

## **The Levels of Empowerment Impact on the Level of Employee Job Satisfaction: The Case of Albanian Hotels**

**Drita Kruja**

Shkodra University, Albania

**Ted Oelfke**

Sandhills Community College, USA

### **Abstract**

*This research investigates the empowerment concept and job satisfaction in the hospitality industry. It explores the impact of three keys including self-directed work teams, communication and autonomy (organisational factors) on the empowerment of front-line employees in Albanian hotels. Furthermore, the impact of employee empowerment on employee job satisfaction (psychological factor) is investigated.*

**Key words:** Autonomy, Communication, Empowerment, Job satisfaction, Self-directed work teams

### **INTRODUCTION**

The organisations operate in a competitive environment and it is essential for them to have an empowered and proactive service labour force, which must to provide better service quality, be more efficient and more profitable (Bowen & Lawler, 1992; Bowen & Lawler, 1995; Fulford & Enz, 1995).

Serving customers is considered to be the most important function in the organisation, and the people in front-line who provide it are considered to be the most important people. The overall goal of empowerment is to enhance guest service and increase profits for the organisation by releasing decision-making responsibility, authority, and accountability to lowest levels within the organisation.

The literature on employee empowerment provides only theoretical evidence. Therefore, there is a lack of empirical study in investigating the role of empowerment among service employees. This study presents an empirical research. It explores the impact of three keys including self-directed work teams, communication and autonomy (organisational factors) on the empowerment of front-line employees in Albanian hotels. It also investigates the impact of employee empowerment on employee job satisfaction (psychological factor).

## THEORETICAL BACKGROUND

### Employee Empowerment

According to Conger and Kanungo (1988) the empowerment is 'a process of enhancing feelings of self-efficacy among organisational members through the identification of conditions that foster powerlessness and through their removal by both formal organisational practices and informal techniques of providing efficacy information' (Conger & Kanungo, 1988, p. 4). Thomas and Velthouse (1990) argued that the concept of empowerment is multidimensional.

Burke (1986) suggests that a way to empower employees is to express trust and commitment in them, but needed to establish realistic high performance expectations for them. Block (1987) adds the freedom of employees to operate without direct managerial supervision. Oldham (1976), Strauss (1977), Kanter (1979), Hackman and Oldham (1980) suggest reward systems based in their initiatives, efforts and performance. At the organisational level, however, McClelland (1985) and House (1988) suggest that could to implement new employee selection, education and training programs and a change of culture within organisation.

Bowen and Lawler (1992) offered a practical definition of empowerment. They suggest that employee empowerment exists when organisations implement practices that share information with front-line employees, distribute knowledge and rewards throughout the organisation. According to Zemke and Schaaf (1989), employee empowerment means 'turning the front-line loose and encouraging and rewarding employees to exercise initiative and imagination' (Zemke & Schaaf, 1989, p. 68).

According to Heathfield (2008) and Wallace (2008) the empowerment is defined as redistribution of power and information within organisation that enables employees to perform their jobs more efficiently and effectively.

Blanchard has laid out a straightforward model for organisational empowerment in which he contends that 'empowerment isn't magic. It consists of a few simple steps and a lot of persistence' (Blanchard, Carlos & Randolph, 1996, p. 115). Application of the Blanchard model is based in three keys: communication, creating autonomy, and self directed work teams.

Empowerment minimises follow up by management because it helps make employees more responsible for their actions. Empowerment is simply providing direction for what needs to be done, the tools to do it, and then getting out of the way so people can achieve the results.

### **Communication**

According to Blanchard *et al.* (1996, p. 27), 'the first key in empowering people and organisations is *sharing information* with everyone in the organisation. Sharing information encourages people to act like owners of the organisation'.

Managers have traditionally shared only the information with employees that they believed the employees needed to know. This approach rations information. Lower-level employees are not provided all available information. Sharing information helps people

understand in clear terms the current organisational situation. This is practically based on trust throughout the organisation and breaks traditional hierarchical thinking. This help people to be more responsible, people without information cannot monitor themselves or make sound decisions, people with information can.

