A STUDY ON THE IMPACTS TOWARDS THE LOYALTY OF THE EMPLOYEE AMONG THE BACK OF HOUSE STAFFS IN HOTEL INDUSTRY

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DECLARATION

We hereby declare that:

(1)	This undergraduate research project is the end result of our own work and that due	acknowledgement has been given in the references to ALL sources of information	be they printed, electronic, or personal.

(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.

(4)	The word count of this research report is _____.

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DEDICATION

We would like to dedicate this dissertation to our beloved parents who provide us the opportunity to pursue studies in UTAR. Besides, they are the backbone for us to complete this dissertation by supporting us in term of finance and mental.

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LIST OF ABBRVATION

A   Agree

D   Disagree

i.e.   id est (that is)

N   Neutral

SA   Strongly Agree

SD   Strongly Disagree

SPSS   Statistical Package for Social Science

UTAR   Universiti Tunku Abdul Rahman

PREFACE

The research study was included in our course of study on our degree course. Therefore, it is compulsory for us to conduct this research study to complete our course Bachelor of Business Administration (Hons). Our research study topic is "The impact of employee loyalty among the back of house staff". The research study will be conducted in the hotel industry.

We chose hotel industry as our target area because we would like to find the factors that will influence employees' loyalty in the hotel industry. Besides, previous researchers at did not focus on the back of house staff loyalty in hotel industry itself.

In this research study, we outlined the four important variables that will influence towards the back of house staff loyalty in the hotel industry. The variables are relationship with supervisor, working conditions, teamwork and cooperation and recognition and rewards.

ABSTRACT

Research provides result from the fact that it is empirical, rather than merely theorizing about what might be effective or what could work. Hence it is becoming more important in any business organization for it to stay competitive in the market. These studies will able to provide our target: hotel industry in Perak Malaysia an opportunity to scrutinize the determinants of contributing employee loyalty of the back of house staff employee In the hotel industry and analyze and establish strategies in according to the business environment. This study includes four independent variables. Relationship of employee loyalty with the four independent variables will be investigated in this paper.

The investigation was done by distributing 160 set of questionnaire to the back of house staff. 30 target respondents will be targeted for pilot test and 160 responses will be collected from the targeted respondents. The questionnaire results show that there is a significant correlation between employee satisfaction and loyalty with the four independent variables. Namely, relationship with supervisor, recognition and rewards, working conditions, teamwork and cooperation shows high correlation with the dependent variable afore mentioned. We're sincerely hoped that the findings could assist the management in the hotel industries on the subject of hotel management knowledge.

Chapter 1: Introduction

1.0 Introduction

This chapter will provide an overview outline of this research. A research background and problem statement has drawn to let readers have a basic knowledge of the research. The research objectives and benefits related are identified and discussed. Lastly, research question and hypothesis of the study have been prepared and these gave researchers a clear guideline to precede the research to the next chapters.

1.1 Research Background

This section of the research project is mainly concerned with the determinants towards the employee loyalty among the back of house staff in the hotel industry. It differentiates the determinants which factors are able to affect the back of house staff loyalty and performance in Malaysia's hotel industry. This research would also act as a guideline for the potential new entrants who wish to enter the hotel industry on issues that will need to be considered before starting the business.

Apart from that, the objective of this project is intended to develop a methodology that can be applied to the analysis of the determinants towards the employee job satisfaction and performances. The purpose of this study is to examine the factors which can potentially affect the employee loyalty. To begin with, a brief review of the determinants such as relationship with supervisor, working conditions, teamwork and cooperation and recognition and rewards.

The success of the employee-supervisor dyad is important to the business organizations, especially for the services industry. First, followers are critical to approximately 80% of organizational success (Hall & Densten, 2002). A good and healthy employee-supervisor relationship directly affects employee job satisfaction

and performance. People may join an employing organization and want to work for a vision, but when they leave an organization, it largely because of their boss; employees quit their bosses, not their job or their employer (Buckingham & Coffman, First break all the rules: What the world's greatest managers do differently, 1999) (Kaye & Jordan-Evans, 2003). Hence, the explanation to an organization's success is lie upon the success of the employee-supervisor relationship.

Meanwhile, the study is also conducted to assess the employee loyalty among the back of house staff to determine whether the quality of working conditions can affect the employee loyalty. The important of a proper working condition is essential in an organization. If the organization has all the skilled and expertise staff but does not have proper facilities, the organization is on the path to failure.

Motivation is such a factor that exerts a driving force on our actions and work (Baron, Behaviour in organisations, 1983). Hence, recognition and reward has become a vital determinant to increase the sense of appreciation towards the staff in an organization. Within an organization, the best performance is feasible with most committed employees that can only be achieved through employee motivation and presume that motivation is included recognition and rewards (Kreitner & Kinicki, 2004). Hence, rewards such as incentives, intangible reward, compensation and others will be most preferred for the organization staff.

Meanwhile, teamwork and cooperation is also an essence of workplace productivity. This approach has improved employee morale and increased input when a team is managed correctly. The benefits of the cooperation can make a positive effect on any of the organization that adopted this type teamwork. In addition, it does improve the job commitment; decrease the absenteeism, increase participation and others by the staff.

Therefore, this study will explore the influence of these determinants in Malaysia hotel industry and how it can affect the employee loyalty among the back of house staffs

1.2   Problem Statement

Employee loyalty is a key challenge in most of the organization today to encourage the best and most desirable employees to remain in the organization for maximum period of time employees today are different. Once employees feel dissatisfied with the current employer or the job, they switch over to the next job. It is the responsibility of the employer to know how to attract, satisfied and retains its best employees. However, many organizations are facing problems to retain their employees due to certain factors. Employment Policy Foundation tabulation and analysis of Bureau of Labor Statistic, Job Openings and Labor Turnover Survey data show that the average of employment turnover by private sector industry for twelve months ending August 2001 (Appendix A) (employee turnover is expensive, 2004), is 25.1 percent. Among these industries, the turnover rates in leisure and hospitality industry are the highest one, which was 46.4 percent. Besides that, the voluntary quit rates of the leisure and hospitality industry is the highest one among the industries, which is 43.9 percent (Appendix B) (Employee Turnover). These will bring a serious impact to the leisure and hospitality industry because the high turnover rates would incurred a cost to the organization in order to reduce the profit earn of the organization. Based on the survey data, it shows that the turnover replacement cost of the business services industry is 15,000 dollars per employee (Appendix C) (Employee Turnover). If the turnover rate of leisure and hospitality industry is high, definitely it will bring a huge cost to the organization to replace the employee who is left from the organization. The costs that are involved in replacing the employee included the cost of attracting applicants, testing, medical exams, and entrance interview and so on. Besides of the replacement cost, the turnover of employees incurred cost of

separation and training cost. This cost will have direct effect on organizational productivity. The organization will fall short of its targets stated under the business plan because of the cost incurred in employee's retention. There is the risk of losing your competitive advantage due to loss of capable employees in critical sectors or positions.

The previous study (The Study of Employee Satisfaction and its Effects towards Loyalty in Hotel Industry in Klang Valley, Malaysia, 2011), has investigated the factors that affect the job satisfaction of front line employees and towards their loyalty in hotel industry of Klang Valley. In our study, we emphasize the same factors from the study, namely relationship between supervisor, recognition and rewards, working condition and teamwork and cooperation to the back of house employees because the back of house employees is the important support and resource for the hotel to retain the customer and increase the profit. We believe that the factors that affected the front line employee loyalty would bring the same impact to the back of house staff. Besides, our study focuses on the hotel industry at Perak state. Since the turnover rates of leisure and hospitability industry are high, therefore, it is possible to happen to the hotels in Perak state although there is no any evidence to prove it. All of these issues show that employee loyalty is very beneficial to the organizational performance. Purpose of this study is to investigate the significant factors, namely relationship with supervisor, recognition and rewards, working condition and teamwork and cooperation how to influence the back of house staffs' loyalty.

1.3   Research Objectives

1.3.1 General Objectives

Identify the factors that affect the back of house employee satisfaction towards the employee loyalty in hotel industry.

1.3.2 Specific Objectives

The purpose of the study is to investigate the four factors that affected the employee loyalty among the back of house staff in hotel industry. The objectives were as below:

1) To determine whether there is a significant relationship between relationship with supervisor and the loyalty among the back of house staffs in hotel industry.
2) To determine whether there is a significant recognition and rewards and the loyalty among the back of house staffs in hotel industry.
3) To determine whether there is a significant relationship between working condition and the loyalty among the back of house staffs in hotel industry.
4) To determine whether there is a significant relationship between teamwork and cooperation and the loyalty among the back of house staffs in hotel industry.

1.4   Research Questions

In this study, some of research questions have created and which to be investigated. These research questions are generally asking about the relationship between dependent variables and independent variables.

1) Is there any significant relationship between relationship with supervisor and the loyalty among the back of house staffs in hotel industry?
2) Is there any significant relationship between recognition and rewards and the loyalty among the back of house staffs in hotel industry?
3) Is there any significant relationship between working condition and the loyalty among the back of house staffs in hotel industry?

4) Is there any significant relationship between teamwork and cooperation and the loyalty among the back of house staffs in hotel industry?

1.5 Hypotheses of the Study

Hypothesis 1

H0: There is no significant relationship between relationship with supervisor and the loyalty among the back of house staffs in hotel industry.

H1: There is a significant relationship between relationship with supervisor and the loyalty among the back of house staffs in hotel industry.

Hypothesis 2

H0: There is no significant relationship between recognition and rewards and the loyalty among the back of house staffs in hotel industry.

H1: There is a significant relationship between recognition and rewards and the loyalty among the back of house staffs in hotel industry.

Hypothesis 3

H0: There is no significant relationship between working condition and the loyalty among the back of house staffs in hotel industry.

H1: There is a significant relationship between working condition and the loyalty among the back of house staffs in hotel industry.

Hypothesis 4

H0: There is no significant relationship between teamwork and cooperation the loyalty among the back of house staffs in hotel industry.

H1: There is a significant relationship between teamwork and cooperation and the loyalty among the back of house staffs in hotel industry.

1.6   Significance of the Study

This study is beneficial to two parties, which were back of house employee and the organization in the hotel industry. From the study, we have investigated what are the factors which will their loyalty to their current organization.

1.6.1 Individual Perspective

The poor level of the employee turnover management and human resource management bring a serious impact to the back of house employee in the hotel industry. Their contribution normally ignore by the top management of the hotel industry. It will affect the loyalty of the back of house employees. Through the study, the ideas and needs of the back of house employees can transmit to the top management of the hotel industry. As the results, they need the improvement of management skill and policy, controlling the management process and performance to let the back of house employees feel more secure, ease and motivated to their job task.

1.6.2 Organization Perspective

The study will help the hotel industry to identify the impact of low employee loyalty. If the hotel industry is unable to retain the back of house employees, it will increase the turnover rate of them and the cost of retraining or replacement program to new employees. The cooperation and teamwork is needed between the front line employees and back of house employees to improve the performance of the hotel industry and profit maximization.

Through the study, the hotel industry can understand the factors that affected the loyalty of the back house employees. The top management of hotel industry can implement the relevant strategies in term to increase loyalty of back of employees. Thus, the hotel industry can able to retain the employees and improves its operation performance.

1.7 Chapter Layout

Chapter 1

This chapter gives an overall review of entire research; a brief background of the research was included in this chapter. The problem statement and the research objectives of the research justify other items such as the significance of the study; hypotheses of the study and significance of the research study are also explained in this chapter.

Chapter 2

This chapter is heavily based on the reviews of the various literature and previous studies done on this research topic. It contains the discussion of the various articles, journals and research studies. This chapter is divided into 6 parts which are the introduction, review of the literature, review of relevant theoretical models, proposed theoretical/conceptual framework, hypothesis development and the conclusion.

Chapter 3

This chapter focus on discussion of research of research method where it describe the procedure of how the research carry out in terms of the research design and setting, data collection method, sampling design, research instrument, constructs measurement scales, data processing and the data analysis.

Chapter 4

Chapter 4 includes the overall result and analysis of questionnaire will be present in chart and table with using the Statistical Package of Social Science (SPSS). The interpretation of result will explained in depth.

Chapter 5

Chapter 5 will be presenting and discussing the overall of descriptive and inferential analyses from previous chapter, and also discussion the major finding. The implication of study will be discussed in depth. Lastly the limitation of study and recommendation for future research will be presented.

1.8   Conclusion

This chapter provides an introductory study and overview of the entire structure of the research. The research background of the factors of employee dissatisfaction to the job and the employee loyalty are discussing. Besides, the statement of problem is also investigated. The general and specific research objective, questions of research, hypotheses of study and the definition of terms were discussed. Thus, readers can get an idea on what to expect in the following chapters. The next chapter is the literature and studies review done by previous researchers.

Chapter 2: Literature Review

2.0 Introduction

Literature review is an important chapter in a thesis where we used to review others' work and the information obtained is based on text such as journals, articles, newspaper, internet and other aims to review the critical points of current knowledge on a particular topic. In short, this chapter information obtained is all secondary sources. This chapter is divided into four parts which are review of literature, review of relevant theoretical framework, proposed conceptual framework and hypothesis development. Finally, we were concluding chapter 2 with a conclusion.

2.1 Review of Literature

In this topic, we would define and provide the explanations of the factors below that were related to the research topic and consistent with the research objectives. It means that it is used to provide a clear background and justification for the research. Moreover, we would further explain the relationship of the factors with the employee loyalty.

Dependent Variable

2.1.1 Employee Loyalty

Our dependent variable is employee loyalty. Employee loyalty can be defined in different ways by many researchers. Employee loyalty is all about an employee's feeling of attachment or concept deals with the behavior of the employees to an

organization (Meryer Meyer & Allen, 1991). This attachment was later connected to more specific behaviors such as supporting an organization and the individuals within it (Butler & Cantrell, 1984) and practicing good citizenship (Rusbult, 1988). Such attachment was also thought to be evident when an employee passed on an attractive position with another organization (Logan, 1984) or simply remained with one organization for some length of time (Pina e Cunha, 2002).

But, recently, employee loyalty could be defined as employees are being committed to the success of the organization and believing that their best choice is working for the organization. Not only did they plan to retain in the organization, but they also did not search for alternative employment and reject the offers they have (Part 1: What is Employee Loyalty? (And Why Should We Care?)).

There were three dimensions found in Allport's suggestion, which were voluntary nature, its demand for ongoing adherence, and its grounding in morality--set it apart from current descriptions of organizational commitment. Support for their inclusion in descriptions of loyalty could be found in a variety of sources, including fairly recent writings by philosophers (Oldenquist, 1982)

Seema Mehta stated that loyalty has two dimensions which were internal and external. The internal dimension is the emotional component such as feelings of caring, of affiliation and of commitment. The external dimension has to do with the way loyalty manifests itself. This dimension is comprised of the behaviors that display the emotional component and is the part of loyalty that changes the most (Mehta, Singh, Bhakar, & Sinha, 2010).

