly Agree].

Part 1: Empowerment

No.	Questions	SD	D	N	A	SA
1.	My supervisor gives more freedom and authority which can makes my job easier, faster and effective.	1	2	3	4	5
2.	The great autonomy and ability to make decision can make my job more convenient especially for clients.	1	2	3	4	5
3.	The power sharing among employee will help to reduces work related stress.	1	2	3	4	5
4.	Lack of top management support will handicap to give more power and authority for the employee.	1	2	3	4	5
5.	Mutual trust among employees will enhance the power and authority toward the decision making.	1	2	3	4	5

Part 2: Transformational Leadership

No.	Questions	SD	D	N	A	SA
1.	<b>Idealized influence</b> My supervisor discuss about most important values, beliefs and missions about my work units.	1	2	3	4	5
2.	<b>Inspirational leadership</b> My supervisor encourages me to make the most of real skills and capacities to the jobs.	1	2	3	4	5
3.	<b>Intellectual stimulation</b> My supervisor challenges me to think about old problems	1	2	3	4	5

	in new ways.					
4.	My supervisor has ideas that have forced me to rethink something that I have never questioned before.	1	2	3	4	5
5.	<b>Individualized consideration</b> My supervisor gives me careful attention on working conditions.	1	2	3	4	5

Part 3: Team Work

No.	Questions	SD	D	N	A	SA
1.	This team's overall goals and objectives are clear.	1	2	3	4	5
2.	On this team we understand each other's roles and are able to be flexible and creative with them	1	2	3	4	5
3.	Everyone on this team knows what's needed to make the team work well.	1	2	3	4	5
4.	Although no one says it, sometimes it's hard to get help with things because people feel that "it's not my job".	1	2	3	4	5
5.	People on this team are always frank and open with each other.	1	2	3	4	5

Part 4: Work Environment

No.	Questions	SD	D	N	A	SA
1.	Reacts quickly to solve the problem when told about safety concerns.	1	2	3	4	5
2.	Invests a lot in safety training for workers.	1	2	3	4	5
3.	My workspace is provided with efficient lighting so that I can work easily without strain on my eyes.	1	2	3	4	5
4.	Number of windows in my work area complete my fresh air and light need.	1	2	3	4	5

5.	My work area is sufficiently equipped for my typical needs (normal storage, movements, etc).	1	2	3	4	5
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Part 5: Employees' Performance

No.	Questions	SD	D	N	A	SA
1.	Understands duties and responsibilities of the work and complete the task with the level of proficiency required.	1	2	3	4	5
2.	Extend to which employee can be counted on to carry out instruction and fulfill job responsibility accurately and efficiently.	1	2	3	4	5
3.	Punctuality of workers. Report to work as scheduled and follows established procedures for breaks.	1	2	3	4	5
4.	Ability to be self-directed, efficient, creative, and resourceful. Assumes extra work on own initiative, adapts quickly to new responsibilities.	1	2	3	4	5
5.	Extent to which employee demonstrates a positive attitude, and promotes cooperation with supervisors, peers and others.	1	2	3	4	5

## Pilot test

### Reliability test

Dependent Variable (Employee Performance)

**Reliability Test(Employee Performance)**  
*The CORR Procedure*

5 Variables: P1 P2 P3 P4 P5

Simple Statistics						
Variable	N	Mean	Std Dev	Sum	Minimum	Maximum Label
P1	20	3.75000	1.06992	75.00000	2.00000	5.00000 Understands duties and responsibilities of the work and complete the tasks with the level of proficiency required, 1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree, 99=Missing Data
P2	20	3.80000	0.95145	76.00000	2.00000	5.00000 Extend to which employee can be counted on to carry out instructions and fulfill job responsibilities accurately and efficiently, 1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree, 99=Missing Data
P3	20	3.85000	0.98809	77.00000	2.00000	5.00000 Punctuality of workers. Reports to work as scheduled and follows established procedures for breaks, 1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree, 99=Missing Data
P4	20	3.85000	1.03999	77.00000	1.00000	5.00000 Ability to be self-directed, efficient, creative, and resourceful. Assumes extra work on own initiative, adapts quickly to new responsibilities, 1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree, 99=Missing Data
P5	20	3.50000	1.10024	70.00000	1.00000	5.00000 Extent to which employee demonstrates a positive attitude, and promotes cooperation with supervisors, peers and others, 1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree, 99=Missing Data