Leaders and managers must be sure that employees are not only informed about organisation's operational short – term and long term goals but also involved and aware about what is going on in the organisation, any change is more acceptable when employees will not feel ambushed. Telling an employee suddenly that there is going to be a shift in the decision-making responsibilities without any warning, most likely will cause a defensive response. When an employee is on the defensive, he/she is less likely to be willing to accept change. That is why employee needs to be empowered.

### **Autonomy**

The second key to empowerment is to create autonomy (Blanchard *et al.*, 1996). 'Employee autonomy is the degree to which the job provides substantial freedom, independence and discretion in scheduling the work and in determining the procedures to be used in carrying it out' (Hackman & Oldham, 1980, p. 162). De Jonge (1995) defined employee autonomy as 'the worker's self-determination, discretion or freedom, inherent in the job to determine several task elements' (p. 13). Brey (1999) claimed that worker autonomy could be seen as a desirable goal because employees themselves find it important 'to have control over task elements in their work' (p. 15).

This study applies the concept of employee autonomy in a service context – hotel industry. The employee empowerment and autonomy concepts are not same. The autonomy may impact the level of empowerment among frontline employees.

### **Self-directed Work Teams**

'The third key to empowerment is to replace the hierarchy with self-directed work teams' (Blanchard *et al.*, 1996, p. 57). This concept indicates that lower level employees can form teams and can produce the better service than individuals. The self-directed work teams have the responsibility for an entire process, service or product from start to finish. Everyone shares equally in the responsibilities. They do not need to have a manager, because the role of manager can rotate and selected by members. Thus the people can to become less dependent on the manager and to feel empowered teams. Empowered teams can be more than empowered individuals, but the people should to know how to work in self-directed work teams as 'the commitment and support for self-directed work teams must come from the top, keeping in mind that a natural step in the process will be dissatisfaction' (Blanchard *et al.*, 1996, p. 68).

The three keys to empowerment are difficult to put into everyday action. The three keys need to interact with each other, because the empowerment takes all three keys. Employee empowerment among all employees consists of working together to make the organisation the best it can be. Employee empowerment results in enthusiastic and committed employees who do an outstanding job because they enjoy doing it.

The implementation of empowerment programs does not receive support from all employees and managers as employees may additional rewards. Managers may feel that their authority is being removed and that they will be stripped of decision making

ability staff (Potochny, 1998). The challenge to managers is to implement programs wisely in order to create a powerful tool to increase revenue and improve customer service.

A hospitality employer may wish to introduce the Blanchard approach to empowerment, and might implement the three keys through a program involving employee training and structural adjustments over time.

We have presented how each of the previous variables (Autonomy, Communication and Self-directed work teams) affects and contributes to the adaptation of a change of culture on culture, the following section verifies the relationship between employee empowerment and job satisfaction.

### **Job Satisfaction**

Job satisfaction refers to 'the degree to which an individual feels positively or negatively about various aspects of the job' (Schermerhorn, 1996, p. 275).

According to Hackman and Odham (1980) and Loscocco and Roschelle (1991), the proponents of empowerment insist that employees want to make a difference and to feel respected. People want to have a sense of control so that they can take personal of accomplishment in the results of their hard work. Such employees are likely to be more productive and provide much more satisfying service for customers, enormous cost savings can be realised from lower absenteeism and less employee turnover. In hospitality industry this can have a substantial effect on profits. Thus, 'the intention of investigating employee job satisfaction is the first step to increase a healthy psychological contract for people at work' (Schermerhorn, 1996, p. 277).

## **RESEARCH METHODOLOGY**

### **Study Aims**

This study presents the empowerment concept in the hospitality industry, especially among hotel front-line employees in Albania. Taking this concept into account this paper tries to find out the impact of some antecedent factors including (Autonomy, Communication and Self-directed work teams) on the degree of employee empowerment and then the impact of empowerment on job satisfaction in three or four star hotels in Albania.

### **Hypotheses**

1. The level of communication available to service employees is positively and significantly related to the level of their empowerment.
2. The level of autonomy given to service employees is positively and significantly related to the level of their empowerment.
3. The level of self-directed work teams given to service employees is positively and significantly related to the level of their empowerment.
4. Empowerment has positive impacts on employees job satisfaction

## Research Design

Exploratory research method consisted of the use of the combined primary and secondary research methods. Exploring the right literature, such as: books, previous studies in this field; selecting related data to the purpose of the study; arranging them in the most representative manner; comparing data, from different sources in order to increase their accuracy were the main jobs performed during the secondary research process.