Today's average job tenure was under five years and declining. Employee loyalty plays an important role in achieving organizational goal. So it is vital for organization to identify the reason for leaving and frequently changed the job to make them happy and stayed with current company.

Independent Variable

2.1.2 Relationship with supervisor

A good relationship between worker and their immediate supervisor is very important since both are working in the same organization and share the same workplace (Sturgeon, 2006). A good relationship can be formed through two way communication. The supervisor plays an important role in an organization for monitoring the employee's performance and leading them toward goal achievement. Besides, supervisor must have a clear clarification about their follower task and duty and try to understand what their follower think. The employees may leave their job because they are not satisfied. Sometimes, they don't leave their job and company, but they are divorcing their manager or supervisor. Therefore, supervisor also need ensured to provide the good working environment, available resources and supporting. Supervisor is responsible to develop the good relationship with the employees for narrow the employee's productivity gap. There was a positively relationship between loyalty to supervisor and employee outcome variable, i.e. intent to stay (Zhenxiong Chen, 2001).

According Lavelle, Rupp and Brockner research, there were 2 dimensions which are perception of support and trust (Tepper, 2003) Findings suggest that supervisors may view their advantageous position for helping subordinates to literature reports positive relationships between supportive supervision and employee in-role and extra-role performance (Bhanthumnavin, 2003). Thus, subordinates' perceived supervisor support must be enhanced subordinate's in-role and extra role performance (Figure 2.1.2.1). Highly support from supervisor can lead subordinate feel more satisfy and loyal to the organization.

The trust in supervisors is important for investigated in the management literature, especially leadership studies. Leader-member exchange (LMX) theory consider trust

to be one of the core indicators reflecting the quality of the relationship between leader and subordinates, which has a positive effect on various measures of job attitudes and performance (Liden, 2007). Outside of LMX theory, many leadership scholars consider trust a core basis of effective leadership (Fairholm, 1994). This research, accordingly, assumes that trust in supervisors will enhance both employee satisfaction and commitment. Besides, trust in co-workers has gain attention in the widespread transformation of work environments, such as the emergence of the work team in the early 1990s (Ingraham, 1999). Trust built among colleagues will faster the problem solving by sharing information within groups (Zand, 1972). In addition, trusts also will increasing the collaboration among the colleagues and develop a harmony working environment.

2.1.3 Rewards and recognition

Organizational reward allocations are one of the dimensions in explaining the reason why employees are willing to stay in the organization. All employees including the low level employees are sensitive in receiving fair rewards for their efforts and may leave when opportunities to receive greater rewards exist elsewhere. There are three forms of reward and recognition most cited by respondents was the verbal praise from supervisor and leaders, compensation and salary increases and gift certificates (Ramlall, 2003).

Employees cited compensation is the most frequent reason for them to stay in the company. As employees satisfied with their rewards and recognition they receive, they have no reason for leaving the company and seek for other position in other company (Ramlall, 2003). The rewards worked well when they stimulate high involvement on the part of employees.

Recognition is a form of non-financial award given to employees selectively as an appreciation in return of their high level of accomplishment for the organization

(Milne, 2007). Feeling being appreciated and worthy contributions by employees reduces the chances to leave the organization. In addition, employees are likely to leave the organization when employers treat them poorly and did not meet their needs of feedback and recognition (Hausknecht, Rodda, & Howard, 2008).

Organizations can give benefit for those employee who get commitment and loyal to the organization (Fischer). The employees will loyal if they can get a fair reward. Therefore, the employees will perceive that their organization consider their levels of commitment and loyalty and more loyal to the organization if the organization rewarding them (Fischer).

2.1.4 Teamwork and cooperation

Teamwork and cooperation can be defined as a group of people with different skill and knowledge working together in a team for achieving a common purpose and goal. Besides, each member in team is ready to share the information and trust each other in order to achieve organizational goals effectiveness and efficiency.

In order to improve teamwork of a team, Bruce Tuckman defined a life cycle for team development has proven very effective in teamwork with the four stages of his theory which are forming, storming, norming and performing (Tuckman, 1965). With this theory, a team can be form more effectively which will indirectly increase employee satisfaction towards their team. Meanwhile, according to (Yun, Cox, Henry P.Sims, & Salam, The effects of leadership and job satisfaction on team citizenship, 2007) indicate that both transformational and empowering leadership can enhance teamwork through the influence of job satisfaction. Employee will loyal to the organization when they are satisfied. So, other than team development theory by Tuckman, leadership is also important for enhancing teamwork.

According to Heskett et al., the internal quality of work life simply indicates the feelings of employees towards their colleagues, jobs, and the organization. In other words, it means that feeling of staying in organization is the way employee

performing in a team. So, team with good teamwork can strengthen loyalty of employee to their organization.

Besides, a study has been conduct that integrates total quality management (TQM) practices by introducing teamwork into a theoretical model for understanding relationship of employee loyalty (Chang, Chiu, & Chen, The effect of TQM practices on employee satisfaction and loyalty in government, 2010). In this study, it mentions that teamwork is one of the total quality management and positively associated with employee satisfaction. It means that people will loyal once they are satisfied.

On the other hand, the quality of collaboration in teams can be capture through the six facets of teamwork quality, i.e., communication, coordination, balance of member contributions, mutual support, effort, and cohesion (Hoegl. & Gemuenden., Team Work Quality and Success of Innovative Projects, 2001).

Besides that, size will also affect teamwork. A larger size team will tend to have communication difficulty thus will indirect increase the time consuming in doing task that will affect teamwork (Hoegl M. , Smaller teams-better teamwork: How to keep project teams small, 2005).

2.1.5 Working Conditions

Working condition may also one of the factors that will affect employee loyalty. Individuals differ in personality, as well as emotions and cognitive process (Diener, Suh, Lucas, Smith, Schwarz, & Strack, 1999). In additions, the employees will constantly compare and judge the current working conditions from the past and even future. These standards are varied as differences of life experience and living standard in each of the people.

Each of the employees has different aspiration levels (Stutzer, 2004). In some cases, some work activities may create a psychological frustration or state of decline, if the

employee expected himself or herself to gain a better valued job, while the other employee, may have a very low desire on gaining better valued job due to a lower level of education or other reasons. Hence, at this point the topic produces an entire new view, where the same work may be associated with quality views. Meanwhile, the research also found that the objective working conditions is not only the important determinant that motivates people positional concerns. In fact, environment and the past or expectation towards the future has also become aspirations about working conditions.

People adapt to the contexts they live in (Clark, Diener, Georgellis, & Lucas, 2008). In business organization context, it would mean that employee able to adjust themselves when they encounter adverse working condition. This is due to the adaptability skills that everyone possesses of when they enter or facing a whole new working condition.

Furthermore, the author believes that individuals look both upward and downwards when making comparisons and aspirations (Poggi, 2010). Looking downward, individuals set a lower aspiration bounds representing minimum acceptable working conditions. Looking upward, workers set an upper aspiration bounds representing the best working conditions they can obtain on the labor market. The results of the study show that reality lies between the lower and the upper aspiration bounds. Therefore, the larger the distances between reality and lower aspiration bounds, the more satisfied workers will feel. Instead, the larger the distances between reality and upper aspiration bounds, the more unsatisfied workers will feel. Besides that, adverse working conditions has been shown to increase either worker' intentions to quit or actual quits. In brief, there is a general agreement that improved working conditions and the work environment is certainly one of the more important working conditions, tending to increase productivity (Levy-Garboua, 2007).

Meanwhile, according result from other research indicate that employees in larger firms face a worse work environment. This is due to the reason of working in large firms significantly reduces job satisfaction due to no controls for working conditions

are included, yet taking them into account across size categories was no significant differences and no systematic differences exist in intentions to quit across firm size categories, regardless of amount of salary (Serrano, 2011).

2.2 Review of Relevant Theoretical Models

Theoretical models of Employee Loyalty

We found that few theoretical models were relevant with employee loyalty. According to Dr. Wendy Wang and Dr. Sigalit Ronen, they stated that it would be interesting to find out the impact of work arrangement which referred to research model of figure 2.1 on their sense of loyalty, productivity, and job satisfaction. Employers were always concern on employee loyalty (Wang & Ronen, 2011). Therefore, we had to identify and evaluate the relationship of factors that affecting employee loyalty. Research model in Dr. Wendy Wang and Dr. Sigalit Ronen's study was shown as figure 2.1.

Figure 2.1: Research Model in Dr. Wendy Wang & Dr. Sigalit Ronen' Study
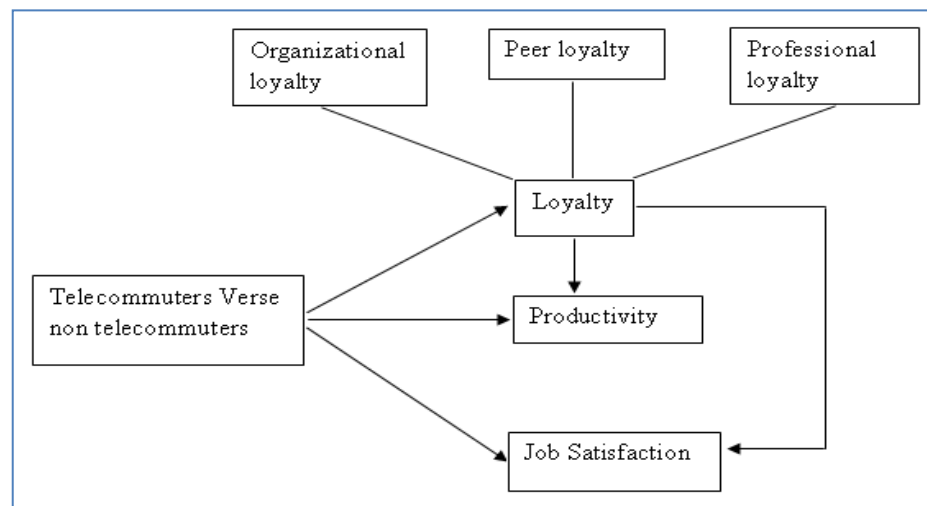
Source: Wang, D. W., & Ronen, D. S. (2011). Employee Loyalty and Telecommuting. *World Academy of Science, Engineering and Technology 77* , 687-689.

Theoretical models of factors affecting employee loyalty

1st theoretical model

Based on the statement of McCusker & Wolfman, 1998; McGuiness, 1998; Selnow & Gibert, 1997; Vardi et al., 1989, they had been emphasized the basic human values such as honesty, trust, respect for others, etc., which were naturally present among employees are essential for employee loyalty. Elements within the variable 'human relations and values' affect employees' daily job experience– the greater the value of the every-day human interaction was, the greater the job satisfaction would be. This condition also significantly affected employee loyalty – good relations between colleagues or supervisor were essential to whether the employee would stay in the company. Most work situations in social context would influence a great number of conditions such as the individual employee's performance, the relation between the employees, communication and cooperation between the employees, the atmosphere, etc. while good working environment was characterized by basic human values (Martensen & Grønholdt, 2006). This meant that relationship with supervisor, working condition, and teamwork and cooperation were included in the factors that relate to the human relations and values in the figure 2.2 as below:

Figure 2.2: Research Model in Martensen & Grønholdt' Study

Innovative Marketing, Volume 2, Issue 4, 2006
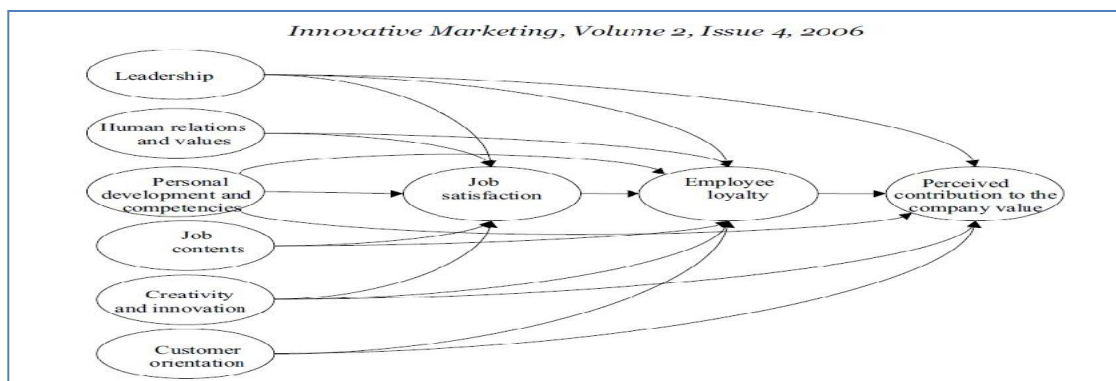
Source: Martensen, A., & Grønholdt, L. (2006). Internal Marketing: A study of employee   loyalty, its determinants and consequences. *Innovative Marketing, Volume 2, Issue 4* , 92-116.

2nd theoretical model

Furthermore, Lawler (1986) said that the process of rewarding employees was believed to have a strong relationship to the success of employee involvement initiatives and accomplished by aligning the objectives and interests of the employee with the goals of the organization. Rewards included both intrinsic and extrinsic motivators, such as recognition and the amount of pay while these would lead employee satisfactions (Light, 2004). The figure 2.3 showed the relationship between involvement, empowerment, and satisfaction as below:

Figure 2.3: The Relation between Involvement, Empowerment, and Satisfaction
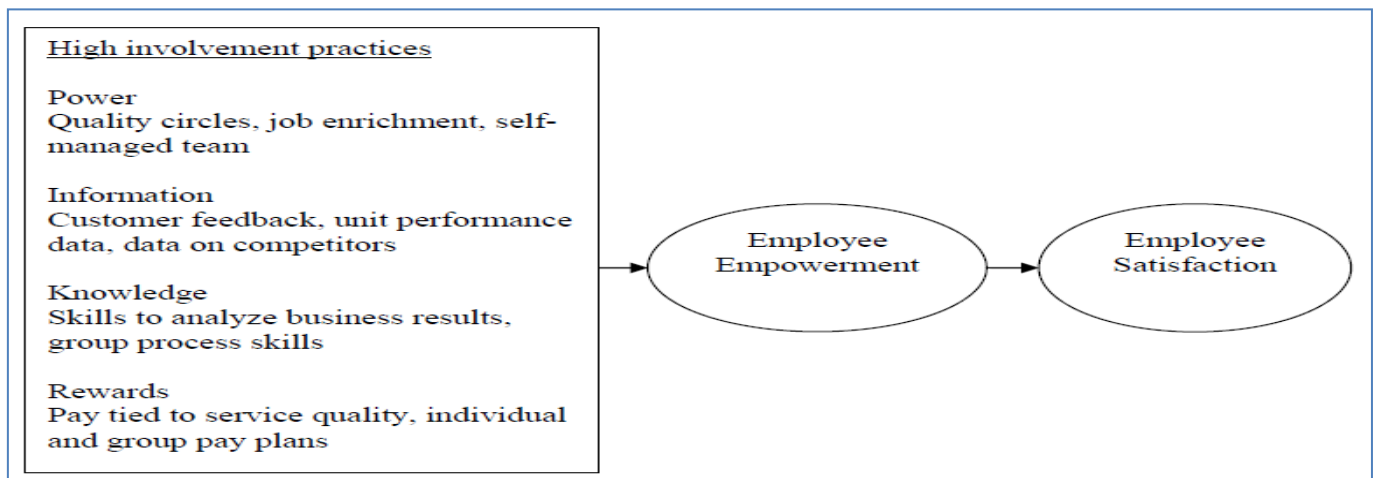
Source: Light, J. (2004). The relationships and effects of employee involvement, employee empowerment and employee satisfaction. *Job type in a large manufacturing environment* .

