Faculty of Cognitive Science and Human Development

THE RELATIONSHIP BETWEEN PSYCHOLOGICAL EMPOWERMENT AND JOB SATISFACTION TOWARDS ORGANIZATIONAL COMMITMENT AMONG SERVICE SECTOR EMPLOYEES (FOOD AND BEVERAGE)

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MUHAMMAD SUFI JALMAN

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The project entitled 'The Relationship Between Psychological Empowerment and Job Satisfaction towards Organizational Commitment among Service Sector Employees (Food and Beverage) was prepared by Muhammad Sufi Bin Jalman and submitted to the Faculty of Cognitive Sciences and Human Development in partial fulfilment of the requirements for a Bachelor of Science with Honours (Human Resource Development)

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ABSTRACT

The main purpose of this study is to identify the relationship between psychological empowerment and job satisfaction towards organizational commitment. The independent variable which had been studied in this research are meaning, self-determination, competence, impact, intrinsic job satisfaction and extrinsic job satisfaction. This non-experimental study employed a quantitative survey design with a set of surveys returned representing 142 service sector employees in food and beverage premises at Vivacity Megamall, Kuching. The three standardized instruments used in this study include Organizational Commitment Scale (Mowday, Steers, & Porter, 1979), Psychological Empowerment Questionnaire (Spreitzer, 1995) and Minnesota Satisfaction Questionnaire (Weiss, 1967). The data that gathered from these respondents had been analyzed by using "Statistical Package for Social Science" (SPSS). Descriptive and inferential statistic was used to analyzed data according to the categories. Descriptive statistic was used to analyze the respondents demographic background such as age, gender, ethnic group, job status and also length of service of respondents. While, Pearson correlation analysis had been chosen to analyze and identify the relationship between the independent and dependent variable. The finding of the study shown that there is significant relationship between meaning, self-determination, competence, impact, intrinsic job satisfaction and extrinsic job satisfaction with the organizational commitment. Based on the result, this study stated the meaning and extrinsic job satisfaction as the most influence factor which able to affect the organizational commitment. While, self-determination, competence, impact and intrinsic job satisfaction are concluded as less influence factor which affect the organizational commitment. Recommendation and suggestion had been made at last chapter of this research for the future reference for the HR practitioners, methodology and organization.

CHAPTER 1

INTRODUCTION

1.1 Background of Study

Organizational commitment is one of the famous elements in field of organizational behavior for a long time. In an attempt to well understand the complex relationship between the employees and the organizations, researcher focus on the organizational commitment in the food & beverage industry. Most of human resources practitioners have great interest on organizational commitment which is one of the job-related attitudes that affect the employees and organizational performance (Robbins, 2005). Organizational commitment is a concept that mainly focus on an attempt to understand and clarify the intensity and stability of an employee's dedication to the organization (Lumley, 2010). As Powell and Meyer (2004) points out, an employee commitment towards organization's goals and vision could be observe by organizational commitment. Organizational commitment comprised of affective commitment, normative commitment, and continuance commitment (Meyer and Allen, 1991).

Customer servicing, preparing food and cleaning in restaurants, franchises, cafeterias or any eating-drinking establishments are the roles of food & beverage service and related employees. The food & beverage service and related employees are the front line of customer service who deal directly with the customers. The relationship between employee-customer is the main component in ensuring the value and satisfaction by customers. As Kotler (2000) Deshpandé, Farley, and Webster (1993) stated, goals or visions could be achieved by organization that take seriously and focus on the customers' need than organization that do not. There is a high potential for an employee to commit fully with the organization as they

feel empowered (Kraimer et al., 1999; Eisenberger et al., 1990). Liden et al. (2000) propose that organizational commitment is an outcome of psychological empowerment.

According to Conger and Kanungo (1998), the increases level of effectiveness of work is affected by psychological empowerment where it is seen as a motivational tool where power and control of internal work act as the stimuli of an individual. There are four dimensions of psychological empowerment which are meaning, competence, self-determination and impact (Zhang, Song, Tsui & Fu, 2014; Zhang, Mishra & Spreitzer, 1998; Spreitzer, 1995). Based on the previous study, the first dimension is meaning which mean the sense of meaningfulness that the work or task is important (Spreitzer, 1995). Next, for competence dimension, explained the ability to perform the tasks well (Spreitzer, 1995). Self-determination means freedom to choose the way to carry out the tasks (Spreitzer, 1995). For impact dimension, it shows the belief that the work has an impact on the effectiveness of the larger system (Spreitzer, 1995). The most common studies of psychological empowerment are with job satisfaction (Schermuly, 2010; Wang & Lee, 2009). A few studies have found that psychological empowerment and organizational commitment shows positive relationship (Ambad & Bahron, 2012; Dee et al., 2003; Liden et al., 2000).