Descriptive research method consisted of the use of survey and questionnaire techniques as the primary data gathering methods.

## Areas and Subjects of Study

The research was concentrated in the four main districts of the country, such as: Tirana, Vlora, Shkodra and Durres. Tirana is the Capital of Albania and the most important economic centre of the country. Vlora, Shkodra and Durres were chosen as principal tourism areas. Currently, in our study areas, there are 238 hotels in total, of which 14 four star hotels and 24 three star hotels offer their services (see Table 1). The study was concentrated in four and three star hotels. The reason why they were selected was that their quality of services and their organisational environment are different compared to the small hotels.

**Table 1: Population and Areas**

Areas	Hotels/ total	Four star hotels	Three star hotels
Tirana	74	5	8
Vlora	60	4	6
Shkodra	63	2	4
Durres	41	3	6
Total	238	14	24

Source: Ministry of Tourism, Culture, Youth and Sport. (2009) Hotels Classification. January-June 2009. Albinvest, Albania.

The size of hotel population is small and all three and four star hotels are included in the study. Based in the principle of standard error of the proportion at 20 percent minimum and 50 percent maximum, the sample size of front-line employees was calculated at between 168 and 67. In total, 150 front-line employees of the hotels are selected randomly, 60 from four star hotels and 90 from three star hotels. The sample was directly and proportionately stratified (based on the number of front-line employees in each hotel).

The data collected from the questionnaires was analysed by SPSS computer program. Factor analysis, correlations and regression were applied to the data of the questionnaire.

## Design of Questionnaire

The questionnaire was designed based on literature review, the aim of study and hypotheses. The questionnaire contained 5 sections. Every section had some questions

or statements and the respondents were asked to rate, on a 5 point Likert scale, the degree of agreeing or disagreeing, or the degree of their satisfaction or dissatisfaction for them.

### Questionnaire Administration

The questionnaire was self-completed. An online questionnaire was created and the link was sent by e-mail to the sample population.

In total, 150 front-line employees of the hotels were selected randomly, but 124 had completed our questionnaire, 42 from four star hotels and 82 from three star hotels. We have a valid return rate (82.7 percent).

### Variables

- **Empowerment**

In the questionnaire, there was one question related to empowerment “*Are you satisfied... - With the empowerment?*” The result shows that 77.2 percent are somewhat satisfied and very satisfied (see Table 2). So the hotel sector exercises employee empowerment.

**Table 2: The Percents of Satisfaction or Dissatisfaction on Empowerment**

Categories of satisfaction	Percentages
Very Dissatisfied	8.9
Somewhat dissatisfied	8.9
Not sure	5.1
Somewhat satisfied	32.9
Very satisfied	44.3

- **Job Satisfaction**

In the questionnaire, there were 5 statements and the respondents were asked to rate, on a 5-point Likert scale (5–Very satisfied, 3-not sure, 1-very dissatisfied), the degree of their satisfaction or dissatisfaction for them. Reliability analysis results in Cronbach Alpha = 0.9422. This coefficient indicates a good match among variables within a factor (Hair, Anderson, Tatham & Black, 1998). Based on KMO index<sup>1</sup> of 0.802, we can be confident that the data support the use of factor analysis and suggest that the data may be grouped into a smaller set of underlying factors. Bartlett's Test<sup>2</sup> is highly significant ( $P < 0.001$ ), therefore factor analysis is appropriate. All statements are grouped in one component based on correlative relationship between them (see Table 3).

<sup>1</sup> The Kaiser-Meyer-Olkin Measure of Sampling Adequacy is 'a statistic that indicates the proportion of variance in your variables that might be caused by underlying factors. High values (close to 1.0) generally indicate that a factor analysis may be useful with your data. If the value is less than 0.50, the results of the factor analysis probably won't be very useful' (Kaiser, 1974).