3rd Theoretical model

Employee will loyal to the organization is affected by rewards and recognition, teamwork and work-life balance (Khan, Mahmood, Ayoub, & Hussain, 2011). Factor propping up turnover traditionally is rewards and recognition. Control over this factor can save the hospitality industry from bearing high cost turnover. The study revealed that for higher control over retention, management must work over monetary rewards (Aaisha et al., 2011). Employees will be more loyal to the organization when they get reward and involved in any task. So, in this proposal, we choose rewards and recognition as one of our independent variable to provide employers on how to use different tactics such as attractive rewards and recognition to retain their employees.

Figure 2.4: Research Model in Aaisha Arbab Khan, Babak Mahmood, Mehvish Ayoub and Shabbir Hussain' Study

Independent Variables   Dependent Variable
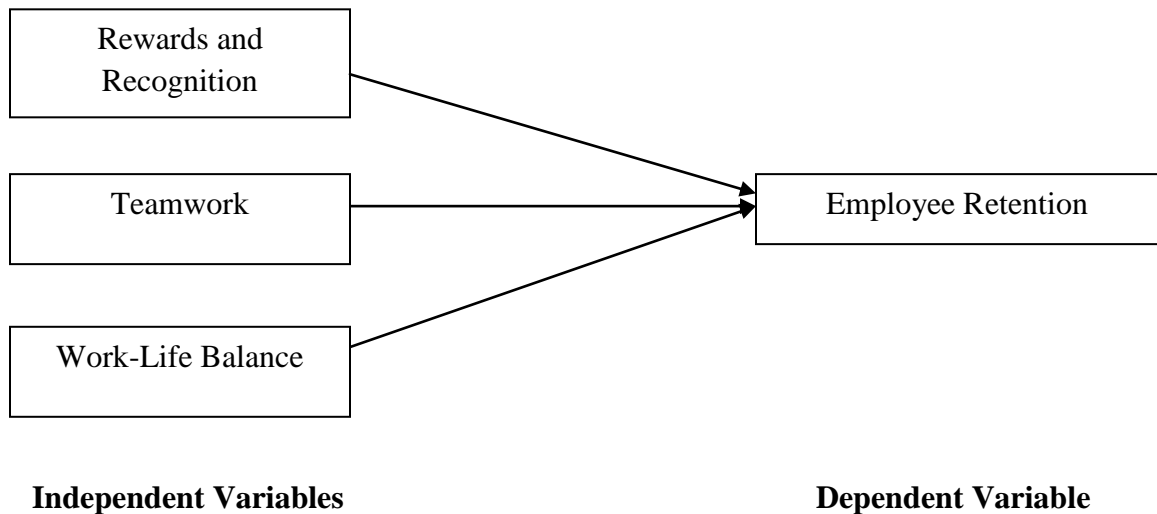
Source: Aaisha Arbab Khan, Babak Mahmood, Mehvish Ayoub and Shabbir Hussain (2011), An Empirical Study of Retention Issues in Hotel Industry: A Case Study of Serena Hotel, Faisalabad, Pakistan.

2.3 Proposed Theoretical/ Conceptual Framework

From the journals, the four determinants we had selected are relationship with supervisor, recognition and rewards, working conditions and teamwork and cooperation as our proposed theoretical framework. These four determinants are very important in influencing the employee loyalty among the back of house staffs in hotel industry. Therefore, at this part, these variables would be form out as the theoretical framework that shown as below:

Figure 2.5: Theoretical Framework of Factor that Affect Employee Loyalty
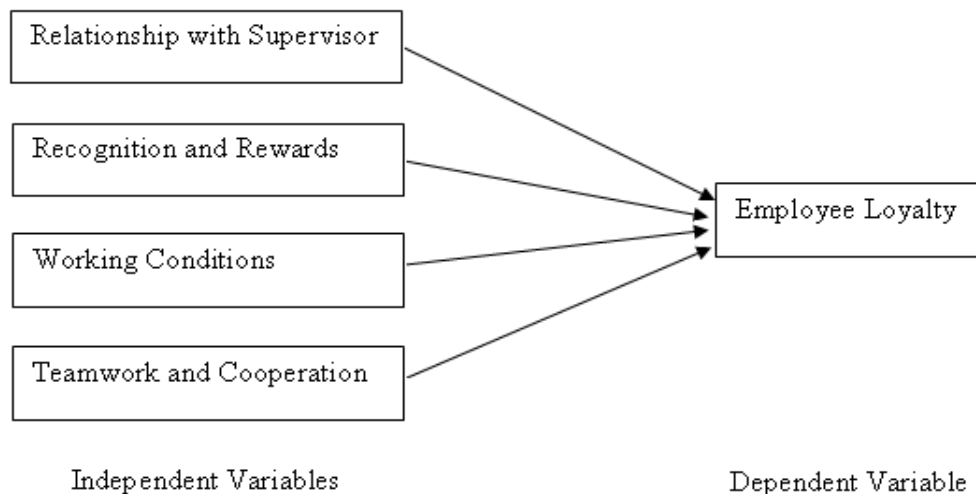
Source: Developed from the research

2.4 Hypothesis Development

2.4.1 Relationship with Supervisor

Based on the journal "A closer look at the relationship between affective commitment to supervisors and organizations and turnover" by Christian Vendenberghe and Kathleen Bentein, the author stated that if the employees had high levels of affective commitment to their supervisors, their turnover intentions were expect to be reduce and they are willingness to stay at the organization.

According to Sturgeon's research, it indicates that is significant relation between the relationships of subordinate-supervisor. The subordinates perceive that the commitment of supervisor will get their job easily and effectiveness. They will believe their supervisor and willing to contribute to the organization. The level of loyalty will increase reflect by the level of relationship with supervisor.

Based on the above research conducted by those researches we can conclude that relationship with supervisor have significant positive relationship with back of house employee loyalty.

H_1: There is a significant relationship between relationship with supervisor and the loyalty among the back of house staffs in hotel industry.

2.4.2 Reward and Recognition

Organization that offers competitive salary with attractive benefits has high potential to retain their employees (Ramlall, 2003). From research, participants responded that they have an average satisfaction with the rewards and recognition they received from organization. In addition, further analysis as indication of employees' satisfaction with their position showed that they satisfied with the rewards and recognition received from the company (Ramlall, 2003).

From the research carried out by Solon Fire Rescue (2001), recognition seems to be the most prevalent types of reward for employees to stay in the organization (William J.Shaw, Rescue, & Solon, 2001). The reward or recognition programmed survey by William J. Shaw, Solon Fire Rescue (2001) shows that most of the employees feel that they are adequately recognized by for their contribution to the organization. The result of research also shows that higher employee retention can be assisted by reward and recognition programs (William J.Shaw, Rescue, & Solon, 2001). From previous theory and research proposed that rewards and recognition were the most frequently reasons for staying in an organization (John et al., 2008).

On the other hand, findings indicated that high performers are more loyal to the organization when there is an opportunity for salary growth and the availability of contingent rewards (Allen & Griffeth, 2001) as cited by (Hausknecht, Rodda, & Howard, 2008). Employees' commitment and rewards are important factors for them to retain in the company (Griffeth & et al., 2000).

Based on all the studies conducted by these researchers we can conclude that rewards and recognition implement by organizations have significant positive relationship with back of house employee loyalty.

H_2: There is a significant relationship between recognition and rewards and the loyalty among the back of house staffs in hotel industry.

2.4.3 Teamwork and Cooperation

A study integrates total quality management (TQM) practices by introducing employee training, teamwork, employee empowerment employee compensation into a theoretical model for understanding relationship of employee satisfaction and loyalty (Chang, Chiu, & Chen, The effect of TQM practices on employee satisfaction and loyalty in government, 2010). Based on the result of this study, teamwork has positive relationship with employee loyalty.

Furthermore, cooperation from employee and low turnover rate of employee are positively affected by job satisfaction (Dow, Bishop, & Chen, 2003). From this research, we can understand that employee cooperation positively affects individual job satisfaction which can lower their intention to quit as well. Also, satisfaction in nurse field of working environment will reduce intention to quit and improve quality of work. (Park & Kim, 2009). From two researches above, we can understand that employee from any industry as well as service industry with high job satisfaction can lower the intention and reduce turnover. Besides, due to the nature of loyalty, the intention of turnover is used as an alternative indicator for employee loyalty (Soo-young & Whitford, 2008).

When turnover rate is lower, employee loyalty will be higher. Meanwhile, teamwork can enhance performance which can reduce turnover and indirectly strengthen loyalty. Besides that, clear visions that are reasonable and can be pursuing together with teamwork should be provided by leaders for their employee in order to strengthen job satisfaction (Yun, Cox, Henry P.Sims, & Salam, 2007). The teamwork that shows between employee and their leader can enhance job satisfaction and indirectly enhance loyalty when they pursue the same vision together.

Based on all the studies conducted by these researchers we can conclude that teamwork and cooperation of employee in organizations have significant positive relationship with back of house employee loyalty.

H$_3$: There is a significant relationship between teamwork and cooperation and the loyalty among the back of house staffs in hotel industry.

2.4.4 Working condition

Refer to the journal of "work environment factors and job performance: the construction project manager's perspective" by Arman Abdul Razak, Mastura Jaafar, Shardy Abdullah and Samsiah Muhammad. From the result of the analysis conducted on the gathered data, it was found that the job satisfaction (one of the determinants in working conditions) has influenced on work performance and research also find out that the importance ranking of work environment factors were dominated by factors attributed to the projects being undertaken. The findings of the study further support that a more attention need to be given to these work environment factors in the hopes of enhancing job performance of the construction project manager (Razak, Jaafar, Abdullah, & Muhammad, 2009).

Meanwhile, based on the journal "Relationships among leadership empowerment, job satisfaction, and employee loyalty in university dining student workers" by Seung Suk Lee, the author stated that confidence in high performance and autonomy were significant indicators of employee loyalty to non-supervisory student workers while goal accomplishment was a significant indicator of employee loyalty to supervisory student workers (Lee, 2008).

In overall, research result found from the two studies conducted by these researchers indicates that proper working conditions implement by organizations have significant positive relationship with back of house employee loyalty.

H$_4$: There is a significant relationship between working conditions and the loyalty among the back of house staffs in hotel industry.

2.4.5 Dependent Variable VS Independent Variable

Based on the journal above, "A closer look at the relationship between affective commitment to supervisors and organizations and turnover", "A Reward, Recognition, and "Appraisal System for Future Competitiveness: A UK Survey of Best Practices", "Recognition: A Powerful, but often Overlooked, leadership tool to improve employee performance", "The relationship between leader-member relations, job satisfaction and organizational commitment in international tourist hotels in Taiwan" and "The study of the antecedent factors of organizational commitment for high-tech industries in Taiwan", we concluded that the four independent variables (relationship with supervisor, recognition and rewards, working conditions and teamwork and cooperation) which can affect employee loyalty.

H_5: The four independent variables (relationship with supervisor, recognition and rewards, working conditions and teamwork and cooperation) have significant relationship with employee loyalty.

2.5 Conclusion

This chapter provided literature survey for identifying the dependent variable which are back of house employee loyalty whereas the independent variables which are relationship with supervisor, recognition and rewards, working condition and teamwork and cooperation. Based on foundation of Based on foundation of literature review, the theoretical framework had been developed and to advance the investigation and hypothesis testing. Perhaps with the references of the journals can make the aspects in this become more reliable.

Chapter 3: Methodology

3.0 Introduction

This chapter is used to refine the study that enables researchers to generate information which will be able to answer the hypotheses and research questions. The purpose of completing this chapter is to point up the background of the research methodology. It also describes how the research is carried out in terms of research design, data collection methods, sampling design, research instrument, scale and operational definitions, data processing and methods of data analysis. At the end, a conclusion will be provided as a summary of this chapter.

3.1 Research Design

There are three type of research design, which is exploratory research, casual research and descriptive research. In this research, the descriptive research is conducted. By using descriptive data will enable the researcher to obtain information with reference for the research. The researchers can know a substantial amount about the research problem and clearly defines what should be measured on this research.

Researchers used quantitative methods in this study. Quantitative research generates statistics through the use of survey research, using methods such as questionnaires or structured interviews. It concerned with numbers and data which are easily quantified. The reason of choosing descriptive research method is because by distributing questionnaires, researchers can collect information from a large sample of individuals and usually take less time to complete by the respondents and relatively inexpensive.

3.2 Data Collection Method

There are two types of data which are primary data and secondary data. In our research, we use the questionnaire survey to obtain the primary data while we also use secondary data which is obtained from online database were helpful for researchers to obtain information regarding this research in different areas.

3.2.1 Primary Data

Primary data is the data that has been collected at first hand to address a specific marketing research problem. We are using questionnaires as our methods for collecting primary data which have been conducted by researchers are helpful to answer the research questions set in Chapter 1, and to develop hypotheses through the feedback of relevant respondents. This method providing anonymity, so the answer of respondent are kept strictly confidential. However, the collection time is long and the collection cost higher compare to secondary data.

3.2.2 Secondary Data

In our research, secondary data were obtained as supporting information to further enhance the literatures and results tabulated in this research project. Perhaps, most of the information used is mostly obtained from journals and articles sourced from search engines such as Yahoo and Google, online data bases which include Emerald, Proquest, JStor and SpringerLink. Besides that, information was also obtained from several universities and public libraries.

3.3 Sampling Design

Sampling means selecting a sample from population. Sampling design includes five steps which are defining the population, determine the sampling frame, select sampling techniques, determine the sample size and execute the sampling process. This will help us to identify the qualified target respondents to participate in the survey.

3.3.1 Target Population

The target population of this research study is back of house staff employee in hotel industry. This study aided to reveal which factors has the significant influence the back of house staff employees' loyalty in hotel industry. The population that researchers target is at Perak state. Besides, it is also convenient for the researchers to collect data as there are respondents needed by the researchers to distribute the questionnaire in areas for the questionnaire to be distributed.

3.3.2 Sampling Frame and Sampling Location

The sampling frame for this study has accomplished 160 respondents. Researchers not just specially focused on a single group of people, for example bottom level employees it is because different group of people possibly have different reason to loyal to the company. The sampling location was located at Perak State consists of city areas in Kampar Tapah. The research is conducted in city areas due to it provides the researchers the highest percentages to reach target population.

