BUSITEMA UNIVERSITY
Pursuing Excellence

THE IMPACT OF EMPLOYEE EMPOWERMENT ON SERVICE QUALITY
A CASE STUDY OF SOROTI HOTEL

BY

APIO SANDRA

BU/UP/ 2018/4084

A RESEARCH REPORT SUBMITTED TO THE FACULTY OF MANAGEMENT SCIENCES IN
PARTIAL FULLFILMENT OF THE REQUIREMENTS FOR
THE AWARD OF BACHELOR OF TOURISM AND TRAVEL
MANAGEMENT OF BUSITEMA UNIVERSITY
APRIL, 2022

i

DECLARATION

I **APIO SANDRA BU/UP/2018/4084** do hereby declare that this research report has been my own original work and it has not been submitted to any other University by anybody else for any other degree award.

Student's Signature: ………………………………………….

Date: …………………………………………………………

APPROVAL

This research report has been submitted for examination with the approval of my supervisor and is for the award of a Bachelor of Business Administration of Busitema University.

Supervisor: Mr. EMOJONG RONALD

Signature: …………………………….

Date: …………………………………..

DEDICATION

This work is a special dedication to the APUA's family, my dear brothers and sisters, and the enter Member of class of bachelors of tourism and travel management, together with the enter teaching staff of faculty of management science, both the teaching and non-teaching staff of busitema university.MR. JOWALIE WAMPANDE and, MR. EMOJONG RONALDmy on-site supervisors and lectures, for being committed to up lift me in the struggle for my future.

ACKNOWLEDGEMENT

First and foremost I am grateful to God for having guided me through my Academic Struggle. I wish also to thank the following persons for the technical support they gave me. I must register my most sincere gratitude to my supervisor MR. EMOJONG RONALD for his constructive criticism and guidance throughout the study. I wish also to thank Mrs. ASIO MILLY for the proper guidance he rendered to me in completing this research. Lastly, special thanks go to the following; my brothers; Opolote David and my sister Adongo and Joan. And my best friends Adongo and Tonny who provided all the financial assistance to enable me complete my studies

Thanks also go to my parents who tirelessly worked hard both by their financial support and prayers to ensure that I completed my course.

May God bless you ALL

Table of Contents

LIST OF TABLES

LIST OF FIGURES

x

Edit with WPS Office

ABSTRACT

The study was carried out with the purpose of examining the impact of employee Empowerment on service quality in Soroti hotel. The objectives for the study was to determine the effect of autonomy, decision making involvement, psychological empowerment on service delivery.

A total of 80 respondents participated in the study and were selected using random sampling method. The data was collected using questionnaires and interviews and presented using tables, graphs and pie charts for easy analysis.

The research findings revealed that employee Empowerment has improved on service delivery in the hotel, like cognition, trustworthiness, employees design, flexibility, employees respect.

Despite the good advantages that are associated with impact of employee empowerment

Service delivery more attention needs to be put on number of accommodation facilities. competitive business environment, customers' choices . Poor employee empowerment practices customer dissatisfaction with the employer which may lead to loss of customers

It was however recommended that the hotel should put more emphasis on number of accommodation facilities. competitive business environment, customers' choices . Poor employee empowerment practices customer dissatisfaction Also the study recommended training of employees on hotel management

CHAPTER ONE: INTRODUCTION

1.0 Introduction

The chapter presents the introduction, background of the study, problem statement, purpose of the study, objectives, research questions, scope of the study, conceptual framework, and significance of the study and definition of key terms.

1.1. Background of the Study

The globalization of the world economy has intensified in recent decades, with the service sector accounting for more than one third of the total global services trade (UNWTO, 2018). The hotel industry has become one of the popular industries to study service quality and Service delivery. With a greater level of uncertainty emanating from increasing demand by customers, there is need to employer hotel employees to go extra miles to meet customer expectation. Employee empowerment is one of the popular research programmed practiced by many hotels in developed countries. Its popularity being the case that employee empowerment leads to the gaining and sustaining of competitive advantage in service industry. Empowerment enhances employee's capacity to deliver quality services, and quality service delivery lead to Service delivery. Empowerment of hotel staff is important because it gives them the autonomy to deal effectively with visitors' concerns (Ayupp&Chung, 2010).