<sup>2</sup> Bartlett's test of sphericity tests the hypothesis that your correlation matrix is an identity matrix, which would indicate that your variables are unrelated and therefore unsuitable for structure detection. Small values (less than 0.05) of the significance level indicate that a factor analysis may be useful with your data.

**Table 3: Extraction Method: Principal Component Analysis**

Statements	Component
<i>Are you satisfied...</i>	1
That the leaders in your work environment are positive role models?	.965
That your views and participation are valued?	.903
With your direct supervisor?	.900
With your job?	.859
That your supervisor keeps you well informed about what's going on in the company?	.817

The factor is named in accordance with the meaning of the correlated variables, *Job satisfaction*. It is noted that the total percent of variance explained is 79.236 (see Table 4). The solution satisfies both Kaiser's criteria of selecting only those with a minimum eigenvalue of 1 and the "percent of variance" which requires that the extracted factors account for a minimum of 60 percent of total variance (Hair *et al.*, 1998).

**Table 4: Total Variance Explained**

Component	Extraction Sums of Squared Loadings		Cumulative %
	Total	% of Variance	
Job satisfaction	3.962	79.236	79.236

Note: Extraction Method: Principal Component Analysis.

- **Self-directed work teams**

In the questionnaire, there were 8 questions and the respondents were asked to rate, on a 5-point Likert scale (5-Very satisfied, 3-not sure, 1-very dissatisfied), the degree of their satisfaction or dissatisfaction for them.

Factor analysis was applied to the 8 questions about self-directed work teams. Reliability analysis results in Cronbach Alpha = 0.9228. Based on KMO index of 0.840 and Bartlett's Test ( $P < 0.001$ ), therefore factor analysis is appropriate. All statements are grouped in one component (see Table 5).

**Table 5: Extraction Method: Principal Component Analysis**

Statements	Component
<i>Are you satisfied ...</i>	1
That you receive appropriate recognition for your contributions?	.968
That your compensation matches your responsibilities?	.949
That you receive encouragement to come up with new and better ways of doing things.	.917
With the amount and frequency of informal praise and appreciation you receive from your supervisor?	.905
That your work gives you a feeling of personal accomplishment?	.892
That you have enough involvement in decisions that affect your work?	.888
With the reasonableness of your work responsibilities?	.865
With your ability to maintain a reasonable balance between your family life and your work life.	.535

The factor is named the *self-directed work teams*. The total percent of variance explained is 76.440.

- **Communication**

In the questionnaire, the respondents were asked to rate 7 statements, on 5-point Likert scale (5–strongly agree, 3-undecided, 1-strongly disagree). Reliability analysis results in Cronbach Alpha = 0.9496. Based on KMO index of 0.849 and Bartlett's Test ( $P < 0.001$ ), therefore factor analysis is appropriate. All statements are grouped in one component (see Table 6).

The factor is named *communication*. The total percent of variance explained is 77.444.

**Table 6: Extraction Method: Principal Component Analysis**

Statements	Component
<i>Please indicate your degree of agreement or disagreement</i>	1
I am kept well informed by upper management on what's going on in the company.	.932
There are opportunities available to me to express my ideas to upper management.	.915
Considering everything, I am satisfied with the amount of quality of communications in the company	.911
I am kept well informed about my work group's plans and progress	.895
I am kept well informed about company plans and progress.	.852
There is good communication in my group.	.825
There is good communication between people in different areas of the company.	.823