3.3.3 Sampling Elements

In this study, the respondents of the survey were back of house staff employee. Back of house staff employees were chosen as respondents because previous research did not focus on those respondents. Not only that, those respondents may have high impact toward company performance. So, it is essential for researchers to focus on those employees and find out the reason in order to maximize the number of loyalty. To maintain a level of reliability on the responses by the respondents, certain consumers will not be chosen due to factors such as age (i.e., when respondents are too young, they might not be able to understand the questionnaire well), time available (i.e., when respondents are in a hurry, they might simply fill in the questionnaire as soon as possible, providing misguiding answers).

3.3.4 Sampling Technique

In this research project, non-probability sampling was used for this survey. Non-probability sampling consists of convenience sampling, judgmental sampling, quota sampling, and snowball sampling.

In this survey, convenience sampling is used because it is the most suitable and capable to obtain sample of elements. The convenience sampling is the best ways of getting the information quickly, low cost, convenient and time saving. As the result, researchers can collect large completed questionnaire and information with low cost and less time consuming. It is also considered available and straightforward sampling from various types of non-probability sampling technique.

3.3.5 Sampling Size

A sample is the actual number of that is important to establish the representative of the sample for generalizes 96 of population characteristics

(Sekaran, 2010). A sample of 160 sample size was used in this survey for quantitative research. The questionnaires were randomly distributed among the respondents at city areas in Kampar and Tapah.

3.4 Research Instrument

In this proposal, the research instrument that the researchers used to collect data is self-administered questionnaire. The questionnaire is a formalized set of question for obtaining information from a large number of respondents. Questionnaire is used rather than other instrument method because it is low cost, faster ways to gather data and more convenient. The questionnaire was developed based on the literature review and has been stated in the front page of the questionnaire that all the information provided by the respondent will be remain private and confidential. Therefore, it can reduce the respondent bias. Questionnaire was designed in English language because it is an international language and a common language that respondents used to communicate and understand.

3.4.1 Purpose of Using Questionnaire

Questionnaire has been used as a research instrument because questionnaire is generally designed for large quantities of data, which is suitable for a quantitative research (Hair, Babin, Money & Samuel 2003). The questionnaire is the only instrument researchers used to collect the primary data for research since it is more convenient and efficient way of collection primary data. By using questionnaire, it allowed the researchers immediately obtained the response from the respondents. Not only that, it is low cost compared to other methods of retrieving information.

3.4.2 Questionnaire Design

There are three types of questions which can be used in conducting in a research included open-ended, close-ended and scaled response questions (Burns & Bush, 2006). For this research, closed-ended questions and scale response question will be used. Open-ended question will not be used as they are design for exploratory research and it requires more administration effort (Maholtra, Peterson & Uslay, 2006).

Basically, the questionnaire consists of three major sections, which include Section A (respondent demographic profile), Section B (measurement of independent variables), and Section C (measurement of dependent variable).

In Section A, we are using demographic questions that required about some brief personal information such as gender, age, race, education level, and others. It is used to understanding on demographic features of the respondent.

In Section B and C, the question is designed to evaluate and test the factors that affect employee to loyal to company. 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 level of agreement with each of a series of statement related to the stimulus object.

3.4.3 Pilot Test

Questionnaires were tested for the first time in which 30 sets of questionnaires of the total target of survey sample were distributed to respondents in Grand Kampar Hotel. The questionnaires were printed and distributed to the large

number of employees in Grand Kampar Hotel. It takes approximately 1 day to complete 30 sets of questionnaire. The result of pilot test shows that the value of reliability of all the variables is above 0.7, so it is considers being good reliability of the questionnaire (Appendix D). Therefore, we can move to test the target sample size of 160 respondents.

3.5 Construct Measurement (Scale and Operational Definition)

The primary scale of measurement in questionnaire is the interval scale. The questionnaires are asking the 4 factors that influence employee loyalty which were relationship with supervisor, teamwork, working condition and reward and recognition. Besides, the questionnaires also ask about the dimension of the employee loyalty. The description range was from strongly disagree, disagree, neutral, agree and strongly agree.

The questionnaires are divided into 3 parts which are Part A, B and C. Part A has 15 questions while Part B has 10 questions which are question of the perception measures, followed by demographic detail of the user. Most of the question are using the fixed – alternative responses and ask to choose the one closest to their own viewpoint. Fixed – alternative is used because there are less interview skill require, saved time to answer, easier to answer by respondent, and provided comparability of answer.

There are total of 15 questions in the Part A of the questionnaire. Inherent of Part A, all are interval scale. Interval scale has both nominal scale and ordinal properties but they

also capture information about differences in quantities of a concept. The interval scale is a scale that not only arranges objects or alternatives according to their

magnitudes but also distinguishes the ordered arrangement in units or equal interval. Such scale is designed to allow respondents to indicate how strongly they agree, neutral or disagree with carefully construct statements that can rate their level of loyalty while they are answering the question.

The range of the scale listed as below:

1 = Strongly Disagree

2 = Disagree

3 = Neutral

4 = Agree

5 = Strongly Disagree

Foremost, the following shows the way part B has divided which according to the dimension of the dependent variables of this study.

On the other hand, nominal scale represents the most element level of measurement. Nominal scale assigns a value to an object for identification or classification purpose. The example of question includes gender, race, religion, marital status and job position.

One of the examples of question from Part C is as follow:

Please indicate your current marital status:
☐ Single

☐ Married

Last but not least, Ordinal scale is a scale that arranges objects or alternatives according to their magnitudes in an ordered relationship. In part B, the age range and education level are those questions using this scale.

Example is as below:

Please indicate your age range:

□ Below 25

□ Between 25 years old to 34 years old

□ Between 35 years old to 44 years old

□ Between 45 years old to 54 years old

□ Above 54 years old

3.6 Data Processing

After data has been collected from a representative sample of the population, the next step is to analyze them to test the research hypothesis. However, we need to ensure that the data were accurate, complete and suitable for further analysis. Therefore, some preliminary steps are needed to be completed.

This first step is data checking. All questionnaires are screened and checked by researcher to see whether the data from respondents are valid for the research. Next step is data coding. In this study, coding is used in the seven demographic variables such as gender which assign 1=male and 2= female. Race (1=Malay, 2= Chinese, 3= Indian, 4= other) and Status code as (1=Single, 2=Married).

Besides, age range also being coded as (1=Below 20 years old, 2=20-34years old, 3=35-44 years old, 4=45-54 years old, and 5=above 54 years old), position that respondent work code as (1= Kitchen assistant, 2= Section chef, 3= Under chef, 4=Chief of chef, 5=Dessert chef, 6=Dishwasher, 7= Executive housekeeper, 8=Chief of housekeeper, 9=Deputy housekeeper, 10=Human Resource Administrator, 11=Human Resource Officer, 12=Others). Level of education code as (1=Less than high school, 2= SPM, 3= STPM or other similar level of Pre-Universities Program, 4=Diploma, 5=Degree, 6=Master, 7=PHD).Lastly, the working experience period code as (1= less than 6 months, 2= exactly 6 months to less than 1 year, 3= exactly 1

year to less than 3 years, 4= exactly 3 years to less than 5 years, 5= exactly 5 years to less than 7 years and 6= more than 7 years)

Thirdly, data must be edited after keyed in by researcher. Data editing dealt with the detecting and correcting illogical, inconsistent, or illegal data and omissions in the information returned by the participants of the study. For example, outlier response as an observation that is substantially different from the other observations which are illogical. We could check the dispersion of nominal and/or ordinal variables by obtaining minimum and maximum values and frequency tables. Scatter plot or box plot are good methods for checking the outliers.

When responses or results from questionnaire are not in harmony with other information, inconsistent responses is detected. Researchers might edit the response based on the style of answering in previous questions. Other than that, we shall have frequency distribution system to check for illegal codes which the values that are not specified in coding instruction. When respondents don't understand the question or answer and are unwilling to answer, omissions would occur. Therefore, we shall not include that questionnaire in the data set for analysis or just ignore the blank response.

Last step of the data processing is data transcribing or data transformation. Data transformation is a process of changing the original form of data to a new format. This stage has being carried out when researchers finished collecting the data manually and then keyed-in into computer as computerized database. This step is essential because data needs to be transformed into a form that is more suitable to perform data analyses which accomplished the research objectives.

3.7 Data analysis

Statistical Package for Social Science (SPSS) software has been used for analyzing all the data collected. Steps of SPSS are as following:

1. Creating the data file

2. Defining the variables

3. Key in data

4. Recode the value of the variable

5. Computing a new variable

6. Summarizing data

7. Exploring differences between two variable

8. Exploring relationship between two variable

9. Analyze exploratory factors

3.7.1 Descriptive Analysis

In this study, frequency distribution is used to analyze the demographics or general profile information of respondent under part A of questionnaire. For instance, to identify the respondent's gender, age range, race, religion, marital status, education level, and departmentalization.

3.7.2 Scale Measurement

The scale of measurement in this research is to test the reliability of the responses in questionnaires. The researchers use the Software Package for Social Sciences (SPSS version 16.0) in this research to determine the reliability. Reliability is the degree of error-free and yield consistent result (Zikmund, 2003). Cronbach"s Alpha is reliability coefficient that indicates how well the items in a set are positively correlated to one another, Generally, scales with coefficient alpha between 0.8 and 0.95 is very good reliability, 0.7-0.79 is good reliability, 0.6-0.69 is fair reliability and below 0.6 is poor reliability.

3.7.3 Inferential Analysis

Based on the questionnaires, there are including four independent variables and one dependent variable. Both of them are metric variables and under interval scale. Therefore, we are choosing Person Correlation Coefficient to test on the relationship between the dependent and independent variable and Multiple

Regression Analysis to test on the group relationship between the group of independent and a dependent variable.

3.8 Conclusion

One of the most valuable assets of organization is a stable work force. Since hotel industry has high turnover rate while Grand Kampar Hotel might face employee loyalty problem. The factors contributing to the loyalty of the work force are extremely important to the health of an organization. This study shows four factors that affected the sense of loyalty an employee for his organization.

This chapter described the method uses to conduct the research study, sample size, data analysis techniques and the progression of completing the research study. The sampling size of this study is 160 respondents from the hotel located in Kampar and Tapah area. Moreover, the construct of questionnaire is discussed. It also tests the hypothesis by using multiple regression analysis and Pearson correlation and coefficient analysis in which result of the statistical analysis will be interpreted. We complete all parts in chapter 3 with the evaluation of the research method for the research study.

Chapter 4: Data Analysis

4.0 Introduction

In the previous chapter, 30 target respondents will be targeted for pilot test and 160 responses will be collected from the targeted respondents. This chapter will illustrate the major methodologies used to collect data and to conduct detail analysis on the collected data. Then the data will be analyzed and processed by using Statistical Package social Science (SPSS) software. This chapter starts with the descriptive analysis for the targeted respondent's demographic profile and central tendencies measurement of constructs. Then scale measurement is developed to provide the result of reliability test. Next is the inferential analysis with the Pearson correlation analysis and this is followed by the multiple linear regression analysis. It is aimed to examine the proposed hypothesis (relationship with supervisor, recognitions and rewards, working condition and teamwork and cooperation).

4.1 Description Analysis

Seven questions were asked under the demographic profile section in questionnaire which is included the gender, ethnic, marital status, age, working position; education level and how long had been working.

4.1.1 Respondents' Demographic Profile

4.1.1.1 Gender

Table 4.1: Gender of Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	56	35.0	35.0	35.0
	Female	104	65.0	65.0	100.0
	Total	160	100.0	100.0	

Source: Developed from the research

Figure 4.1: Histogram of Respondents' Gender
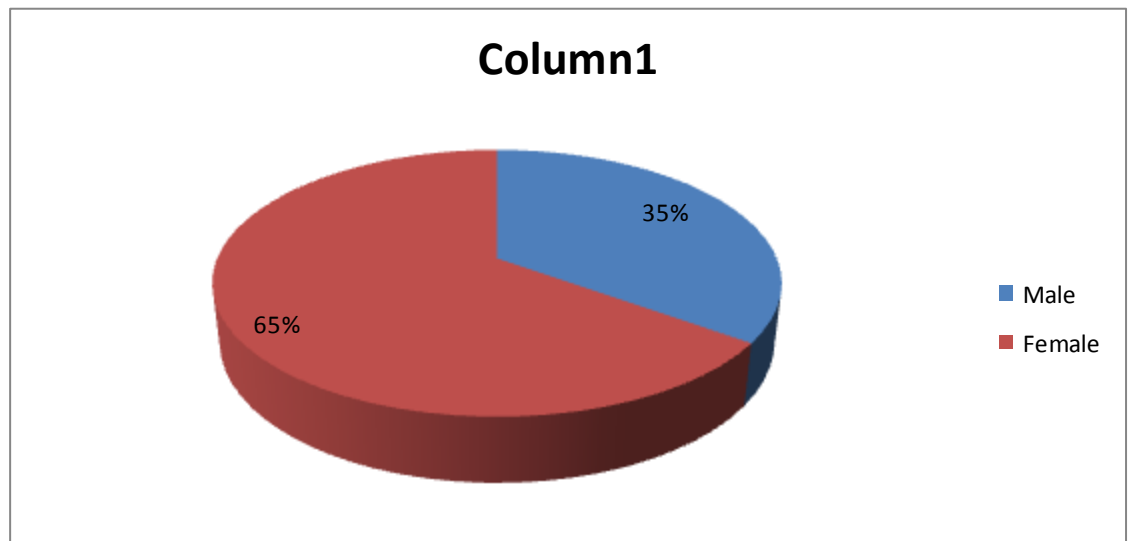
Source: Developed from the research

As shown as the table 4.1 and figure 4.1 above, the majority of the respondents are female, which consists of 104 persons (65%), whereas the male consists of 56 persons (35%) out of the 160 respondents.

4.1.1.2 Ethnic

Table 4.2: Ethnic Group of Respondents

	Frequency	Percent	Valid percent	Cumulative Percent
Valid Chinese	103	64.4	64.4	64.4
Malay	26	16.2	16.2	80.6
Indian	31	19.4	19.4	100.0
Total	160	100.0	100.0	

Source: Developed from the research

Figure 4.2: Histogram of Respondents' Ethnic

Group
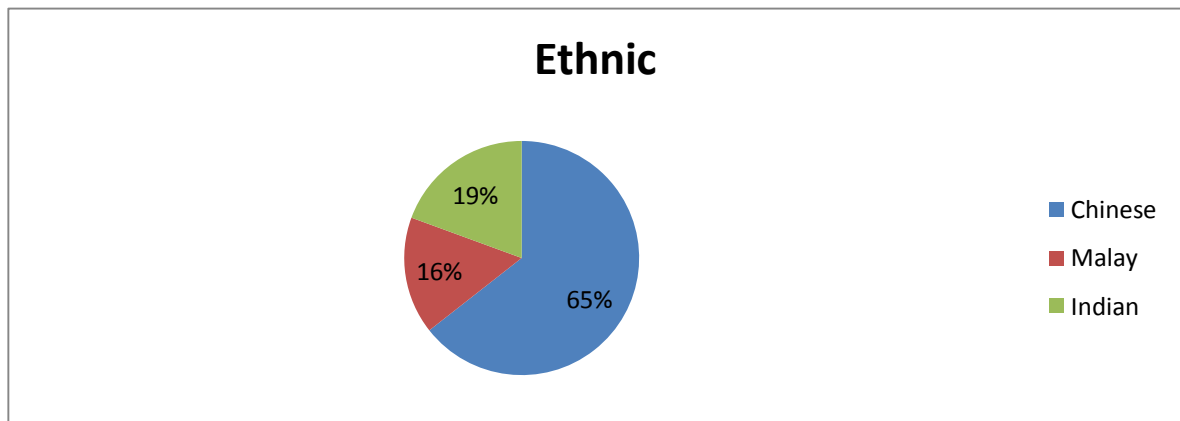
Source: Developed from the research.