Cronbach Coefficient Alpha	
Variables	Alpha
Raw	0.709626
Standardized	0.713437

Independent Variable (Empowerment)

**Reliability Test(Empowerment)**  
*The CORR Procedure*

5 Variables: E1 E2 E3 E4(R) E5

Simple Statistics						
Variable	N	Mean	Std Dev	Sum	Minimum	Maximum Label
E1	20	3.70000	1.21828	74.00000	2.00000	5.00000 Give more freedom and authority can makes my job easier, faster and effective, 1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree, 99=Missing data
E2	20	3.80000	1.19649	76.00000	1.00000	5.00000 The great autonomy and ability to make decision can make my job more convenient especially for clients, 1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree, 99=Missing data
E3	20	3.10000	1.29371	62.00000	1.00000	5.00000 The power sharing among employee will help to reduces work related stress, 1= Strongly Disagree, 2= Disagree, 3= Neutral, 4= Agree, 5= Strongly Agree, 99= Missing Data
E4(R)	20	2.45000	1.05006	49.00000	1.00000	4.00000 top management support,1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree, 99=Missing data
E5	20	3.15000	1.22582	63.00000	1.00000	5.00000 Mutual trust among employees will enhance the power and authority toward the decision making, 1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree, 99=Missing data

Cronbach Coefficient Alpha	
Variables	Alpha
Raw	0.714677
Standardized	0.720468

Independent Variable (Transformational Leadership)

**Reliability Test(Transformational Leadership)**  
The CORR Procedure

5 Variables: L1 L2 L3 L4 L5

Simple Statistics							
Variable	N	Mean	Std Dev	Sum	Minimum	Maximum	Label
L1	20	3.65000	1.08942	73.00000	2.00000	5.00000	My supervisor discuss about most important values, beliefs and missions about my work, 1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly agree, 99=Missing data
L2	20	3.35000	0.87509	67.00000	2.00000	5.00000	My supervisor encourages me to make the most of real skills and capacities to the jobs, 1= Strongly Disagree, 2= Disagree, 3= Neutral, 4= Agree, 5= Strongly Agree, 99=Missing Data
L3	20	3.60000	0.94032	72.00000	2.00000	5.00000	My supervisor challenges me to think about old problems in new ways, 1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree, 99=Missing Data
L4	20	3.50000	1.35724	70.00000	1.00000	5.00000	My supervisor has ideas that have forces me to rethink some things that I have never questioned before, 1=Strongly Disagree, 2=Disagree, 3=Neutral, 4= Agree, 5=Strongly Agree, 99=Missing Data
L5	20	3.55000	1.19097	71.00000	1.00000	5.00000	My supervisor give me careful attention on working conditions, 1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree, 99=Missing data

Cronbach Coefficient Alpha	
Variables	Alpha
Raw	0.722546
Standardized	0.713440

Independent Variable (Teamwork)

**Reliability Test(Team Work)**  
The CORR Procedure

5 Variables: T1 T2 T3 T4(R) T5

Simple Statistics							
Variable	N	Mean	Std Dev	Sum	Minimum	Maximum	Label
T1	20	3.20000	1.10501	64.00000	1.00000	5.00000	This team's overall goals and objectives are clear, 1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree, 99=Missing data
T2	20	3.65000	0.93330	73.00000	2.00000	5.00000	On this team we understand each other's roles and are able to be flexible and creative with them, 1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree, 99=Missing Data
T3	20	3.70000	1.17429	74.00000	1.00000	5.00000	Everyone on this team knows what's needed to make the team work well, 1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree, 99=missing Data
T4(R)	20	2.45000	1.09904	49.00000	1.00000	5.00000	get help with things,1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree, 99=Missing data
T5	20	3.35000	0.98809	67.00000	1.00000	5.00000	People on this team are always frank and open with each other, 1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree, 99=Missing Data