In Africa, Employee empowerment encompasses several concepts and issues which cover benefits and goals such as discretion, autonomy, responsibility as well as commitment. As stated by report by UNWTO, (2018) the last three decades have witnessed the spread of employee empowerment practices throughout the public and private sectors. A growing body of evidence suggests that employee empowerment can be used to improve job satisfaction, Service delivery, organizational commitment, innovativeness, and performance. Nearly all previous empirical studies have analyzed the direct effects of employee empowerment on these outcome variables without taking into account the mediating role of employer and employee attitudes

This treatise contributes to the growing literature on employee empowerment by proposing and testing a causal model that estimates the direct effect of employee

empowerment on performance, as well as its indirect effects as mediated by job satisfaction and innovativeness. As we know that employee is the backbone of the organization because he/she is only person who directly touch with the customer on the time of dealing the service. This research focus on employee empowerment in order to increase the Service delivery on the other hand we can say that employee empowerment improves the quality of service which automatically improved the satisfaction level of the customer towards the service (Timothy &Abubakar, 2013). Abu Kasssim et al (2012) posits that if there was to be any progress on offering of quality service that could translate to Service delivery, it would come about because the hotel organization changed.

The hotel industry involves functions due to direct or indirect interaction with guest. Thus, the industry recognizes the value and contribution of employee empowerment in increasing employee productivity and product/service quality in order to get Service delivery. The role of employee in service organizations is comparable to the role of the service itself (Zeithaml , 2016). Employees are the service and the brand, and their importance to the firm is critical to both service delivery and service production. In services industry, it is all about the people (employees) because they appear more often to be the most tangible clue to the quality of the service offered. Without the empowerment employee not confident, not be creative and not enough knowledge therefore unable to provide better performance as per expectation. Employee will be successful if management provide them some authority and provide them systematic knowledge according to their work, which is known as the employee empowerment (Nikki et al., 2015).

1.2. Statement of the problem

Despite the fact that hospitality industry is among the fast expanding industries and an important top foreign earners for Uganda, it has been characterized with many challenges ranging from number of accommodation facilities. With the increasing competitive business environment, customers' choices have widened and more than ever customers are less likely of forgiving for service failures (Roodurmun&Juwaheer, 2018). Since empowerment results from a management system that gives employees more power and autonomy to perform their jobs, it is logical to think that empowered

2

employees could use this freedom to make customized and quick decisions to better serve their customers' needs. Because empowered employee feels more confident and try to give their best to their employers. According to previous research, employees with high levels of employee empowerment practices influence the level of their customers' satisfaction and commitment to the firm (Kim & Ok, 2010). Most of the time, in the service industry, supervisors seem to be interested to control the interaction of employees and customers by dictating the decision direction. However, supervisors cannot control the service delivery process too rigidly, because employees need to retain adequate flexibility to satisfy customers within their discretion.

Poor employee empowerment practices cause customer dissatisfaction with the employer which may lead to loss of customers and a spread of negative world of mouth (Kim, 2009). This would lead to the closure of hotels, loss of jobs and hence low Gross Domestic Product (GDP), which will lead the country failure to service recurrent expenditure, capital expenditures and internal and external depts. This will lower the country competitiveness which will lower the rate of innovation as a result of lower entrepreneurial orientation. Several studies have been done on the area of employee empowerment and Service delivery. (Komunda, 2012) investigated the effects of employee empowerment on Service delivery and loyalty in a commercial banking environment. (Lagat, Oderda and Mumbo,2012) conducted a study on the effects of distributive justice complaints resolution strategies on Service delivery. This indicates that there are limited local empirical studies on the effect of employee empowerment on Service delivery in the hospitality industry. Therefore, this study was intended to fill in on this existing knowledge gap by identifying the effect of employee empowerment practice on service delivery.

1.3. Purpose of the study

The purpose of the study is to determine the impact of employee empowerment on service delivery in Soroti Hotel

1.4. Research Objectives

This study was by the following specific objectives

- To determine the effect of autonomy on service delivery.

- To determine the effect of decision making involvement on service delivery.
- To determine the effect of psychological empowerment on service delivery.

1.5. Research Questions

This study was guided by the following questions

- What is the effect of autonomy on service delivery?
- What is the effect of decision making involvement on service delivery?
- What is the effect of psychological empowerment on service delivery?

1.6.0 Scope of the Study

Any study from the early beginning has its own scope to determine the level and extent of the study, similarly this research has also its own focus.