According to the table 4.2 and figure 4.2 above, out of the 160 respondent there are 103 persons come from Chinese which have occupied 65%. Malay and Indian appear to be least in amounts which are 26 persons (16.2%) and 31 persons (19.4%).

4.1.1.3 Marital Status

Table 4.3: Marital Status of Respondents

		Frequency	Percent	Valid percent	Cumulative Percent
Valid	Single	60	37.5	37.5	37.5
	Married	100	62.5	62.5	100.0
	Total	160	100.0	100.0	

Source: Developed from the research

Figure 4.3: Histogram of Respondents' Marital

Status
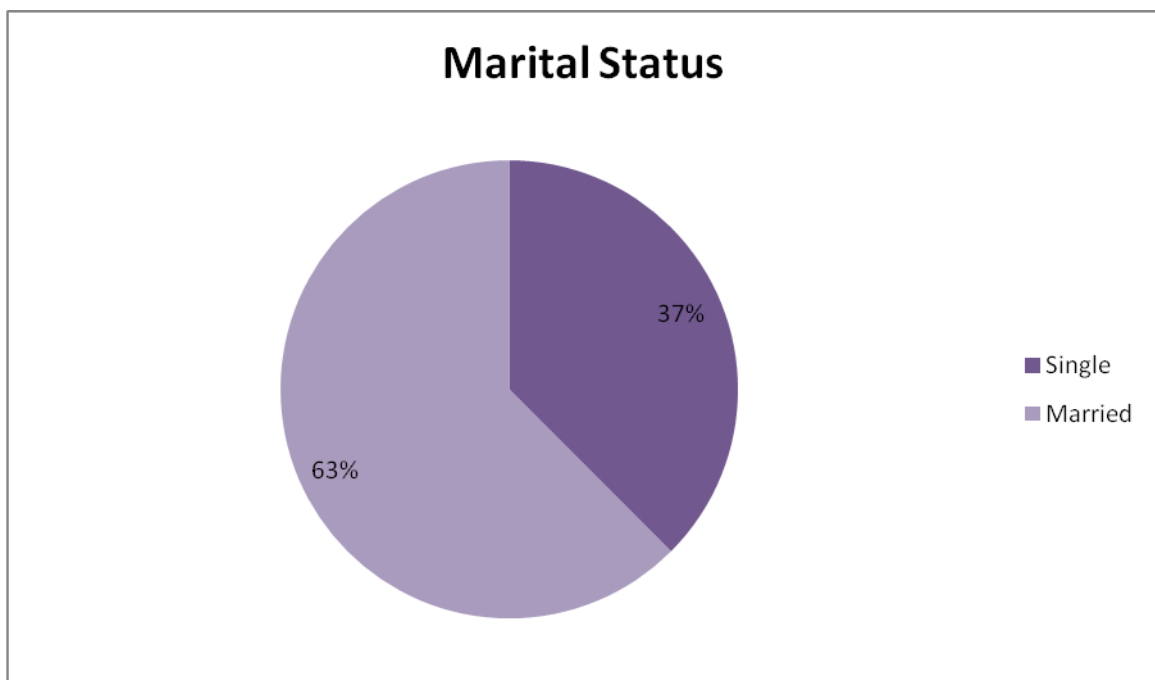
Source: Developed from the research.

Based on the table 4.3 and figure 4.3 given, out of the 60 respondents is single among the 160 respondents which are 37.5 out of 100. The rest of the respondents that are married are 100 persons which are 62.5 % out of the respondents.

4.1.1.4 Age

Table 4.4: Age Group of Respondents

	Frequency	Percent	Valid percent	Cumulative Percent
Valid Below 25	18	11.2	11.2	11.2
Between 25 – 34 years old	53	33.1	33.1	44.4
Between 35 – 44 years old	76	47.5	47.5	91.9
Between 45 – 54 years old	13	8.1	8.1	100.0
Total	160	100.0	100.0	

Source: Developed from the research

Figure 4.4: Histogram of Respondents' Age Group
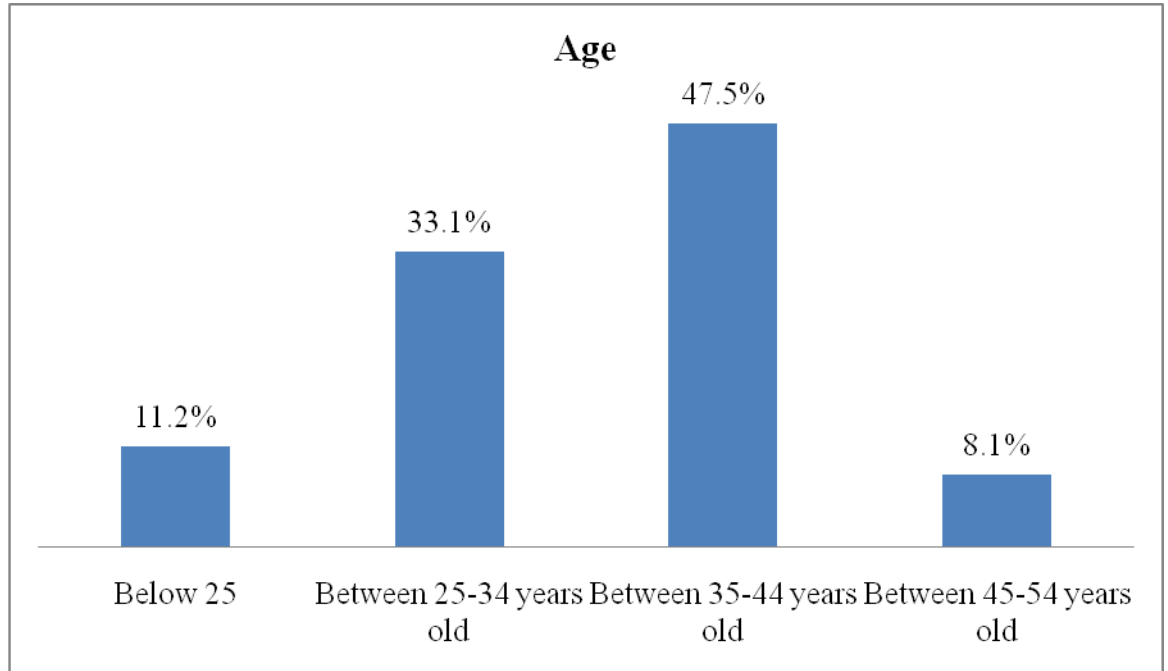
According to the table 4.4 and figure 4.4 above, most of the respondents are ranged between 35 – 44 years old, which is 76 persons (47.5%) out of the 160 respondents. Second highest is between 25 - 34 years old which is 53 persons (33.1%) from the respondents. This is followed by below 25 which are 11.2% of the 160 respondents. The lowest amount is between 45 – 54 years old which is 13 persons (8.1%) out of the respondents.

4.1.1.5 Working Position

Table 4.5: Working Position of Respondents

		Frequency	Percent	Valid percent	Cumulative Percent
Valid	Kitchen assistant	7	4.4	4.4	4.4
	Section chef	26	16.2	16.2	20.6
	Under-chef	17	10.6	10.6	31.2
	Chief of chef	3	1.9	1.9	33.1
	Dessert chef	3	1.9	1.9	35.0
	Dishwasher	8	5.0	5.0	40.0
	Executive housekeeper	6	3.8	3.8	43.8
	Chief of housekeeper	16	10.0	10.0	53.8
	Deputy housekeeper	50	31.2	31.2	85.0
	Human resource administer	18	11.2	11.2	96.2
	Human resource officer	6	3.8	3.8	100.0
	Total	160	100.0	100.0	

Source: Developed from the research

Figure 4.5: Histogram of Respondents' Working Position
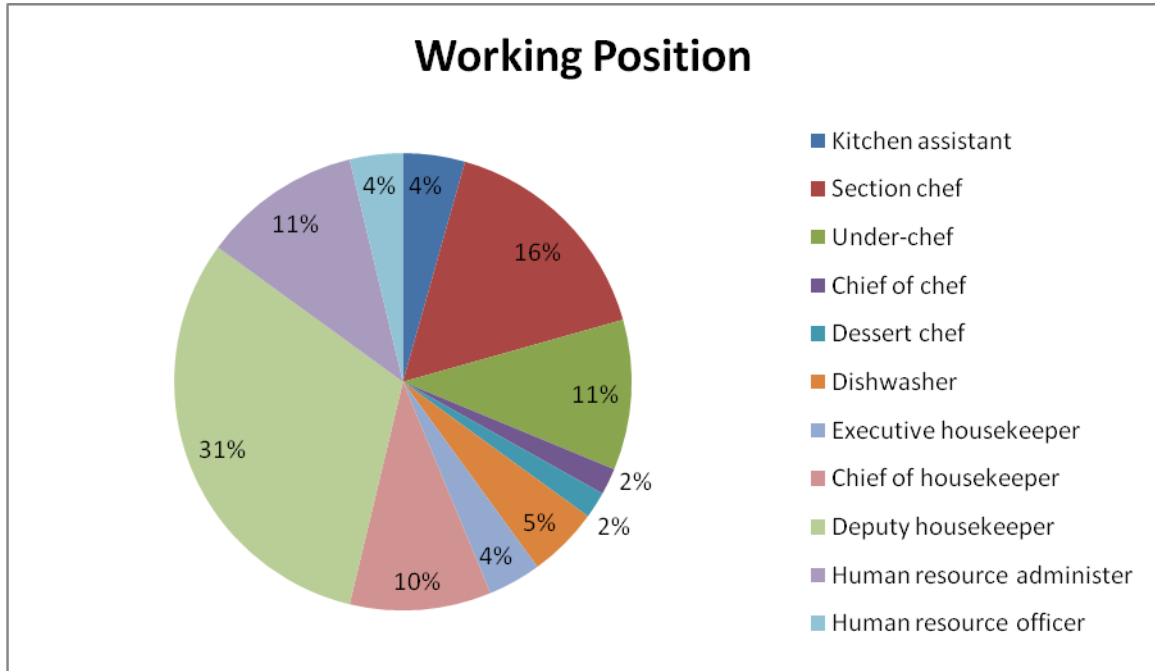
Working Position

Source: Developed from the research.

From the questionnaires collected, working position of the 160 respondents included kitchen assistant, section chef, under-chef, chief of chef, dessert chef, dishwasher, executive housekeeper, chief of housekeeper, deputy housekeeper, human resource administer and human resource officer. Most of the respondents deputy housekeeper which have occupied 31.2%, followed by section chef and human resource administer, which is 16.2% and 11.2% respectively. The lowest percentage of respondent's working position is chief of chef and dessert chef, both of the position is only 1.9% from the 160 respondents.

4.1.1.6 Education Level

Table 4.6: Education Level of Respondents

	Frequency	Percent	Valid percent	Cumulative Percent
Valid Less than higher school	13	8.1	8.1	8.1
SPM	66	41.2	41.2	49.4
STPM or other similar Level of Pre- Universities Program	10	6.2	6.2	55.6
Diploma	48	30.0	30.0	85.6
Degree	23	14.4	14.4	100.0
Total	160	100.0	100.0	

Source: Developed from the research.

Figure 4.6: Histogram of Respondents' Education Level

Education Level
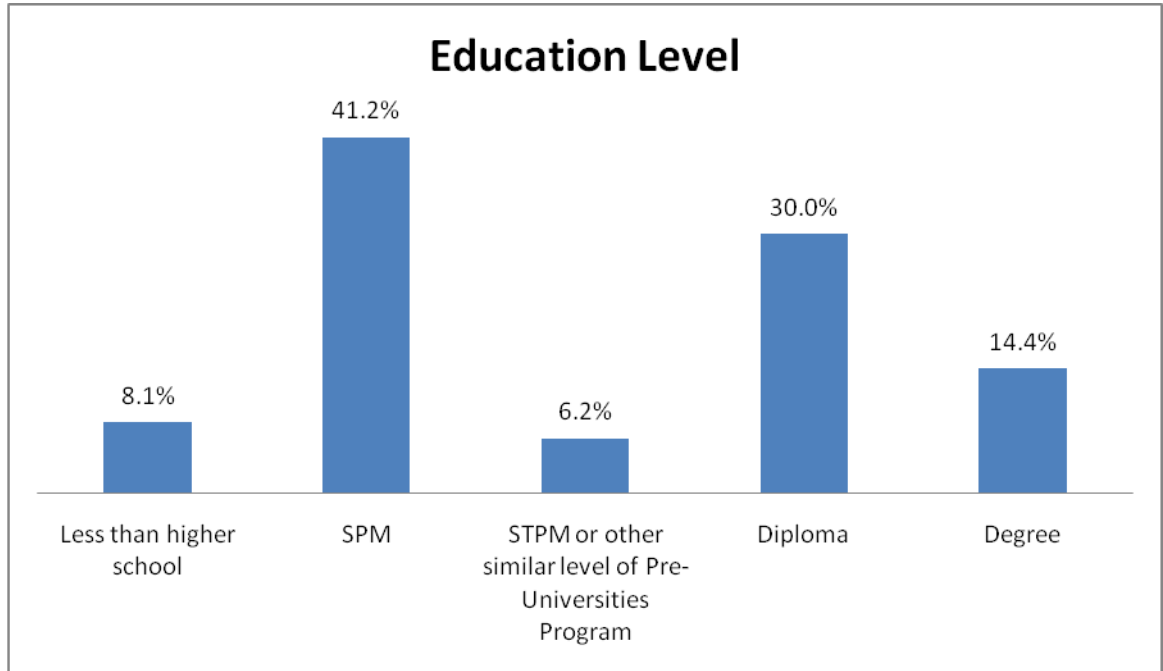
Source: Developed from the research.

Based on the figure 4.6, most of the respondents are come from SPM which consists of 66 persons, occupied 41.2% of the 160 respondents. This followed by the Diploma which is consists of 48 persons (30.0%) out of the respondents. The lowest education level of the respondents is STPM or other similar level of Per-Universities Program which is only 6.2% of the respondents.

4.1.1.7 Working Experience

Table 4.7: Working Experience of Respondents

		Frequency	Percent	Valid percent	Cumulative Percent
Valid	Less than 6 months	19	11.9	11.9	11.9
	Exactly 6 months to less than 1 year	77	48.1	48.1	60.0
	Exactly 1 year to less than 3 years	55	34.4	34.4	94.4
	Exactly 3 year to less than 5 years	8	5.0	5.0	99.4
	Exactly 5 years to less than & years	1	0.6	0.6	100.0
	Total	160	100.0	100.0	

Source: Developed from the research.

