Job Satisfaction in Food and Beverage Industry

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Abstract:
Food and Beverage industry is increasing its contribution to the world trade food and the scenario in India too is equally encouraging. Globalisation aided the entry of foreign companies. But, most of the companies have started facing the problems of high employee turnover and there exists a dearth of talented and experienced workforce. In the current times when there exits opportunities galore for dedicated employees, the industry has to understand the importance of employee satisfaction and also comprehend the various factors which affect satisfaction in the this sector so as to ensure better performance and retention too. Five factors were identified for the study- Organizational Culture, Motivational Factors, Development opportunity, Employee Facility and Work Environment. It has been observed that Motivational Factors has been ranked as the major factor for the intending to stay in an organization.

1. Introduction

The Indian food and beverages industry is poised for enormous development, accumulating its contribution to world food trade each year. In India, the food sector has shown an exponential-growth and high-profit sector due to its huge potential for value addition. Competitive pressure has radically changed the sector structure which has shifted in a relatively short period of time from fragmented to a highly concentrated landscape. Indian food and beverages industry is majorly divided into two sectors: Organized and Unorganized sector. The organized sector of the restaurant industry is 16-20% of the total industry, with various forms such as: Fine Dining, Casual Dining, Bars and lounge, Quick Service Restaurants (QSRs), Food courts. Service oriented employees are important in food and beverages industry because of its nature as a service oriented industry. So, in order to serve its customers in a better way company needs to have service-oriented employees. A high employee satisfaction inversely affects absenteeism, accident proneness and employee stress. Productivity and profits can be increase by improving employees' satisfaction. Job satisfaction expresses the amount of agreement between one's expectation of the job and the rewards that the job provides. Job satisfaction is a part of life satisfaction. The greater one's satisfaction with one's job, the greater would be ones' life satisfaction. However, a more comprehensive approach requires that additional factors be considered before a complete understanding of job satisfaction can be obtained. These include employee's age, health, and level of aspiration. Further his family relationship, social status, recreational outlets, and activity in the organizations, contribute ultimately to job satisfaction. This paper undertakes to study the job satisfaction amongst employees in hotel and beverages industry.

2. Literature Review

Employee job satisfaction is used to determine the happiness of employee and fulfilling their desires and needs on work. Job satisfaction was defined as an affective and emotional response to various facets of one's job (Kreitner and Kinicki, 2004). Meanwhile, the job satisfaction concept and its definition have continually grown from time to time, and it was expanded and unfolded through the previous decades. Kumar et al. (2013) investigates the various factors influencing job satisfaction of operational level employees working in back of the house areas in Indian Hotel Industry. They found that monetary related benefits are the most important factors followed by job characteristics, Human Resource Policy and inter-personal relationship within the organization that affects job satisfaction among employees. Dupnock (2010) brings the independent restaurants to the forefront of industry discussions in regards to employee job satisfaction of front-of-the house (FOH) employees in full-service, casual dining restaurants. The Minnesota Satisfaction Questionnaire's extrinsic and intrinsic job satisfaction scales were used as the primary evaluation tool in determining FOH job satisfaction levels. The data analysis resulted in the development of job satisfaction scales that could be used as unique job satisfaction indicators for future research in the restaurant industry. Chen et al. ()investigates the potential relationship between the working satisfaction structure and the organization employee turnover. Researchers adopted a questionnaire approach by collecting data from current employees in XinHua hotel in Guangdong, China. It was found that providing career advancement opportunities are critical for retention, mentoring program can help decrease the employee turnover of the small- and- medium –sized