Job satisfaction has widely investigated and observed by many researchers in organizational literature. It is another vital indicator in organizational commitment as it definitely improves the employee performance in the organization. Intrinsic factors which related to "reality content of the job" and extrinsic factors which associated to the "environment of the work" are the components that influence job satisfaction (Herzberg,1966). As a study conducted by Yousaf et al. (1998), there is a significant positive correlation between job satisfaction and organizational commitment which could be concluded that high satisfaction of the employee will result to organizational commitment and high job performance. Every high-level management community must pay more

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attention on developing job satisfaction and psychological empowerment among their employees in order to retain them and at the same time to be more productive. Ladebo (2005) stated that job satisfaction focuses on specific characteristics such as in term of received pay, co-workers, supervision, opportunities for promotion and the work itself. These manifests in psychological empowerment and the employee's satisfaction towards the work itself.

One of the most important organizational behavioral issues is the organizational commitment of employees for the reason that employees are not as committed as they were before as faced by most organizations (Lo, Ramayah & De Run, 2010). Organizational commitment in past has been associated with turnover intention. In the study of De Gieter, Hofmans and Pepermans (2011), stated that the turnover intention of nurses from the hospital is depends on their satisfaction towards the job and sense of committed to the organization. High satisfaction and feeling committed to hospital result to small size of turnover intention. Previous studies about organizational commitment that has been conducted in private sector of Malaysia context are Malaysian private higher education institutions (Choong, Wong & Lau, 2012), employees in construction site (Ambad & Bahron, 2012) and Malaysia manufacturing industry (Lo, Ramayah & Min, 2009).

An employee decision whether to stay or quit from the organization is depend on the level of job satisfaction. Job satisfaction has been widely associated with job stress and burnout. For example, Mostert and Rothmann (2006) studies that have been conducted regarding the job satisfaction, occupational stress, burnout and work engagement of police officers. Other than that, the study regarding relationship of emotional intelligence to job satisfaction and performance in organizational behavior field is studied (Sy, Tram & O'Hara, 2006). According to the past research by Jordan, Miglič, Todorović and Marič (2017), a survey of comparison which constructed of psychological empowerment, job satisfaction and organizational commitment was conducted in Austria, Croatia, Czech Republic, Germany,

Serbia, and Slovenia among 409 university lecturers. The study among higher education lecturers found that psychological empowerment, job satisfaction and organizational commitment are strongly correlated. As study carried out by Abdullah, Almadhoun and Ling (2015), the influence of psychological empowerment on job satisfaction and organizational commitment among Malaysian secondary school teachers was proven.

There were studied conducted regarding psychological empowerment since the early nineties in foreign context. There were minimum number of researches investigating the impact on psychological empowerment practices and job satisfaction in order to determine the organizational commitment of the employees simultaneously especially in the food and beverage context. In the last couple of years, research in the field of organizational commitment has been enhanced, less research conducted in Malaysian context and have investigated their connections to others, rather than employees' psychological empowerment and job satisfaction. It is important to integrate four dimensions of psychological empowerment in this writing. Therefore, filling the gap from the past studies in the field of service-related especially in the food and beverage industry, will help to seek more understanding. Thus, the focus of this study is to investigate the relationship of psychological empowerment and job satisfaction on organizational commitment.

1.2 Problem Statement

Researcher have examined relevant antecedents of organizational commitment, such as job satisfaction (Ahmad, Ahmad & Shah, 2010) and psychological empowerment (Liden et al., 2000; Dee et al., 2003; Ambad & Bahron, 2012). According to Yavuz (2010), an organization effort and struggle in maintaining its own success or existence is called as organizational commitment. Despite that, only a few researches have studied the relationship between psychological empowerment and job satisfaction towards organizational

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commitment especially in Malaysian context. Most of the studies tested in foreign context such as Kuwait (Alajmi, 2016), South Africa (Theron, 2010) and Serbia (Jordan, Miglič, Todorović and Marič, 2017). To have a better understanding in employees, organizations must give attention on both psychological and physical side of employees. Organizations should implement new practices in the field of human resource development in order to increase the effectiveness of the employees.

Thus, a positive impact towards the organization can be implemented by reviewing the relationship between the psychological empowerment and job satisfaction towards organizational commitment of the employees. Some researchers had done the study of these concept in Malaysia context (Ambad & Bahron, 2012; Abdullah, Almadhoun & Ling, 2015). However, researcher realized that the findings obtained from the instruments are still lacking in Malaysia's food and beverage service-related sector. Previous studies concentrated mainly on educational sector (Choong, Wong & Lau, 2011; Abdullah, Almadhoun & Ling, 2015), manufacturing industry (Lo, Ramayah & Min, 2009) and other types of sector. The issues between food service managers and employees create more negative than positive environment in food and beverage industry. The managers have lack of understanding on how to fulfil their employees needs and how these employees' satisfaction levels affect the intention to leave the positions. The employee turnover will result to loss of specific organization's knowledge and memory, decrease in morale, less productivity, and extra costs for recruitment and training for new employees (Boushey & Glynn, 2012).