Figure 4.7: Histogram of Respondents' Working

Experience
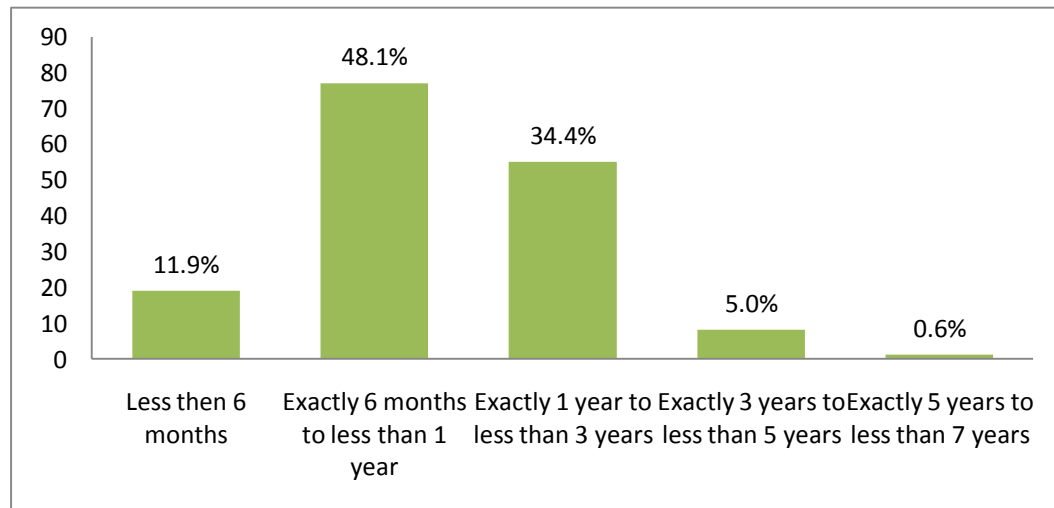
From the figure above, the highest percentage of the respondent had been working exactly 6 months to less than 1 year which is occupied 48.1% of the respondents. This is followed by the respondents who are already exactly 1 year to less than 3 years, which is 34.4 % out of the 160 respondents. The respondents who had been working exactly 3 years to less than 5 years appear the least amount of the respondents, which is only 5.0% from the response. There is only one respondent who had been working exactly 5 years to less than 7 years out of the 160 respondents which is only 0.6 %.

4.1.2 Central Tendencies Measurement of Construct

4.1.2.1 Reward and Recognition

Table 4.8: Central Tendencies Measurement of Reward and Recognition

No.	Statement	Mean	Standard Deviation
R1	I have received and adequate recognition by the company other than the compensation.	2.6438	0.85669
R2	Overall, I am satisfied with the company's benefit package.	2.8625	0.90065
R3	This company gives me enough recognition for work that I had done it well.	2.8375	0.85331
R4	I have enough materials and equipment I need to do my job well.	2.8000	1.05091
R5	I am given enough authority to make decisions I need to make.	2.8312	0.99825

Source: Developed from the research.

Table 4.8 illustrated the central tendencies measurement of reward and recognition. The table above show that most of the respondents agree to the R2 with a mean value of 2.8625. R3 is the second highest with a mean value of 2.8375, R5 is third highest with 2.8312 mean value, follow by the R4 with a mean value of 2.8000. R1 is the lowest one with a mean value of 2.6438.

According to the table above, R4 has the highest value of standard deviation with 1.05091. R5 is second highest of standard deviation with 0.99825, R2 and R1 is the third and forth with a respectively standard deviation value of 0.90065 and 0.85669. The lowest one is R3 is with a value 0.85331.

4.1.2.2 Working Condition

Table 4.9: Central Tendencies Measurement of Working Condition

No.	Statement	Mean	Standard Deviation
W1	My job is secure.	2.9188	0.94484
W2	My physical working conditions are good.	2.8750	0.95001
W3	My workload is reasonable	2.9312	0.83268

Source: Developed from the research.

The Table 4.9 illustrated that the central tendencies measurement of working condition. Based on the table 4.9 above, W3 has the highest value of mean with 2.9312, follow by the W1 and W2 with the mean value of 2.9188 and 2.8750. The highest standard deviation value is under W2 with 0.95001, follow by the W1 and W3 with the value of 0.94484 and 0.83268.

4.1.2.3 Relationship with Supervisor

Table 4.10: Central Tendencies Measurement of Relationship with Supervisor

No.	Statement	Mean	Standard

			Deviation
S1	My supervisor is an effective manager.	3.0125	0.74384
S2	My supervisor asks for my input in decision making.	2.7938	0.91869
S3	My supervisor handles work related issues satisfactorily.	2.9062	0.87449
S4	My supervisor treats me with fairly.	3.0438	0.96052

<u>Source:</u> Developed from the research.

According to table 4.10 above, that is illustrated the central tendencies measurement of relationship with supervisor. Based on the data above, S4 has the highest mean value with 3.0438. S1 is the second highest with the value of 3.0125 and S3 is the third highest value with 2.9062. S1 is the lowest one with the mean value of 2.7938.

Based on the table 4.10, S4 is the highest value of standard deviation with 0.96052. S2 is the second highest and S3 is the third highest of standard deviation value with the respectively value of 0.91869 and 0.87449. S1 is the lowest one with the standard deviation value of 0.74384.

4.1.2.4 Teamwork and Cooperation

Table 4.11: Central Tendencies Measurement of Teamwork and Cooperation

No.	Statement	Mean	Standard Deviation
T1	There is adequate communication between departments.	3.0438	0.84932
T2	I am willing to share my data regularly with my co-workers.	2.9375	0.86648
T3	My co-workers are willing to share, what they think, important, important information with each other.	2.9750	0.88275

Source: Developed from the research.

The table 4.11 above illustrated the central tendencies measurement of teamwork and cooperation. Based on the table result, T1 has the highest value of the mean value with 3.0438. T3 is the second highest mean value with 2.9750 and the lowest one is T2 with the mean value of 2.9375. In term of standard deviation, T3 has the highest value of 0.88275, the second and third is T2 and T1 with the respective value of 0.86648 and 0.84932.

4.1.2.5 Employee Loyalty

Table 4.12: Central Tendencies Measurement of Employee Loyalty

No.	Statement	Mean	Standard Deviation
L1	My company treats me as real partner.	2.8938	0.77376
L2	My company cares for my efforts to improve performance.	2.8625	0.76469
L3	I have the feeling of job satisfaction working at my company.	2.8688	0.86963
L4	I have made the contribution on achieving my company's objectives.	2.8312	0.87755
L5	The company responds to your feedback quickly.	2.8438	0.83588
L6	I will recommend my company to my friends.	2.9062	0.87449
L7	I believe that my company in making long term relationship.	2.9000	0.81804
L8	My company retains outstanding employees.	2.8938	0.86582
L9	I will endure relationship with my company.	2.8750	0.80681
L10	My company provide sufficient opportunity of grows.	2.9688	0.87898

Source: Developed from the research.

The table 4.12 above that illustrated the central tendencies measurement of employee loyalty. Based on the data above, L10 has the most highest of mean value with 2.9688. Second and third highest is L6 and L7 with respectively mean value of 2.9062 and 2.9000. The fourth highest is L1 and L8 which has the same value of mean with 2.8938 follow by the L9, L3, L2, L5 and the lowest L4.The respectively mean value is 2.8750, 2.8688, 2.8625, 2.8438 and 2. 8312.

In term of standard deviation, L10 is the highest with the value of 0.87898. L4 is the second highest with 0.87755, third highest is L6 of 0.87449, follow by L3 of 0.86962, L8 of 0.86582, L5 of 0.83588, L7 of 0.81804, L9 of 0.80681, L1 of 0.77376 and the lowest one L2 with the standard deviation value of 0.76469.

4.2 Scale Measurement

Reliability analysis is generally used in measuring the degree of precision of a research study which using the Cronbach's alpha value. Reliability is the degree of error-free and yield consistent result (Zikmund, 2003). Cronbach"s Alpha is reliability coefficient that indicates how well the items in a set are positively correlated to one another, Generally, scales with coefficient alpha between 0.8 and 0.95 is very good reliability, 0.7-0.79 is good reliability, 0.6-0.69 is fair reliability and below 0.6 is poor reliability.

4.2.1 Internal Reliability Test

Table 4.13: Reliability Statistic

Variable	Cronbach's Alpha	No of items
Reward and recognition	0.899	5
Working condition	0.771	3
Relationship with	0.824	4

supervisor		
Teamwork and cooperation	0.803	3
Employee loyalty	0.890	10

Source: Developed from the research.

Based on the table 4.13 above, Reward and recognition variable has the highest value of cronbach's value standing at 0.899. There is show that it has the very good reliability in the questionnaires. The second highest is employee loyalty variable standing at 0.890 of cronbach's alpha with a very good reliability. Third highest is relationship with supervisor variable standing at the cronbach's alpha value of 0.824, it consider very good reliability. The fourth highest will be teamwork and cooperation variable standing at cronbach's alpha value of 0.803, it also consider as very good reliability. Working condition is the lowest value of cronbach' alpha standing at 0.711 but it also consider as good reliability.

Overall, all the variable also has the cronbach's alpha which more than 0.70. Therefore, the questionnaires in this research study is consider good reliability and consistency

4.3 Inferential Analysis

In this study, inferential analyses were used to analyze and interpret the sample data by running though SPSS which are Pearson Correlations Coefficient and Multiple Linear Regression Analysis. Details of each of the testing and the results will be presented as the following.

4.3.1 Pearson Correlations Coefficient

Table 4.14: Correlations

Correlations

		Reward	Working Condition	Supervisor	Teamwork	Loyalty
Reward	Pearson Correlation	1		.		
	Sig. (2-tailed)					
	N	160				
Working Condition	Pearson Correlation	.717**	1			
	Sig. (2-tailed)	.000				
	N	160	160			
Supervisor	Pearson Correlation	.742**	.687**	1		
	Sig. (2-tailed)	.000	.000			
	N	160	160	160		
Teamwork	Pearson Correlation	.705**	.707**	.695**	1	
	Sig. (2-tailed)	.000	.000	.000		
	N	160	160	160	160	
Loyalty	Pearson Correlation	.839**	.827**	.829**	.794**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	160	160	160	160	160

**. Correlation is significant at the 0.01 level

Source: Developed from the research.

Table 4.15: 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	Slight, almost negligible

Source: Pearson Correlation Coefficient from Hair, et al. (2007)

In this study, Pearson Correlation Coefficient was used to test H1 of the independent variables (relationship with supervisor, recognitions and rewards, working condition and teamwork and cooperation) with the dependent variable (Employee Loyalty). This testing indicates the direction, strength, and significance among all the variables that. The standard of the alpha level usually set the value at 0.05 for two-wailed tests, therefore, if the p-value is less than or equal to the alpha value ($p \leq 0.05$), the null hypothesis need to be rejected and mean that there is significant between the variables.

4.3.1.1 Hypothesis 1

H_0 = There is no significant relationship between relationship between supervisor and the loyalty among the back of house staffs in hotel industry.

H_1 = There is a significant relationship between relationship between supervisor and the loyalty among the back of house staffs in hotel industry.

From the table 4.14, correlation between relationship between supervisor and back of house staff loyalty is 0.829, so that is a positive correlation between the two variables. If the relationship between supervisors is closer, the back of house staff loyalty will increase. The value of this correlation coefficient r = 0.829 is fall under the range ± 0.71 to ± 0.90 which show that there is a high relationship between the both dependant and independent variable. The P-value is 0.00 which is less than 0.05. Therefore, we can prove that H_1 is accepted and there is a significant positive relationship between relationship between supervisors and back of house staff loyalty.

4.3.1.2 Hypothesis 2

$H_0 =$ There is no significant relationship between recognitions and rewards and the loyalty among the back of house staffs in hotel industry.

$H_2 =$ There is a significant relationship between recognitions and rewards and the loyalty among the back of house staffs in hotel industry.

From the table 4.14, correlation between relationship between supervisor and back of house staff loyalty is 0.839, so that is a positive correlation between the two variables. If the recognitions and rewards given are higher, the back of house staff loyalty will increase. The value of this correlation coefficient r = 0.839 is fall under the range ± 0.71 to ± 0.90 which show that there is a high relationship between the both dependant and independent variable. The P-value is 0.00 which is less than 0.05. Therefore, we can prove that H_1 is accepted and there is a significant positive relationship between recognitions and rewards and back of house staff loyalty.

4.3.1.3 Hypothesis 3

H_0 = There is no significant relationship between working condition and the loyalty among the back of house staffs in hotel industry.

H_3= There is a significant relationship between working condition and the loyalty among the back of house staffs in hotel industry.

From the table 4.14, correlation between working condition and back of house staff loyalty is 0.827, so that is a positive correlation between the two variables. If the working condition is better, the back of house staff loyalty will increase. The value of this correlation coefficient r = 0.827 is fall under the range ± 0.71 to ± 0.90 which show that there is a high relationship between the both dependant and independent variable. The P-value is 0.00 which is less than 0.05. Therefore, we can prove that H_1 is accepted and there is a significant positive relationship between working condition and back of house staff loyalty.

4.3.1.4 Hypothesis 4

H_0 = There is no significant relationship between teamwork and the loyalty among the back of house staffs in hotel industry.

H_4= There is a significant relationship between teamwork and the loyalty among the back of house staffs in hotel industry.

From the table 4.14, correlation between teamwork and back of house staff loyalty is 0.794, so that is a positive correlation between the two variables. If the teamwork in company is better, the back of house staff loyalty will increase. The value of this correlation coefficient r = 0.794 is fall under the range ± 0.71 to ± 0.90 which show that there is a high relationship between the both dependant and independent variable. The P-value is 0.00 which is less than 0.05. Therefore, we

can prove that H_1 is accepted and there is a significant positive relationship between teamwork and back of house staff loyalty.

4.3.2 Multiple Regression Analysis

Hair, Celsi, Money, Samouel, and Page (2011) suppose that the multiple regression analysis able to generate the result of statistical significance of each coefficient, nature of relationship and strength of relationship. The beta coefficient enable researchers to determine which independent variables have the most influence on the dependent variable (Hair, 2011). Hair et al. (2011) also stated that F value is used to compare the variance explain by the regression to the unexplained variance (residual), which show the overall relationship is statistically significant.

The general equation of multiple regressions is:

$$\gamma = \beta 0 + \beta 1 X1 + \beta 2 X2 = \beta 3 X3 + \cdots + \beta n Xn$$

Y= employee loyalty

β0 +β1= Reward and recognition

β2 = Working condition

β3 = Relationship with supervisor

β4 = Teamwork and cooperation

Table 4.16: Multiple Regression Analysis

Independent variables	Unstandardized Coefficients	Standardized Coefficients	t-value	Sig
	B	Beta		

Constant	0.464		5.763	0.000
Reward and recognition	0.207	0.282	5.659	0.000
Working condition	0.233	0.296	6.286	0.000
Relationship with supervisor	0.238	0.285	5.937	0.000
Teamwork and cooperation	0.152	0.188	4.001	0.000
R	0.931			
R^2	0.867			
Adjusted R^2	0.864			
F	252.659			

Source: Developed from the research.