- **Autonomy**

**Table 7: Extraction Method: Principal Component Analysis.**

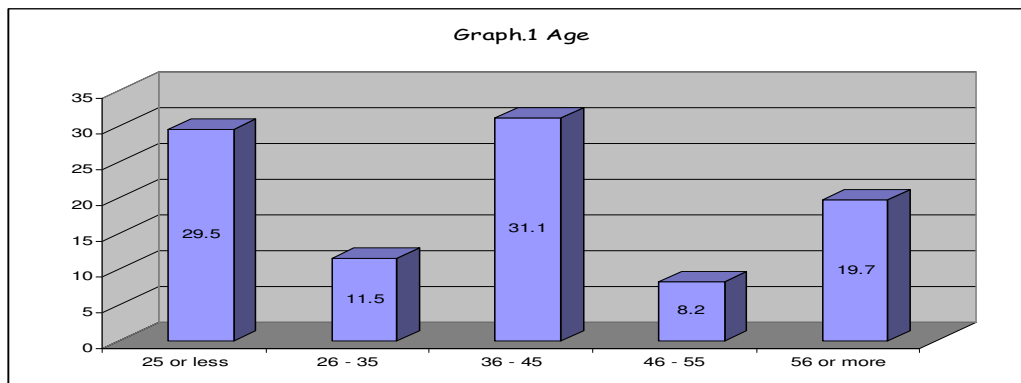
Statements	Component
<i>Please tell us about your job and how the organisation assists you</i>	1
I am satisfied with the information received from management.	.960
The Company does an excellent job of keeping employees informed.	.950
Considering everything, I am satisfied with my job.	.940
I am satisfied with my opportunity to get a better job.	.940
I have the tools and resources to do my job well.	.932
I am satisfied with my involvement in decisions	.889
I am satisfied with the information received from management	.885
My work gives me a feeling of personal accomplishment.	.871
My job makes good use of my skills and abilities.	.869
Senior managers visibly demonstrate a commitment to quality.	.863
On my job, I have clearly defined quality goals.	.810
When a customer is dissatisfied, I can usually correct the problem.	.773
I understand why it is so important for (Company name) to value diversity.	.711
My supervisor's manager visibly demonstrates a commitment to quality.	.709

In the questionnaire, there were 14 statements and the respondents were asked to rate, on 5-point Likert scale (5—strongly agree, 3-undecided, 1-strongly disagree). Reliability analysis results in Cronbach Alpha = 0.9738. Based on KMO index of 0.608 and Bartlett's Test (P < 0.001), therefore factor analysis is appropriate. All statements are grouped in one component (see Table 7).

The factor is named *communication*. The total percent of variance explained is 75.371.

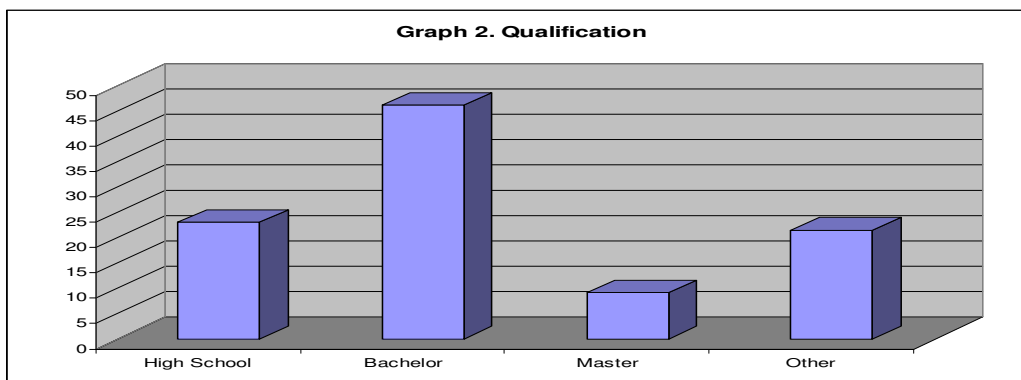
**RESULTS AND FINDING**

Data was collected through questionnaires and responses were numerically coded to make the data actionable. The resulted content of the sample was 78 females and 56 males. Thus, in the hotel sector there is a considerable percent of female employees.



In the sample, 26-45 year old respondents make up 42.6 percent of the total, which is the dominant part, and until 25 years and below represent 29.5 percent. The main reason is that the younger tend to be more preferred than older people by the managers of hotels.

As part of the assessment of employees, the study used education classification based on four levels.



It shows that the majority of respondents (55.3 percent) have higher educational level. This is a characteristic that comes by high rate of unemployment in Albania.

Correlation and Regression were calculated for exploring the level of association amongst the “Autonomy, Communication and Self-directed work teams and Employee’s empowerment”.

Table 8 represents the outcomes of the correlations for the variables used. We can observe that there is a strong correlation among the dependent variables (Autonomy, Communication and Self-directed work teams) and the independent variable (Employee’s empowerment). Employee’s empowerment is positively correlated with Self-directed work teams (0.859), Communication (0.836), Autonomy (0.906).