hotels, high-quality communicating is valuable for hotel policy, pay and welfare also indicate significant position in Human Resource Management in the hospitality industry. Vianen et al. (2004) distinguished between two motives for turnover; push and pull. Push motives are related to dissatisfaction with one's current work situation, whereas pull refers to available opportunities to improve one's career opportunities on the external labor market. Nevertheless, the job satisfaction–turnover relationship is not stable across different organizations, or that satisfaction may relate more closely to immediate or short term variables such as daily effort, rather than longer term variables such as turnover intention. Panwaret al. (2012) studies the challenges being faced by the hotel employees and the reasons, why the employees are not able to cope up with the industry environment. They conducted a survey of different hotel employees and observed that most of the employees want to be work in other Service oriented industries such as Airlines, Tourism, Retail and Financial services. Monetary Compensation and long working hours are the two areas of dissatisfaction for the hotel employees. Rahman et al. (2010) studied employee turnover in the kitchen department of various hotels in Malaysia They solicited data from 15 different hotels in Klang Valley area in Malaysia. They found that, a person that has been in the industry for more than 2 years but less than 5 years tend to switch organizations much more frequently compared to those that are in the industry for less than 2 years and those that have been working for more than 5 years in the hotel industry. Gupta and Deepanshu (2013) studied the challenges faced by the ex-students of IIMT Hotel Management College, Meerut, who have graduated in the years 2008, 2009 & 2010 and examines the reasons, why these graduates have neither joined the industry nor have been able to stabilize themselves in the industry for quite some time. An online, telephonic and personal survey was conducted of 118 students out of which 84.74% responded. They observed that out of all non-entrants, most of the students were found to be working in front line positions in Service oriented industries such as Airlines, Tourism, Retail and Financial services whereas a few of them even opted for a career in teaching as well. Job Satisfaction and Monetary Compensation were the two core areas of dissatisfaction, when we compare our hotel sector with other industries. A very less percentage of Hotel entrants found jobs up to their satisfaction, equally compensated by a good salary package in hotel industry. Islam and Saha (2010) studied job satisfaction of bank officers in Bangladesh' focused on the relative importance of job satisfaction factors and their impacts on the overall job satisfaction of officers. It also investigates the impact of type of bank, work experience, age and gender difference on the attitudes toward job satisfaction. The result shows that salary, efficiency in work, fringe, supervision, and co-worker relation are the most important factors contributing to job satisfaction. Private sector bank officers have higher levels of job satisfaction than those from the public sector s as they enjoy better facilities and a supportive work environment. Gender and age differences have a relatively lower level of impact. The overall job satisfaction of bank officers is at a positive level. Chimanikire et al. (2009) determine factors affecting job satisfaction among academic professionals in tertiary institutions of Zimbabwe against the backdrop of high brain drain in the sector. A total of eighty respondents were selected randomly from departmental lists and interviewed using structured questionnaires. The results of the study showed that a greater proportion of the academic staff was not satisfied with their jobs. Reasons for dissatisfaction include high volume work, inadequate salaries, allowances, loans to facilitate purchase of housing stands and cars.

2.1. Objectives
- To understand the factors responsible for job satisfaction of employees.
- To explore and analyse the factors contributing to intention to stay.

2.2. Hypothesis
- Job satisfaction dimensions have no effect on the intention to stay.

3. Research Methodology
The paper follows an exploratory and causal research design. A structured questionnaire was designed to collect the data among employees of fine dining restaurants. Different factors to measure job satisfaction were identified through literature review and exploratory study. Validity of the questionnaire was checked through face validity method and was found to be high. Items were rated on Likert scale of five points which is the most popular choice for ordinal scale; the opinion indicated as 'strongly agree' has been assigned a weight of 5. To evaluate job satisfaction a total (summated) score was calculated for each respondent by summing across items. The final questionnaire was pre-tested on 45 employees, followed by a reliability test using SPSS V21.Cronbach's α for job satisfaction for 26 items is coming out to be 0.957.

3.1. Sampling and Data Collection
The Convenience non-probability method of sampling was used for the research. The sample size consisting of 168 employees was taken for study though there were 200 questionnaires distributed. The chosen sample constituted 84% of the total population. Only the completely filled forms were taken into consideration for more accurate results.

3.2. Data Analysis
Factor analysis was conducted with principal component analysis and varimax rotation. The correlations between factors and the different items expressed by means of the factorial loads were significant. The KaiserMeyer-Olkin measure of sampling adequacy came out to be .834 which is above .65 (the acceptable level). This shows that the items selected for the questionnaire are appropriate. The chi- square value of Bartlett''s Test of Sphericity was found to be significant (p= .000). The factor analysis generated four components with eigenvalues above 1. The varimax rotation clubbed the items on five components as shown in Table 1.