Table 4.16 above that show the correlation coefficient, R = 0.931, it means that there is a positive correlation between the 4(four) independent variables (reward and recognition, working condition, relationship with supervisor, teamwork and cooperation) and dependent variable (employee loyalty). The value of R square is 0.867 which indicates that 86.7 % of the variance in the dependent variable (employee loyalty) is explained by the 4 independent variables (reward and recognition, working condition, relationship with supervisor, teamwork and cooperation). However, it still leaves 13.3% of employee loyalty are explained by other factors in this research.

According the table above, p-value (Sig. 0.000) is less that alpha value 0.05, thus the F- statistic which equal to 252.659 is significant. That mean this model is a good descriptor for the relation between the residual and predictors. Therefore, the independent variables are significantly explaining the variance in the employee loyalty among the back house staff in hotel industry.

Table 4.16 above show that all the independent variable p-value is equal to 0.000; it means that all the independent variables (reward and recognition, working condition, relationship with supervisor, teamwork and cooperation) are significantly to predict the dependent variable (employee loyalty). This is because that all the independent variable p-value is less than the 0.05.

Therefore, the multiple regression equation is formed which show it the below:

Employee loyalty = 0.464 + 0.207 reward and recognition + 0.233 working condition + 0.238 relationship with supervisor + 0.152 teamwork and cooperation

4.4 Conclusion

In chapter 4, it is interpreted and provides the result of data obtain from survey after analyzed by SPSS version 16.0. A series of analyses consists of three parts which are descriptive analysis, scale measurement and inferential analysis. Thus, the further discussion and conclusion will be conduct in chapter 5 by using the date source of the series analysis in this chapter.

Chapter 5: Discussions, Implications and Conclusion

5.0 Introduction

Chapter 4 has shown the result and the analysis from the respondents. In this chapter, we will discuss the summary of statistical analysis from the result. In addition, major findings and implications of the study will be further elaborate. Several limitations and recommendations are provided to improve the future research.

5.1 Summary of Statistical Analysis

5.1.1 Respondent Demographic Profile

From the result in chapter 4, most of the respondent is female (65%) and Chinese (64.4%). The majority age range among the respondents is 35-44 years old (47.5) and married (62.5). The survey is majority distributed to the deputy housekeeper 31.2) Most of the respondents are a SPM holder which is 41.2% of total respondent. The majority of respondents are 48.1% that have exactly 6 months to less than 1 year working experience.

5.1.2 Central Tendencies Measurement of Construct

Based on the analysis, majority of the respondents are agreed with the questions regarding the factors (relationship with supervisor, reward and recognitions, working condition and teamwork and cooperation) lead to employee loyalty in hotel industry. The result shows that the mean of all the items are within the range of 8.7250 to 28.8438 while the standard deviation range is 2.20162 to 5.93841.

5.1.3 Scale Measurement

5.1.3.1 Internal Reliability Test

Reliability test and Cronbach's alpha were applied to observe the 25 items which used to measure the independent and dependent variable. The variable of reward and recognition (5 items) has the Cronbach's Alpha of 0.899, working condition (3 items) has the Cronbach's Alpha of 0.771, relationship with supervisor (4 items) has the Cronbach's Alpha of 0.824, teamwork and cooperation (3 items) has the Cronbach's Alpha of 0.803 and lastly the employee loyalty (10 items) has the Cronbach's Alpha of 0.890.According to the scales, alpha between 0.8 and 0.95 is very good reliability thus, other than variable of working condition, all other variable is consider as good reliability. Meanwhile, working condition with the alpha of 0.771 drop under scale of 0.7 and 0.79 will be considered as good reliability.

5.1.4 Summary of Inferential Analysis

5.1.4.1 Pearson's Correlation Analysis

The computed correlation between back of house staff loyalty and relationship between supervisor is 0.829, back house staff loyalty and recognitions and reward is 0.839, back house staff loyalty and working condition is 0.827 and back house staff loyalty and relationship between teamwork is 0.794. The entire variable is statistically significant at the coefficient range of ± 0.71 to ± 0.90 which consider as high in strength. Hence, the results proved that the entire variable has a significant positive relationship with back of house loyalty.

5.1.4.2 Multiple Regression Analysis

Hair, Celsi, Money, Samouel, and Page (2011) suppose that the multiple regression analysis able to generate the result of statistical significance of each coefficient, nature of relationship and strength of relationship.

Based on the result of multiple regression analysis, R^2=0.867 which indicates that 86.7 % of the variance in the dependent variable (employee loyalty) is explained by the 4 independent variables (reward and recognition, working condition, relationship with supervisor, teamwork and cooperation). Besides that, the F-value of 252.659 is significant which mean this model is good descriptor for the relation between the residual and predictor variable (reward and recognition, working condition, relationship with supervisor, teamwork and cooperation). In other words, the independent variables (reward and recognition, working condition, relationship with supervisor, teamwork and cooperation) are significantly explaining the variance in back of house staff loyalty.

The multiple regression equation is formed as following:

Employee loyalty = 0.464 + 0.207 (reward and recognition) + 0.233 (working condition) + 0.238 (relationship with supervisor) + 0.152 (teamwork and cooperation)

5.2 Discussion of Major Findings

The results of the study show the independent variable which are the relationship with supervisor, recognitions and rewards, working condition and teamwork and cooperation and dependant variable which is loyalty of back of house staff are significantly and positively associated in hotel industry. Based on the result from the hypothesis 1, it shows positively high correlation for the relationship between supervisor and back of house staff loyalty which is 0.829 that fall under the range ±0.71 to ±0.90. Also in hypothesis 2, it shows highly

positive correlation between rewards and recognitions and back of house staff loyalty which is 0.839 that fall under range ± 0.71 to ± 0.90. Besides that, in hypothesis 3 also shows the highly positive correlation between working condition and back of house staff loyalty which is 0.827 that fall under range ± 0.71 to ± 0.90. Meanwhile in hypothesis 4, it shows slightly low in correlation compare to hypothesis 1, 2 and 3 which is 0.794. However it still fall under the range ± 0.71 to ± 0.90 that shows the positive correlation between the teamwork and back of house staff loyalty. From the result of the hypothesis for the 4 independents variable above, it show that hypothesis 2 which rewards and recognitions is the effect that have the biggest impact to the back of house staff's loyalty in hotel industry. On the other hand, hypothesis 4 which teamwork and cooperation shows the lowest impact to the back of house staff's loyalty in hotel industry. As a result, the entire four independents variable has highly positive relationship with the dependent variable. Hotel industry should focus more in rewards and recognitions of their staff in back of house that has highest impact of their loyalty among other independents variable.

5.3 Implications of the Study

5.3.1 Managerial Implications

As our research result shows that back of house staff loyalty relates positively with variables such as high relationship with supervisor, recognitions and rewards, working condition and teamwork and cooperation. Business organizations should start realizing the need to be tackle on these determinants in order to stay competitive and ahead of its rivals.

A good relationship between supervisor and employee is essential in order to have a friendly working environment in one organization. In the US, one research strongly suggests that support, particularly from one's supervisor, serves a buffering role in the

job stressor – strain relationship (Cohen & Wills, 1985) (Viswesvaran, Sanchez, & Fisher, 1999). Therefore, supervisor role is important in an organization not just to monitor and control employee performance, but also to encourage and motivate employee morale. (Eisenberger, Stinglhamber, Vandenberghe, Sucharski, & Rhoades, 2002).

In most corporate world today, channeled down organizational decision may create a negative impact on the relationship between supervisor and employee which dilute the productivity of organization. Hence, a positive supervisor-employee workplace relationship has become the vital key in increase organizational success. This topic should be given concern as it may aid in decreasing cost related to employee retention. For this reason, management ought to apply perceived organizational support (POS) where employee perceptions of the extent to which the organization values their contributions and cares for their well being. In the meantime, employees have to repay and fulfilled their obligations and perform their role in the organization.

Study shows employees engage in their working activities purposely for own sake then they will feel intrinsic motivation in their behaviors as their activities will essentially be enjoyable and satisfactory (Vansteenkiste, 2005). In this section, organization were also suggested to design five important human resource management practices including staffing, job design, performance and compensation systems, managerial styles and training. (Ali & Ahmed, 2009). Meanwhile, management has to acknowledge less motivated with work contents, difficulties of operating procedures and neglect of certain aspects of recognition may cause reduce in motivation to work. To overcome this issue, management are encourage to carry out certain reward and recognition activities such as employee participation in decision making process, proper recognition and appreciation, salary increments, allowances, bonuses, fringe benefits and other compensations on regular and specific periods. In addition, organization is suggested that whether tangible or intangible and formal or informal recognition should include personal value. This is a psychological

act whereas individual employee will feel more appreciated and gratitude where their contribution is acknowledge by the company.

Improving working conditions will result in a reduction of socioeconomic inequalities in health in the working population (Schrijvers, Mheen, Stronks, & Mackenbach, 1998). This result in this research let us conscious regarding the general health in the working population can be attributed to a differential distribution of hazardous physical working conditions and low job control across occupational classes. Government and union intervention are designed to protect employee rights and improve working conditions. In the same time, firms and organization are ought to fulfilled their corporate responsibility by provide a better working conditions. We recommended that working condition should improve in two ways, such as physical working conditions and psychological working conditions.

Management may improve the facilities by invest money on the work environment, these recommendation may not be feasible for everyone, yet in long-terms the excellent work environment will eventually increase the job satisfaction of the employees. Meanwhile, the Occupational Safety and Health Act have set regulation and requirements on both employers and employees. Both management and employees would have to comply with the safety programs and put the responsibility and accountability for safety squarely on shoulders of each staff. Management should also be aware of the psychological working conditions of the employee. Laws and regulation against harassment and discrimination on the basis of sex, race, color, national origin, religion, age, disabilities and others should be implemented strictly in the organization. In short, provide a supportive and edifying environment is crucial for all employees, whereas it is the significant factor in increasing the employee loyalty.

Setting up a work team is usually motivated by benefits such as increased productivity, innovation and employee satisfaction. Research on software development teams has found that team performance is linked with the effectiveness of teamwork coordination (Hoegl & Gemuenden, 2001). At this part, there are several functions that must be carrying out by the organization management.

Begin by becoming a supportive sponsor for the team, company management can assist in forming a leadership teams. To achieve specific organizational goal will require team to provide the leadership necessary to move a company towards the organization's goals. Team leader will be selected by the management in carrying out needed actions. Committed leader will lead the team in defining and carrying out duty. Meanwhile, mutual trust takes time to build, and management required to pay attention to this factor as it will be the most important element in deciding the fate of the team. The establishment of a platform of mutual trust will enables the team to engage in open debate and participation in decision making. Hence, with establishment of mutual trust it will enable employees to understand the norms of all members of the team, and cooperation between team members will be facilitated by the mutual trust. In the meantime, management should apply S.M.A.R.T. concept in team to achieve objective. Teamwork and cooperation should follow a set of guidance such as SMART in conducting an action. SMART consists of specific, measurable, achievable, realistic and time bound that contain a set of goals which set by the company management.

5.4 Limitations of the Study

There are several limitations occur during the completion of this study. Firstly, this study faced the limitation of time, sample size and geographical restriction. There were 200 questionnaires distributed in the urban areas of Perak within the period of 2 weeks time. It is not enough data for us to prove that whole Malaysia employee loyalty in hotel industry have affected by the four factors that our group discussed. Hence it will be very difficult for this study to be representative. A larger sample size with a more fairly distributed area within the respondents will help to validate the study.

Furthermore, there might be other variables that can be the factors to influence Malaysian employee loyalty in hotel industry.

5.5 Recommendations for Future Research

There are several ideas to make this study better for the benefit of future research.

In the future research, it should involve wider geographical areas as well as larger sample size of hotels in Malaysia. In addition, the questionnaires should be translated into other languages such as Malay, Mandarin and Tamil because Malaysia consists of different races.

The future study should compare the data with the almost same geographic area such as hotels in Penang and Kuala Lumpur because people in fast city development have different perception compare to the slow city development people such as Perlis. In order to be more justified, the future study should collect the data from comparing the same city development level.

Besides, future researchers can test other variables that might influence the employee loyalty in hotel industry. Perhaps other variables in future research would be more significance to influence the employee loyalty in hotel industry.

5.6 Conclusion

Based on the results showed, there is significant outcome in the overall relationship with supervisor, recognitions and rewards, working condition and teamwork and cooperation towards job satisfaction towards the loyalty of the back of house staff loyalty in the hotel industry. The objective of the study is fulfilled with the results accepted.