Cronbach Coefficient Alpha	
Variables	Alpha
Raw	0.713929
Standardized	0.716619



Independent Variable (Work Environment)

**Reliability Test(Work Environment)**  
*The CORR Procedure*

5 Variables: W1 W2 W3 W4 W5

Simple Statistics							
Variable	N	Mean	Std Dev	Sum	Minimum	Maximum	Label
W1	20	3.30000	1.26074	66.00000	1.00000	5.00000	Reacts quickly to solve the problem when told about safety concerns, 1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree, 99=Missing Data
W2	20	3.60000	1.42902	72.00000	1.00000	5.00000	Invests a lot in safety training for workers, 1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree, 99=Missing Data
W3	20	3.25000	1.44641	65.00000	1.00000	5.00000	My workspace is provided with efficient lighting so that I can work easily without strain on my eyes, 1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree, 99=Missing Data
W4	20	3.25000	1.29269	65.00000	1.00000	5.00000	Number of windows in my work area complete my fresh air and light need, 1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree, 99=Missing Data
W5	20	3.05000	1.23438	61.00000	1.00000	5.00000	My work area is sufficiently equipped for my typical needs (normal storage, movements, etc), 1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree, 99=Missing Data

Cronbach Coefficient Alpha	
Variables	Alpha
Raw	0.732058
Standardized	0.728684

The reliability result of the total dependent and independent variable

**Reliability Test (whole)**  
*The CORR Procedure*

25 Variables: E4(R) T4(R) E1 E2 E3 E5 L1 L2 L3 L4 L5 T1 T2 T3 T5 W1 W2 W3  
W4 W5 P1 P2 P3 P4 P5

Simple Statistics							
Variable	N	Mean	Std Dev	Sum	Minimum	Maximum	Label
E4(R)	20	2.45000	1.05006	49.00000	1.00000	4.00000	top management support, 1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree, 99=Missing data
T4(R)	20	2.45000	1.09904	49.00000	1.00000	5.00000	get help with things, 1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree, 99=Missing data
E1	20	3.70000	1.21828	74.00000	2.00000	5.00000	Give more freedom and authority can makes my job easier, faster and effective, 1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree, 99=Missing data
E2	20	3.80000	1.19649	76.00000	1.00000	5.00000	The great autonomy and ability to make decision can make my job more convenient especially for clients, 1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree, 99=Missing data
E3	20	3.10000	1.29371	62.00000	1.00000	5.00000	The power sharing among employee will help to reduces work related stress, 1= Strongly Disagree, 2= Disagree, 3= Neutral, 4= Agree, 5= Strongly Agree, 99= Missing Data
E5	20	3.15000	1.22582	63.00000	1.00000	5.00000	Mutual trust among employees will enhance the power and authority toward the decision making, 1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree, 99=Missing data
L1	20	3.65000	1.08942	73.00000	2.00000	5.00000	My supervisor discuss about most important values, beliefs and missions about my work, 1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly agree, 99=Missing data
							My supervisor encourages me to make the most of real skills and capacities to the jobs, 1= Strongly Disagree, 2= Diagree, 3= Neutral, 4= Agree, 5=

Cronbach Coefficient Alpha	
Variables	Alpha
Raw	0.711764
Standardized	0.695145

## Real Test

### Reliability test

#### Dependent Variable (Employee Performance)

**Correlation Analysis**  
The CORR Procedure

5 Variables: EP1 EP2 EP3 EP4 EP5

Simple Statistics							
Variable	N	Mean	Std Dev	Sum	Minimum	Maximum	Label
EP1	400	3.43250	0.86157	1373	1.00000	5.00000	understand duties,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data
EP2	400	3.52750	0.86667	1411	1.00000	5.00000	extend instructions,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data
EP3	400	3.47500	0.88393	1390	1.00000	5.00000	punctual on time,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data
EP4	400	3.39750	0.91191	1359	1.00000	5.00000	ability,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data
EP5	400	3.38250	0.93186	1353	1.00000	5.00000	extent to employee,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data