Factors	Items	Name of Items	Factor Loading
Organizational Culture	B1	Partiality	.893
	B2	Support of co-workers	.861
	B3	My Job is Secure	.840
	B4	I am recognized	.831
	B5	Active involvement in Career Development	.797
	B6	Good behavior with opposite gender	.773
	B7	cooperation from organization	.734
	B8	Good with superiors	.679
	B9	Good use of skills	.653
	B26	My Ideas are considered	.477
Motivational Factors	B10	Goal achieved	.888
	B11	Seniors motivate me	.885
	B12	Concern for one another	.781
	B13	Happy with incentives	.762
	B14	Clear communication	.744
	B15	Happy with pay	.688
	B16	I decide	.629
	B17	Access to resources	.619
	B18	Perform higher duties	.501
Development Opportunity	B19	High chances of Promotion	.886
	B20	I have Growth Opportunities	.828
	B21	Can take risk	.750
	B22	Use My Ability	.730
Employee Facility	B23	Transportation	.788
	B24	Flexible timings	.725
Work Environment	B25	Environment	.643

Table 1: Rotated Component Matrix for Job Satisfaction

As shown in above table 1, the items B1, B2, B3, B4, B5, B6, B7, B8, B9 & B26 got clubbed on First component which was named as 'Organizational Culture' characterized by Partiality, Good use of skills, My Job is Secure, recognition, Good with superiors, Good behavior with opposite gender, active involvement in Career Development, cooperation from organization, My Ideas are considered. The second component got high factor loadings of item B10, B11, B12, B13, B14, B15, B16, B17, B18. This was named as 'Motivational Factors' defined by Goal achieved, Seniors motivate me, Concern for one another, Happy with incentives, Happy with pay, Perform higher duties, I decide, Access to resource and Perform Higher duties. Four items i.e. B19, B20, B21 & B22 got clubbed on third component and was named as 'Development Opportunity' characterized by Can take risk, have Growth Opportunities, Use My Ability, High chances of Promotion. Two items got clubbed on fourth component i.e. B23 & B24 which arenamed as 'Employee Facility' are characterized by Flexible timings &Transportation. There was only one item i.e. Environment which was loaded on fifth component and had a high loading of .643 so this was retained as a factor.

3.3. Categorical Regression
For testing of Hypothesis, Categorical Regression analysis has been used, where dependent variable is intention to stay and independent variables are Organizational Culture, Motivational Factors, development opportunity, Employee Facility and Work Environment. By using this test, the dependency of the factor 'intention to stay' on the independent variables has being analyzed.

Multiple R	R Square	Adjusted R Square
.751	.563	.478

Table 2

The value of R Square is .563 which means that 56.3% of the variation in the dependent variable i.e. intention to stayis explained by the four factors.

Factors	Standardized Coefficients Beta	Sig.
Organization Culture	.094	.341
Motivational Factors	.732	.000
Development Opportunity	.131	.117
Employee Facilities	-.289	.000
Environment	0.171	0.731

Table 3

The largest coefficient has been observed for Motivational Factors which means that when Motivation factor changes by one standard deviation then the dependent variable i.e. intention to stay increases by 0.732standard deviations provided all the other predictors are kept constant.

Out of the five factors Motivational Factors and Employee Facilities are statistically significant since the p-value is less than 5%.

Factors	Partial	Part
Organization Culture	.147	.068
Motivational Factors	.818	.649
Development Opportunity	.240	.113
Employee Facilities	-.408	-.204
Environment	0.245	-0.135

Table 4: Partial and Part Correlation

Motivation has a partial correlation of .818. Removing the effects of the other variables, Motivation explains $(.818)^2 = 0.669 = 66.9\%$ of the variation in the dependent variable i.e. intention to stay. The part correlation of the Motivation factor is 0.649 implying that if we remove the effects of Organization culture, Development opportunity and Employee Facilities from the Motivation, the remaining part of Motivation $(0.649)^2 = 42.1\%$ explains the variation in intention to stay.

4. Conclusion

Human resources are considered to be a valuable asset. Organizations ought to take good care of their employees lest they lose them to their competitors. The employee costs are high if their attrition at work place is high, making it imperative for management to constantly comprehend their needs and also motivate them. The study has brought forth Motivational Factors as the most important factor for ensuring the employee's intention to stay in the organization. According to the results of this study, Motivational Factors has a strong and significant relationship with intention to stay of the employee in an organization. The categorical regression analysis, gave the result of .732 of beta for motivational factors which is the highest in comparison to other factors followed by Employee Facilities in terms of the Flexible timings &Transportation. In the current times, competitive edge for organizations can be scored only through their people and the current study would aid the management to better focus on areas considered important by their employees.

5. References

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