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Appendix

Appendix A: Histogram of Employee Turnover by Industry
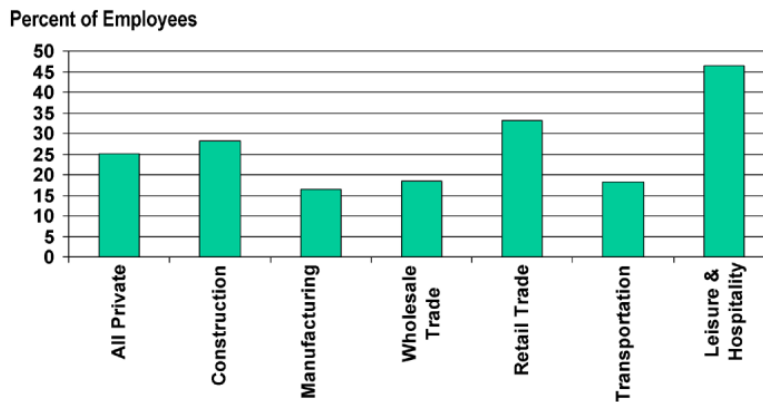
Percent of Employees

Sources: Employee Policy Foundation tabulation and analysis of Bureau of Labor Statistic, Job Openings and Labor Turnover Survey data

Appendix B: Histogram of Voluntary Quits by Industry
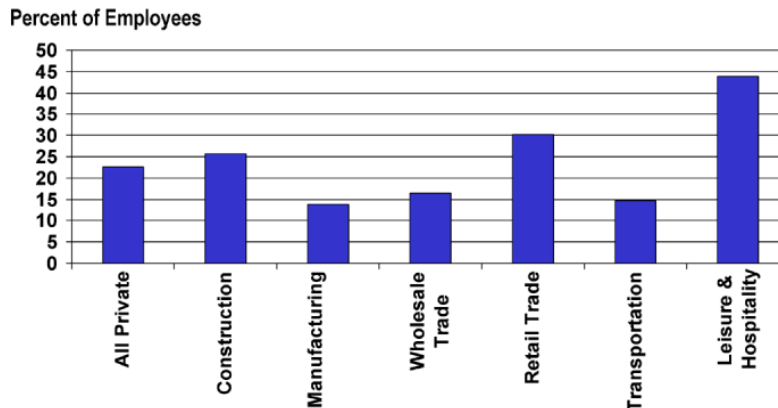
Percent of Employees

Sources: Employee Policy Foundation tabulation and analysis of Bureau of Labor Statistic, Job Openings and Labor Turnover Survey data

Appendix C: Histogram of Turnover Replacement Cost by Industry
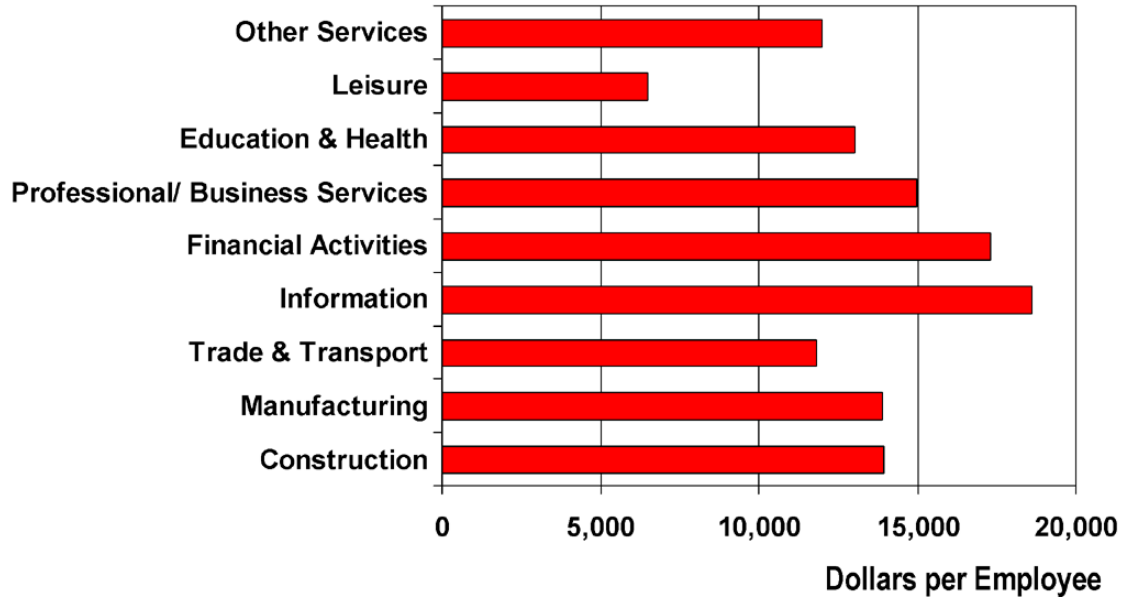
Sources: Employee Policy Foundation tabulation and analysis of Bureau of Labor Statistic, Job Openings and Labor Turnover Survey data

Appendix D: Pilot Test - Reliability

Reward and Recognition Variables

```
RELIABILITY
  /VARIABLES=Reward1 Reward2 Reward3 Reward4 Reward5
  /SCALE('ALL VARIABLES') ALL
  /MODEL=ALPHA
  /STATISTICS=DESCRIPTIVE SCALE

  /SUMMARY=TOTAL MEANS VARIANCE.
```

Reliability

[DataSet1] C:\Users\Gateway\Desktop\FYP\pilot test.sav

Scale: ALL VARIABLES

Case Processing Summary

		N	%
Cases	Valid	30	100.0
	Excluded[a]	0	.0
	Total	30	100.0

a. Listwise deletion based on all variables in the

procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.774	.769	5

Item Statistics

	Mean	Std. Deviation	N
Received an adequate recognition	2.6333	.85029	30

Satisfy with the company' benefit package	2.6667	.71116	30
Enough recognition for work done	2.6000	.81368	30
Enough materials & equipment provided	2.7667	.85836	30
Enough authority to make decision	2.5333	.93710	30

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
13.2000	9.200	3.03315	5

Working Condition Variables

```
RELIABILITY
  /VARIABLES=Workingconditions1 Workingcondtions2 Workingcondition3
  /SCALE('ALL VARIABLES') ALL
  /MODEL=ALPHA
  /STATISTICS=DESCRIPTIVE SCALE

  /SUMMARY=TOTAL MEANS VARIANCE.
```

Reliability

[DataSet1] C:\Users\Gateway\Desktop\FYP\pilot test.sav

Scale: ALL VARIABLES

Case Processing Summary

		N	%
Cases	Valid	30	100.0
	Excluded[a]	0	.0
	Total	30	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.739	.743	3

Item Statistics

	Mean	Std. Deviation	N
My job is secure	2.4333	.89763	30
My physical working conditions are good	2.4000	.96847	30
My workload is reasonable	2.4333	.77385	30

Summary Item Statistics

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Item Means	2.422	2.400	2.433	.033	1.014	.000	3
Item Variances	.781	.599	.938	.339	1.566	.029	3

Mean	Variance	Std. Deviation	N of Items
7.2667	4.616	2.14851	3

Relationship with Supervisor Variables

```
RELIABILITY
  /VARIABLES=Supervisor1 Supervisor2 Supervisor3 Supervisor4
  /SCALE('ALL VARIABLES') ALL
  /MODEL=ALPHA
  /STATISTICS=DESCRIPTIVE SCALE

  /SUMMARY=TOTAL MEANS VARIANCE.
```

Reliability

[DataSet1] C:\Users\Gateway\Desktop\FYP\pilot test.sav

Scale: ALL VARIABLES

Case Processing Summary

		N	%
Cases	Valid	30	100.0
	Excluded[a]	0	.0
	Total	30	100.0

a. Listwise deletion based on all variables in the
procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.909	.909	4

Item Statistics

	Mean	Std. Deviation	N
My supervisor is an effective manager	3.1667	.69893	30
My supervisor asks for my inpuy to help make decisions	2.4333	.72793	30
My supervisor handles work related issues satisfactorily	2.5333	.77608	30
My supervisor treat me with fairly	3.1333	.68145	30

Summary Item Statistics

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Item Means	2.817	2.433	3.167	.733	1.301	.150	4
Item Variances	.521	.464	.602	.138	1.297	.004	4

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
11.2667	6.547	2.55874	4

Teamwork and Cooperation Variables

```
RELIABILITY
  /VARIABLES=Teamwork1 Teamwork2 Teamwork3
  /SCALE('ALL VARIABLES') ALL
  /MODEL=ALPHA
  /STATISTICS=DESCRIPTIVE SCALE

  /SUMMARY=TOTAL MEANS VARIANCE.
```

Reliability

[DataSet1] C:\Users\Gateway\Desktop\FYP\pilot test.sav

Scale: ALL VARIABLES

Case Processing Summary

		N	%
Cases	Valid	30	100.0
	Excluded[a]	0	.0
	Total	30	100.0

a. Listwise deletion based on all variables in the

procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.782	.785	3

Item Statistics

	Mean	Std. Deviation	N
There is adequate communication between departments	3.0333	.76489	30
I am willing to share my data regularly with my co-workers	2.7667	.77385	30
My co-workers are willing to share, what they think, important informant with each other	2.7333	.86834	30

Summary Item Statistics

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Item Means	2.844	2.733	3.033	.300	1.110	.027	3
Item Variances	.646	.585	.754	.169	1.289	.009	3

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
8.5333	4.051	2.01260	3

Employees Loyalty Variables

```
RELIABILITY
  /VARIABLES=Internaldimensiao1 Internaldimension2 Internaldimension3 Intern
aldimension4 Internaldimension5 Externaldimension1 Exter
  naldimension2 Externaldimension3 Externaldimension4 Externaldimension5
  /SCALE('ALL VARIABLES') ALL
  /MODEL=ALPHA
  /STATISTICS=DESCRIPTIVE SCALE

  /SUMMARY=TOTAL MEANS VARIANCE.
```

Reliability

[DataSet1] C:\Users\Gateway\Desktop\FYP\pilot test.sav

Scale: ALL VARIABLES

Case Processing Summary

		N	%
Cases	Valid	30	100.0
	Excluded^a	0	.0
	Total	30	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.884	.885	10

Item Statistics

	Mean	Std. Deviation	N
The company treats me as real partner	2.7000	.70221	30
The company cares for my efforts to improve performance	2.6000	.67466	30
I have the feeling of job satisfaction working at my company	2.6333	.96431	30
I have made the contribution on achieving my company's objective	2.5000	1.00858	30
The company quickly responds to my feedback quickly	2.4667	.81931	30
I will recommend my company to my friends	2.8000	.84690	30

I believe that my company in making long term relationship	2.8000	.66436	30
My company retains oustanding employees	2.7333	.86834	30
I will endure relationship with organization	2.7667	.81720	30
My company provide suffiicient opportunity of grows	2.8667	.86037	30

Summary Item Statistics

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Item Means	2.687	2.467	2.867	.400	1.162	.018	10
Item Variances	.689	.441	1.017	.576	2.305	.037	10

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
26.8667	33.706	5.80567	10

Appendix E: Questionnaire

UNIVERSITY TUNKU ABDUL RAHMAN (PERAK CAMPUS)

FACULTY OF BUSINESS AND FINANCE

BACHELOR OF BUSINESS ADMINISTRATION (HONS)

FINAL YEAR PROJECT

TITLE OF TOPIC: A STUDY ON THE IMPACTS TOWARD THE LOYALTY OF EMPLOYEE AMONG THE BACK OF HOUSE STAFF IN HOTEL INDUSTRY.

SURVEY QUESTIONAIRE

Dear respondent,

We are final year undergraduate students of Bachelor of Business Administration (Hons), from Universiti Tunku Abdul Rahman (UTAR). The purpose of conducting this survey is to determine how the impacts toward the loyalty of the employee among the back of house staffs in hotel industry.

Should you wish to clarify any matter pertaining to this survey, please feel free to contact
us:

Name	Student ID	Handphone Number
TENG CHOON HOU	10ABB06084	016-5065581
LOW PEI WA	10ABB03620	010-4679002
SAM MAN KEONG	10ABB06010	016-5194200
KEE HUI POO	09ABB08132	016-5430380
OOI CHONG KING	09ABB06296	016-5499178

Instructions:
1. **There are THREE (3) sections in this questionnaire. Please answer ALL questions in ALL sections.**

2. **This questionnaires divides into three sections:**
➢ **Section A: Respondent demographic information**
➢ **Section B: Evaluation the impacts**
➢ **Section C: Employee loyalty**

3. **Completion of this survey will take you approximately 10-15 minutes.**
4. **All the information that collected in questionnaire will be kept confidential and used only for academic**

We would be most grateful and appreciate for your cooperation and with thousand of **thanks.**

SECTION A: RESPONDENT DEMOGRAPHIC INFORMATION

INSTRUCTION: For this section, please choose the answer that most appropriate and tick (√) according to the box applicable. Please **tick** ONLY ONE answer for each question below and kindly complete every question.

1. Gender:

  ☐ Male

  ☐ Female

2. Ethnic Group:

  ☐ Chinese

  ☐ Malay

  ☐ Indian

  ☐ Others(Please Specify)_____

3. Marital status:

  ☐ Single

  ☐ Married

4. Age group:

  ☐ Below 25

  ☐ Between 25 years old to 34 years old

  ☐ Between 35 years old to 44 years old

  ☐ Between 45 years old to 54 years old

  ☐ Above 54 years old

5. What is your current position?

- ☐ Kitchen assistant
- ☐ Section chef
- ☐ Under-chef
- ☐ Chief of chef
- ☐ Dessert chef
- ☐ Dishwasher
- ☐ Executive housekeeper
- ☐ Chief of housekeeper
- ☐ Deputy housekeeper
- ☐ Human Resource Administrator
- ☐ Human Resource Officer
- ☐ Others (Please Specify)_____

6. What is the highest level of education you have completed?

- ☐ Less than high school
- ☐ SPM
- ☐ STPM or other similar level of Pre-Universities Program
- ☐ Diploma
- ☐ Degree
- ☐ Master
- ☐ PHD

7. For how long have you been working in this hotel?

- ☐ Less than 6 months

- ☐ Exactly 6 months to less than 1 year

- ☐ Exactly 1 year to less than 3 years

- ☐ Exactly 3 years to less than 5 years

- ☐ Exactly 5 years to less than 7 years

- ☐ More than 7 years

SECTION B: EVALUATION OF IMPACT ON EMPLOYEE LOYALTY AMONG BACK OF HOUSE STAFF EMPLOYEE

> INSTRUCTION: For this section, please select and **circle** ONLY ONE of the number which is best reflects your opinion on the statement. Please indicate your level of agreement with each of the following statements
>
> 1-Strongly disagree   2- Disagree   3-Neutral   4-Agree   5- Strongly agree

Dimension: Evaluation Impacts	SD	D	N	A	SA
1. I have received an adequate recognition by the company other than the compensation.	1	2	3	4	5
2. Overall, I am satisfied with the company's benefit package.	1	2	3	4	5
3. This company gives me enough recognition for work that I had done it well.	1	2	3	4	5
4. I have enough materials & equipment I need to do my job well.	1	2	3	4	5
5. I am given enough authority to make decisions I need to make.	1	2	3	4	5
6. My job is secure.	1	2	3	4	5
7. My physical working conditions are good.	1	2	3	4	5
8. My workload is reasonable.	1	2	3	4	5
9. My supervisor is an effective manager.	1	2	3	4	5
10. My supervisor asks for my input in decision making.	1	2	3	4	5

11. My supervisor handles work related issues satisfactorily.	1	2	3	4	5
12. My supervisor treats me with fairly.	1	2	3	4	5
13. There is adequate communication between departments.	1	2	3	4	5
14. I am willing to share my data regularly with my co-workers.	1	2	3	4	5
15. My co-workers are willing to share, what they think, important information with each other.	1	2	3	4	5

SECTION C: EMPLOYEE LOYALTY

INSTRUCTION: For this section, please select and **circle** ONLY ONE of the number which is best reflects your opinion on the statement. Please indicate your level of agreement with each of the following statements

1-Strongly disagree   2- Disagree   3-Neutral   4-Agree   5- Strongly agree

Dimension: Employee Loyalty (Internal)	SD	D	N	A	SA
1. My company treats me as real partner.	1	2	3	4	5
2. My company cares for my efforts to improve performance.	1	2	3	4	5
3. I have the feeling of job satisfaction working at my company.	1	2	3	4	5
4. I have made the contribution on achieving my company's objectives.	1	2	3	4	5
5. The company responds to your feedback quickly.	1	2	3	4	5

Dimension: Employee Loyalty (External)	SD	D	N	A	SA
1. I will recommend my company to my friends.	1	2	3	4	5
2. I believe that my company in making long term relationship.	1	2	3	4	5
3. My company retains outstanding employees.	1	2	3	4	5
4. I will endure relationship with my company.	1	2	3	4	5
5. My company provide sufficient opportunity of grows.	1	2	3	4	5

THANK YOU FOR YOUR PRECIOUS TIME AND CO-OPERATION