In fact, qualitative studies about these variables are quite difficult to be found. The correlation between psychological empowerment and job satisfaction towards organizational commitment are often studied in quantitative research. However, previous quantitative studies showed that it is not enough to confirm the reliability of the results and to support the theory amongst research done. Therefore, the purpose of doing this research at food and

beverage service-related is because there is less research being done in the sector. In addition, the research on dimensions of psychology empowerment with organizational commitment have produced a lot of individual's perception since the context has been done in many foreign regions that need to be clarified within local context for this issue. Moreover, many past studies focused on just two variables such as relationship between psychological empowerment and organizational commitment (Hashmi & Naqvi, 2012; Jomah, 2017), job satisfaction and organizational commitment (Ahmad, Ahmad & Shah, 2010) and consequences of psychological empowerment on job satisfaction (Wang & Lee, 2009). Minimal research attention has been directed toward the study on correlation of psychological empowerment and job satisfaction with organizational commitment. In order to fill in the research gap, the study will be conduct in food and beverage service-related in Kuching, Sarawak.

1.3 Research Objective

1.3.1 General Objective

To determine the relationship between psychological empowerment and job satisfaction towards organizational commitment among service sector employees (food and beverage).

1.3.2 Specific Objectives

1.3.2.1 To identify the relationship between meaning and organizational commitment.

1.3.2.2 To identify the relationship between self-determination and organizational commitment.

1.3.2.3 To identify the relationship between competence and organizational commitment.

1.3.2.4 To identify the relationship between impact and organizational commitment.

1.3.2.5 To identify the relationship between intrinsic job satisfaction and organizational commitment.

1.3.2.6 To identify the relationship between extrinsic job satisfaction and organizational commitment.

1.4 Research Hypotheses

Based upon the conceptual framework developed for this study, the following are the proposed hypotheses statements:

H_1: There is a significant relationship between meaning and organizational commitment.

H_2: There is a significant relationship between self-determination and organizational commitment.

H_3: There is a significant relationship between competence and organizational commitment.

H_4: There is a significant relationship between impact and organizational commitment.

H_5: There is a significant relationship between intrinsic job satisfaction and organizational commitment satisfaction.

H_6: There is a significant relationship between extrinsic job satisfaction and organizational commitment.