Also, the three variables chosen (Autonomy, Communication and self-directed work teams) to determine the degree of empowerment applied by the hotel have a very strong impact on the level of job satisfaction experienced by their employees. We saw almost the same findings can be applied to the effect they have on job satisfaction as shown in the table below.

**Table 8: Empowerment Correlations**

		Self-directed work teams	Communication	Autonomy	Empowerment*
<b>Self-directed work teams</b>	Pearson Correlation	1	.907	.745	.859
	Sig. (2-tailed)	.	.005	.034	.006
<b>Communication</b>	Pearson Correlation	.907	1	.941	.836
	Sig. (2-tailed)	.005	.	.002	.019
<b>Autonomy</b>	Pearson Correlation	.745	.941	1	.906
	Sig. (2-tailed)	.034	.002	.	.000
<b>Empowerment</b>	Pearson Correlation	.859	.836	.906	1
	Sig. (2-tailed)	.006	.019	.000	.

Notes: Correlation is significant at the 0.05 level (2-tailed). \* Dependent Variable

Job Satisfaction is positively correlated with Self-directed work teams (0.934), Communication (0.950), Autonomy (0.939) (see Table 9).

**Table 9: Job Satisfaction Correlations**

		Self-directed work teams	Job satisfaction	Communication	Autonomy
<b>Self-directed work teams</b>	Pearson Correlation	1	.934	.907	.745
	Sig. (2-tailed)	.	.020	.005	.034
<b>Job satisfaction</b>	Pearson Correlation	.934	1	.950	.939
	Sig. (2-tailed)	.020	.	.013	.018
<b>Communication</b>	Pearson Correlation	.907	.950	1	.941
	Sig. (2-tailed)	.005	.013	.	.002
<b>Autonomy</b>	Pearson Correlation	.745	.939	.941	1
	Sig. (2-tailed)	.034	.018	.002	.

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

Table 10 presents the regression outcomes. Regression Equation that is used to test the research model is given bellow:

**Equation:**

$$Y_i = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \epsilon_i$$

*Empowerment = Intercept + Coefficient (Autonomy) + Coefficient (Self-directed work teams) + Coefficient (Communication) + Other Variables*

$$\text{Empowerment} = -0.199 + 0.583X_1 + 0.916X_2 + 0.345X_3 + \epsilon_i$$

Equation included three independent variables effect that is *Communication, Self-directed work teams, Autonomy* on *Employee empowerment*.

The output in the case of Equation, i.e. 87.6 percent, is statistically significant.

**Table 10: Regression Results of Model**

		Unstandardised Coefficients
Model		B
1	(Constant)	-.199
	Self-directed work teams	.916
	Communication	.345
	Autonomy	.583
	R	.936
	R Square	.876

a. Dependent Variable: **Empowerment**

Table 11 presents the regression outcomes.

**Equation:**

$$Y_i = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \epsilon_i$$

*Job satisfaction = Intercept + Coefficient (Autonomy) + Coefficient (Self-directed work teams) + Coefficient (Communication) + Other Variables*

$$\text{Job satisfaction} = -1.592 + 1.334 X_1 + 0.366 X_2 + 0.979 X_3 + \epsilon_i$$

**Table 11: Regression Results of Model**

		Un-standardised Coefficients
Model		B
1	(Constant)	-1.592
	Self-directed work teams	.366
	Communication	.979
	Autonomy	1.334
	R	.976
	R Square	.953

a. Dependent Variable: *Job satisfaction*

Equation included three independent variables effect that is *Communication, Self-directed work teams, Autonomy* on *Job satisfaction*. The output in the case of Equation, i.e. 95.3 percent, is statistically significant.

All of the previously discussed correlations strengthen and regression equations confirmed our first three hypothesis.

**Table 12: Aggregate correlations**

		<b>Job satisfaction</b>	<b>Empowerment</b>
<b>Job satisfaction</b>	Pearson Correlation	1	<b>.927</b>
	Sig. (2-tailed)	.	.023
<b>Empowerment</b>	Pearson Correlation	<b>.927</b>	1
	Sig. (2-tailed)	.023	.

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

Table 13 presents the regression outcomes.