Cronbach Coefficient Alpha	
Variables	Alpha
Raw	0.831558
Standardized	0.831838

Cronbach Coefficient Alpha with Deleted Variable					
Deleted Variable	Raw Variables		Standardized Variables		Label
	Correlation with Total	Alpha	Correlation with Total	Alpha	
EP1	0.641175	0.794953	0.640736	0.795258	understand duties,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data
EP2	0.630807	0.797740	0.629503	0.798440	extend instructions,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data
EP3	0.617821	0.801267	0.618581	0.801517	punctual on time,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data
EP4	0.608474	0.804122	0.609049	0.804189	ability,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data
EP5	0.652394	0.791470	0.652863	0.791804	extent to employee,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data

Pearson Correlation Coefficients, N = 400 Prob >  r  under H0: Rho=0					
	EP1	EP2	EP3	EP4	EP5
EP1	1.00000	0.45897	0.52927	0.52071	0.50829

#### Independent Variable (Empowerment)

**Correlation Analysis**  
The CORR Procedure

5 Variables: E1 E2 E3 E4(R) E5

Simple Statistics							
Variable	N	Mean	Std Dev	Sum	Minimum	Maximum	Label
E1	400	3.37750	0.83471	1351	1.00000	5.00000	freedom and authority,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data
E2	400	3.37500	0.84922	1350	1.00000	5.00000	autonomy,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data
E3	400	3.33750	0.86630	1335	1.00000	5.00000	power sharing,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data
E4(R)	400	3.32000	0.82723	1328	1.00000	5.00000	
E5	400	3.45250	0.86869	1381	1.00000	5.00000	mutual trust,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data

Cronbach Coefficient Alpha	
Variables	Alpha
Raw	0.819729
Standardized	0.819418

Cronbach Coefficient Alpha with Deleted Variable					
Deleted Variable	Raw Variables		Standardized Variables		Label
	Correlation with Total	Alpha	Correlation with Total	Alpha	
E1	0.661043	0.769838	0.660560	0.769156	freedom and authority,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data
E2	0.653781	0.771715	0.653666	0.771236	autonomy,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data
E3	0.580603	0.793567	0.579600	0.793134	power sharing,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data
E4(R)	0.497225	0.816240	0.498057	0.816332	
E5	0.668963	0.766790	0.668069	0.766884	mutual trust,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data

Pearson Correlation Coefficients, N = 400 Prob >  r  under H0: Rho=0					
	E1	E2	E3	E4(R)	E5
E1	1.00000	0.52107	0.50270	0.43803	0.56918
freedom and authority,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data		< .0001	< .0001	< .0001	< .0001

Independent Variable (Transformational Leadership)

**Correlation Analysis**  
The CORR Procedure

5 Variables: L1 L2 L3 L4 L5

Simple Statistics							
Variable	N	Mean	Std Dev	Sum	Minimum	Maximum	Label
L1	400	3.50750	0.77229	1403	1.00000	5.00000	important values,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data
L2	400	3.47500	0.73874	1390	1.00000	5.00000	encourage,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data
L3	400	3.42750	0.76236	1371	1.00000	5.00000	challenges,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data
L4	400	3.49750	0.80412	1399	1.00000	5.00000	force rethink,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data
L5	400	3.38750	0.69897	1355	1.00000	5.00000	give attention,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data

Cronbach Coefficient Alpha	
Variables	Alpha
Raw	0.796705
Standardized	0.797643

Cronbach Coefficient Alpha with Deleted Variable					
Deleted Variable	Raw Variables		Standardized Variables		Label
	Correlation with Total	Alpha	Correlation with Total	Alpha	
L1	0.531818	0.772794	0.531308	0.774006	important values,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data
L2	0.600309	0.751038	0.601621	0.751879	encourage,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data
L3	0.581029	0.756948	0.581691	0.758231	challenges,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data
L4	0.595083	0.752680	0.594243	0.754238	force rethink,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data
L5	0.583956	0.756974	0.584676	0.757284	give attention,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data