1.5 Conceptual Framework

Conceptual framework of the study has been developed by researcher through the study of relevant literature. Based on past researches, conceptual framework is the base of the research project. The independent variables are the meaning, self-determination, competence, impact, intrinsic job satisfaction and extrinsic job satisfaction. The dependent variable for this study is organizational commitment among food services workers. The diagram 1.5.1 is being proposed as the conceptual framework for this study:

```
┌─────────────────────────────┐
│ Psychological empowerment   │
│                             │
│    • Meaning                │ ────────┐
│    • Self-determination     │          ╲
│    • Competence             │           ╲
│    • Impact                 │            ╲
└─────────────────────────────┘             ╲
                                             ▼
                              ┌─────────────────────────┐
                              │   Organizational        │
                              │   Commitment            │
                              └─────────────────────────┘
                                             ▲
┌─────────────────────────────┐             ╱
│ Job satisfaction            │            ╱
│                             │           ╱
│    • Intrinsic job satisfaction ────────┘
│    • Extrinsic job satisfaction │
└─────────────────────────────┘
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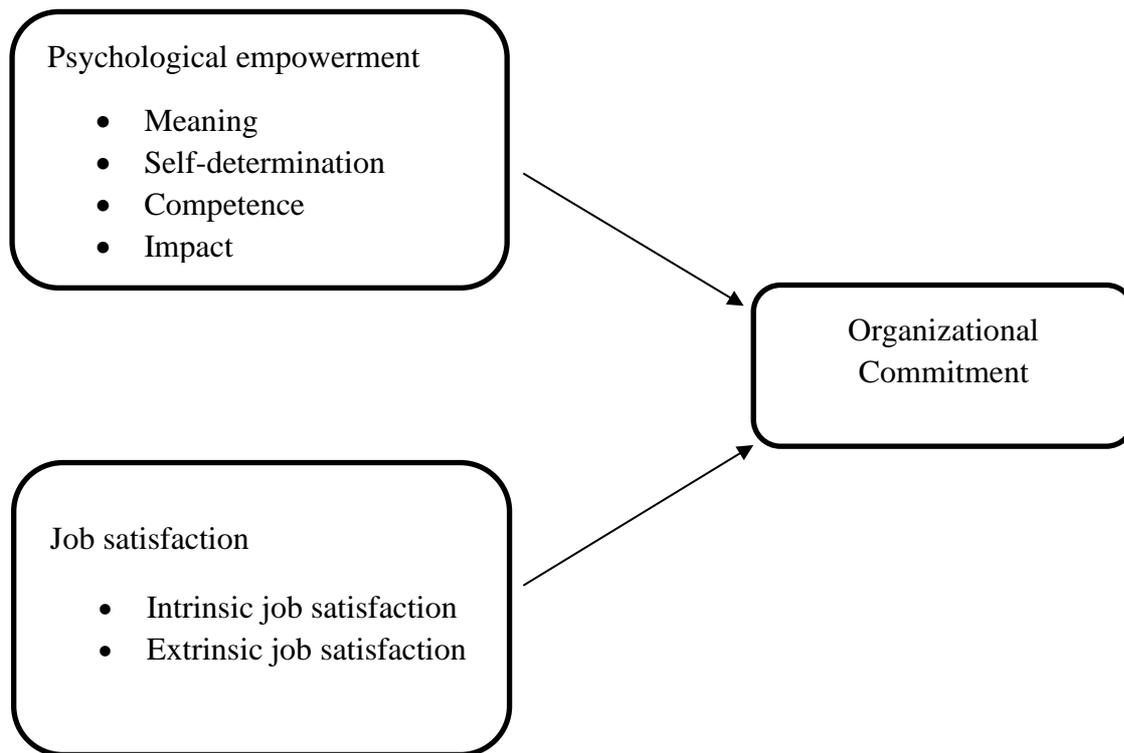
Figure 1. Conceptual Framework adapted from the study of Ling, Ho, Othman, Kelana &

Hee (2019)

1.6 Significance of Research

First and foremost, this study helps to support the previous studies and may shed some of the unclear issues about the relationship of psychological empowerment and job satisfaction with organizational commitment among the employees. Other than that, the data was interpreted by using Statistical Package for Social Sciences (SPSS) version 22.0 for windows. In addition, this study will assist the human resource practitioners to understand the concept of psychological empowerment and improve the employees job satisfaction and organizational commitment by look closely at the relationship between psychological empowerment and job satisfaction towards organizational commitment. By having a better understanding of the relationship between these concepts among food and beverage service-related employees, it will provide the human resource practitioners a clear picture on how to

shape employees' attitudes and satisfaction toward the organization in order to have high level of effectiveness among employees.

This study also should benefit the food and beverage industry. The finding will assist the food and beverage managers to understand the concept of psychological empowerment and job satisfaction in order to improve their employee organizational commitment by closely looking at the homogeneous demographic characteristics these employees exhibit that affect their commitment towards organization. The elements such as productivity, creativity, innovative and service quality of the organization will affect by the satisfaction level and psychological empowerment of the employees. This study will also help the employers to plan career development, training and development, strategic planning on the workforce by identifying or forecast the potential employee. Lastly, the researcher hope that the outcome of the study is useful for the future references.

1.7 Limitation of Research

The study will only focus on food and beverage service-related sector in Kuching, Sarawak which do not include others service industry such as government sector or manufacturing sector. Therefore, the result cannot represent the whole service industry. In addition, the limitations of this study are gaining the respondents cooperation's, time constrains, lack of information resources and only five companies will be selected. Other than that, this study only focusing on the relationship of psychological empowerment and job satisfaction towards organizational commitment which did not covers other factors that might influence organizational commitment of the employees such as employer leadership style, work environment, compensation and benefit, security of the job, career development and organizational learning. Moreover, survey questionnaire is the only method that used in this

study. Thus, the results of this study may not really be accurate as observation and interview were not being conducted.

1.8 Definition of Terms

Table 1. Definition of terms

Term	Conceptual Definitions	Operational Definitions
Psychological empowerment	As proposed by Boudrias, Morin and Lajoie (2014) psychological empowerment best described as a sense of motivation in person's perception about own effectiveness in work and sense of control in task.	In this study, psychological empowerment is about the employees perceive themselves able to shows their talent, their current job is important to them, they have the chances to give advice to others and influence others.
Meaning	Spreitzer (1995) stated that meaning is related with person's beliefs, value and behaviors based on the requirements of the job scope.	In this study, meaning refers to the employees view their current job is significantly important to them.
Self-determination	Have sense of control over the work, have ability to decide amount of strength	In this study, self-determination refers to the employees view themselves