**Equation:**

$$Y_i = \beta_0 + \beta_1 X_1 + \epsilon_i$$

**Job satisfaction = -.899+ 2.010X1 (Empowerment) + Other Variables**

Equation included one independent variable effect that is *empowerment*. The output in the case of Equation, i.e. 85.9 percent, is statistically significant.

**Table 13: Regression Results of Model**

		<b>Un-standardised Coefficients</b>
Model		B
1	(Constant)	-.899
	Empowerment	2.010
	R Square	.859
	Adjusted R Square	.812

a. Dependent Variable: **Job satisfaction**

Tables 12 and 13 confirmed hypothesis 4, “*Empowerment has a positive impact on the degree of job satisfaction of employees*”.

## MANAGEMENT IMPLICATIONS AND CONTRIBUTIONS

The contributions of the study to management theory and its implications for practical management application are summarised as follows:

### Contributions to Literature

Literature review and empirical research method were the bases for logical inference from variables of this study. Statistical analysis supported the empirical result of the

study and would be a suitable reference for subsequent research of the topics linked to empowerment.

The examination of the correlations among antecedent factors including (autonomy, communication and self-directed work teams and employee empowerment and then positive and strong impact of empowerment on job satisfaction, as presented in this study, can also be valuable reference in any subsequent research.

### **Empowerment in the Hotel Industry**

The front-line employees in hotels are the direct point of contact for visitors and as such need the autonomy to deal effectively with visitors' concerns. Empowering of front-line employees is influencing of them to accept greater responsibility and exercise more control over the way they perform their jobs. If we perform an effective empowerment the front-line employees expected to deliver higher quality of service, to break down old hierarchy, to respond and solve quickly the guest complaints and challenges. Therefore, empowerment is a hard long complex process that needs the commitment, support and understanding of all parties involved. The principles of this management tool are quite in theory, but more difficult to implement in practice. Both management and employees share the responsibility for making it work. To develop a culture of empowerment, a manager must to involve lower levels of employees in defining the fundamental values, mission, and goals of organisations. The involving helps them to know how their work contributes to the success of the organisation. The empowerment efforts are bound to fail if the managers don't support it. They must share information related to organisation goals and decisions with employees, explain the important ways in which line-level performance helps the organisation succeed and provide the necessary training and education.

Empowerment of front-line employees in hotel industry can provide it with a competitive advantage. The employees felt more motivated to increase levels of customer service and the profit of organisation

### **LIMITATIONS**

This study was directed only at front-line employees, and not at other levels of the organisational structure. Empowerment involves not only front-line employees, but and other levels of employees (managers, supervisors, etc).

According to Blanchard *et al.* (1996), our study identified only three key organisational practices associated with employee's empowerment (autonomy, communication and self-directed work teams) as organisational factors and job satisfaction as psychological factor.

A third limitation of the current approach is the subjective nature of the perception of the three keys of empowerment and job satisfaction from the respondents.

### **FUTURE RESEARCH**

In future, we plan to conduct personal interviews with some of the executives and survey with questionnaires via web directed at other levels of employees. In this way we can

answer the questions: *Whether and to which degree individuals respond positively to empowerment and at what stage it may create uncertainty or a perceived sense of lack of direction?*

The study will be extended to other geographical areas to provide a further analysis of results derived from responses received from respondents at different market levels. Different market levels and different cities require different levels of service provision.

Future research will also explore the extent to which variables such as leadership, culture, competence, motivation, self efficacy, etc., may act as conditions for our model.

## **CONCLUSION**

This study concludes that empowering employees is a critical component of service organisation, especially in hospitality industry and sometimes is the only way to survive in the new, highly competitive global economy. Empowerment in hospitality industry tends to focus on developing an organisational culture and structure in which front-line employees eagerly perform their tasks of satisfying the customers and are in the firm's best interests.

Empowerment should be introduced gradually into the working environment. The primary challenge for developing effective empowerment is successfully transitioning from traditional, hierarchical management principles to self-directed work teams, autonomy and information sharing. Changing of culture is a major educational undertaking that requires time, patience, and financial commitment, but also one whose literature and experience tell us that we will be repaid. It required a long period before we can pick its fruits.

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