Pearson Correlation Coefficients, N = 400					
Prob >  r  under H0: Rho=0					
	L1	L2	L3	L4	L5
L1	1.00000	0.41107	0.36275	0.45203	0.41478
L2		1.00000	<.0001	<.0001	<.0001
L3			1.00000	0.48851	0.44500
L4				1.00000	0.47748
L5					1.00000

Independent Variable (Teamwork)

**Correlation Analysis**  
The CORR Procedure

5 Variables: TW1 TW2 TW4(R) TW3 TW5

Simple Statistics							
Variable	N	Mean	Std Dev	Sum	Minimum	Maximum	Label
TW1	400	3.33000	0.85904	1332	1.00000	5.00000	goal,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data
TW2	400	3.36250	0.81101	1345	1.00000	5.00000	understand,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data
TW4(R)	400	3.20500	0.79028	1282	1.00000	5.00000	
TW3	400	3.37000	0.85142	1348	1.00000	5.00000	know what needed,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data
TW5	400	3.27250	0.82154	1309	1.00000	5.00000	frank and open,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data

Cronbach Coefficient Alpha	
Variables	Alpha
Raw	0.801277
Standardized	0.801382

Cronbach Coefficient Alpha with Deleted Variable					
Deleted Variable	Raw Variables		Standardized Variables		Label
	Correlation with Total	Alpha	Correlation with Total	Alpha	
TW1	0.604861	0.756664	0.604797	0.756904	goal,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data
TW2	0.580954	0.764267	0.579562	0.764832	understand,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data
TW4(R)	0.551423	0.773198	0.552187	0.773318	
TW3	0.562610	0.770265	0.561922	0.770314	know what needed,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data
TW5	0.621300	0.751584	0.622105	0.751409	frank and open,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data

Pearson Correlation Coefficients, N = 400					
Prob >  r  under H0: Rho=0					
	TW1	TW2	TW4(R)	TW3	TW5
TW1	1.00000	0.54375	0.40587	0.44602	0.44402
TW2		1.00000	<.0001	<.0001	<.0001
TW4(R)			1.00000	0.28885	0.28885
TW3				1.00000	0.12885
TW5					1.00000

Independent Variable (Work Environment)

**Correlation Analysis**  
The CORR Procedure

5 Variables: WE1 WE2 WE3 WE4 WE5

Simple Statistics							
Variable	N	Mean	Std Dev	Sum	Minimum	Maximum	Label
WE1	400	3.29750	0.84900	1319	1.00000	5.00000	reacts quickly,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data
WE2	400	3.30000	0.83170	1320	1.00000	5.00000	invest training,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data
WE3	400	3.39500	0.87515	1358	1.00000	5.00000	efficient light,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data
WE4	400	3.34750	0.81450	1339	1.00000	5.00000	window,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data
WE5	400	3.28000	0.84758	1312	1.00000	5.00000	sufficiently equip,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data

Cronbach Coefficient Alpha	
Variables	Alpha
Raw	0.794498
Standardized	0.795000

Cronbach Coefficient Alpha with Deleted Variable					
Deleted Variable	Raw Variables		Standardized Variables		Label
	Correlation with Total	Alpha	Correlation with Total	Alpha	
WE1	0.618279	0.741277	0.618597	0.742085	reacts quickly,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data
WE2	0.514587	0.774150	0.515566	0.774856	invest training,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data
WE3	0.531792	0.769755	0.532149	0.769697	efficient light,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data
WE4	0.614783	0.743166	0.614401	0.743453	window,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data
WE5	0.595782	0.748652	0.595802	0.749484	sufficiently equip,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data

Pearson Correlation Coefficients, N = 400					
Prob >  r  under H0: Rho=0					
	WE1	WE2	WE3	WE4	WE5
WE1	1.00000	0.43764	0.42500	0.48439	0.51087
reacts quickly,1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data		<.0001	<.0001	<.0001	<.0001

Pearson Correlation Coefficient

Empowerment and Employee Performance

**Correlation Analysis**  
The CORR Procedure

2 Variables: empowerment Employee Performance

Simple Statistics							
Variable	N	Mean	Std Dev	Sum	Minimum	Maximum	Label
empowerment	400	3.37250	0.64745	1349	1.80000	5.00000	1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data
Employee Performance	400	3.44300	0.68916	1377	1.60000	5.00000	1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data

Pearson Correlation Coefficients, N = 400		
Prob >  r  under H0: Rho=0		
	empowerment	Employee Performance
empowerment	1.00000	0.45732
1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data		0.0131
Employee Performance	0.45732	1.00000
1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data		0.0131

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Transformational Leadership and Employee Performance

**Correlation Analysis**  
The CORR Procedure

2 Variables: Transformational Leadership Employee Performance

Simple Statistics							
Variable	N	Mean	Std Dev	Sum	Minimum	Maximum	Label
Transformational Leadership	400	3.45700	0.55976	1383	2.00000	4.60000	1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data
Employee Performance	400	3.44300	0.68916	1377	1.60000	5.00000	1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data

Pearson Correlation Coefficients, N = 400		
Prob >  r  under H0: Rho=0		
	Transformational Leadership	Employee Performance
Transformational Leadership	1.00000	0.48903
1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data		0.0152
Employee Performance	0.48903	1.00000
1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data		0.0152

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### Teamwork and Employee Performance

**Correlation Analysis**  
The CORR Procedure

2 Variables: Team work Employee Performance

Simple Statistics							
Variable	N	Mean	Std Dev	Sum	Minimum	Maximum	Label
Team work	400	3.30800	0.61732	1323	1.60000	4.60000	1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data
Employee Performance	400	3.44300	0.68916	1377	1.60000	5.00000	1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data

Pearson Correlation Coefficients, N = 400		
Prob >  r  under H0: Rho=0		
	Team work	Employee Performance
Team work	1.00000	0.52733
1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data		0.0201
Employee Performance	0.52733	1.00000
1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data	0.0201	

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### Work Environment and Employee Performance

**Correlation Analysis**  
The CORR Procedure

2 Variables: Work Environment Employee Performance

Simple Statistics							
Variable	N	Mean	Std Dev	Sum	Minimum	Maximum	Label
Work Environment	400	3.32400	0.62514	1330	1.60000	4.60000	1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data
Employee Performance	400	3.44300	0.68916	1377	1.60000	5.00000	1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data

Pearson Correlation Coefficients, N = 400		
Prob >  r  under H0: Rho=0		
	Work Environment	Employee Performance
Work Environment	1.00000	0.47422
1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data		0.0182
Employee Performance	0.47422	1.00000
1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data	0.0182	

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### Multiple Regression Analysis

**Linear Regression Results**  
The REG Procedure

Model: Linear\_Regression\_Model  
Dependent Variable: Employee Performance 1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data

Number of Observations Read	400
Number of Observations Used	400

Analysis of Variance					
Source	DF	Sum of Squares	Mean Square	F Value	Pr > F
Model	4	35.03498	8.75902	41.96	0.009
Error	395	62.92904	0.16003		
Corrected Total	399	97.96402			

Root MSE	0.68945	R-Square	0.3560
Dependent Mean	3.44300	Adj R-Sq	0.3420
Coeff Var	20.02467		

Parameter Estimates						
Variable	Label	DF	Parameter Estimate	Standard Error	t Value	Pr >  t
Intercept	Intercept	1	1.79036	0.34803	8.02	0.0000
empowerment	1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data	1	0.34923	0.15409	1.65	0.0038
Transformational Leadership	1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data	1	0.58321	0.16202	1.96	0.0024
Team work	1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data	1	0.54841	0.15743	1.94	0.0022
Work Environment	1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data	1	0.45913	0.15836	1.72	0.0042

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**Linear Regression Results**  
The REG Procedure

Model: Linear\_Regression\_Model  
Dependent Variable: Employee Performance 1=strongly disagree,2=disagree,3=neutral,4=agree,5=strongly agree,99=missing data