1.6.1 Content Scope

The study will be based on the employee empowerment and service delivery on hospitality sector/ hotels in Soroti City. The conceptual scope of this study will be in order to examine the effect of employee empowerment on service delivery at Soroti Hotel.

Therefore, Employee empowerment in this study will be focused on employees of this hotel in Soroti City. The dependent variable of this study will be service delivery. The independent variables are also limited to some employee empowerment like; employee participation, capacity development, team work, communication effectiveness and management support. The study will be a descriptive survey in nature and the research will be applied the mixed research methods.

1.6.2 Geographical scope

The study will be carried out at Soroti Hotel located in Soroti City along St. Immaculate Catholic Church Lane. The researcher has chosen this area because of easy accessibility and availability of information employee empowerment and service delivery. Due to inadequacy of time the researcher geographical scope was bound to be concentrated only on single organization.

1.6.3 Time scope

The literature of this study will cover a period of 7 years; from 2013 to 2020 and anything beyond this period will be left out. This will be due to data availability and comparison. This is also considered a period good enough to enable the researcher

acquire the necessary information in line with the study.

1.7.0 Significance of The study

The purpose of the study is to determine the effect of employee empowerment practice on 'service delivery in Soroti Hotel. The results of the study, findings and recommendations to effectively measure, evaluate and implement employee empowerment practices in its corporate strategy.

This study benefits hotel industries through providing clear information concerning employee expectation and perception to manage good employees' empowerment practices and has significant importance to Soroti hotel and its management. The readers will be able to understand new relations between different variables and conceptual understanding of these variables. They will read new concepts in the context of hospitality industry e.g. organizational image, effectiveness and efficiency and building trust.

This research was also targeted at the management of organizations with in the hotel industry, and industries producing highly intangible-dominant services, as suggestion regarding employee empowerment, which when practiced can enhance service delivery and create a good customer- perceived service quality. Managers in other organizations will also find the study useful in enhancing their appreciation of the need to empower employees

1.7.1 Limitations of the study

The study focused on respondents from various restaurants, both managers and superiors were involved in the study, the study did not reveal much on the incentives used in the organization as this could have been due to fear of victimization from management upon disclosure or tarnishing the company's image leading to incorrect judgments which were not true reflection of the employee's overall performance. Confidentiality of information given was assured to the respondents.

Data collection was done using questionnaires; some respondents found it tiring to fill

6

them, out of the 240 questionnaires issued; only 210 questionnaires were filled to completeness, 26 were not complete while 4 questionnaires were not returned. The questions were made simple and easy to understand and participation in the study was also be voluntary, this was to encourage the respondents to fill them to the end.

It was challenging to gather information from all the participants due to their busy working Schedules and shifts. The questionnaires were delivered by pick and drop means and the respondents were also encouraged on the importance of participating in the study.

The timing for carrying out the study influenced the results especially in cases where salary reviews and bonuses had not been given towards the end of the year 2018. For some contracts had been renewed with similar terms at the beginning of the year 2019. The respondents were encouraged to be honest in their opinions and answers.

1.7.2 Organization of the study

The project report is organized into five chapters. Chapter one has provided the introduction to the study focusing on the background, problem statement, objectives, research questions, significance, scope, limitations and organization of the study. Chapter two presents literature review, consist review of theories guiding this study, empirical literature, summary of research gaps and conceptual framework. Chapter three discussed the overall methodology of the study. It outlines the research design, the population, the sampling design, data collection method, the research procedure, and data analysis method be used for the study. Chapter four provided data analysis, Interpretation and discussion of findings. Chapter five discussed the summary of the findings, conclusions, recommendations and areas that further research.

1.8 Conceptual Framework of the Study

Service delivery in regards to the study uses the definition of Scott et al (2009) as the reliability, responsiveness and assurance of service. The study shows that when employees experience a enhanced levels empowerment, they become more engaged to ensure high levels of services are delivered to the desired quality standard (Lawrence,2008). Employee empowerment according to Velthouse(1990) defined empowerment as a heightened level of intrinsic task motivation characterized by

commitment to a task. This is exhibited in four dimensions of Impact, competence, meaningfulness and choice. In our study employee empowerment is conceptualized with the dimensions of autonomy, decision making involvement and psychological empowerment. This in line with Sprietzer(1995) who argued that employee empowerment entails an active orientation towards a work role.

Figure 1.1: Conceptual model of the Study. Extracted from review of related literature
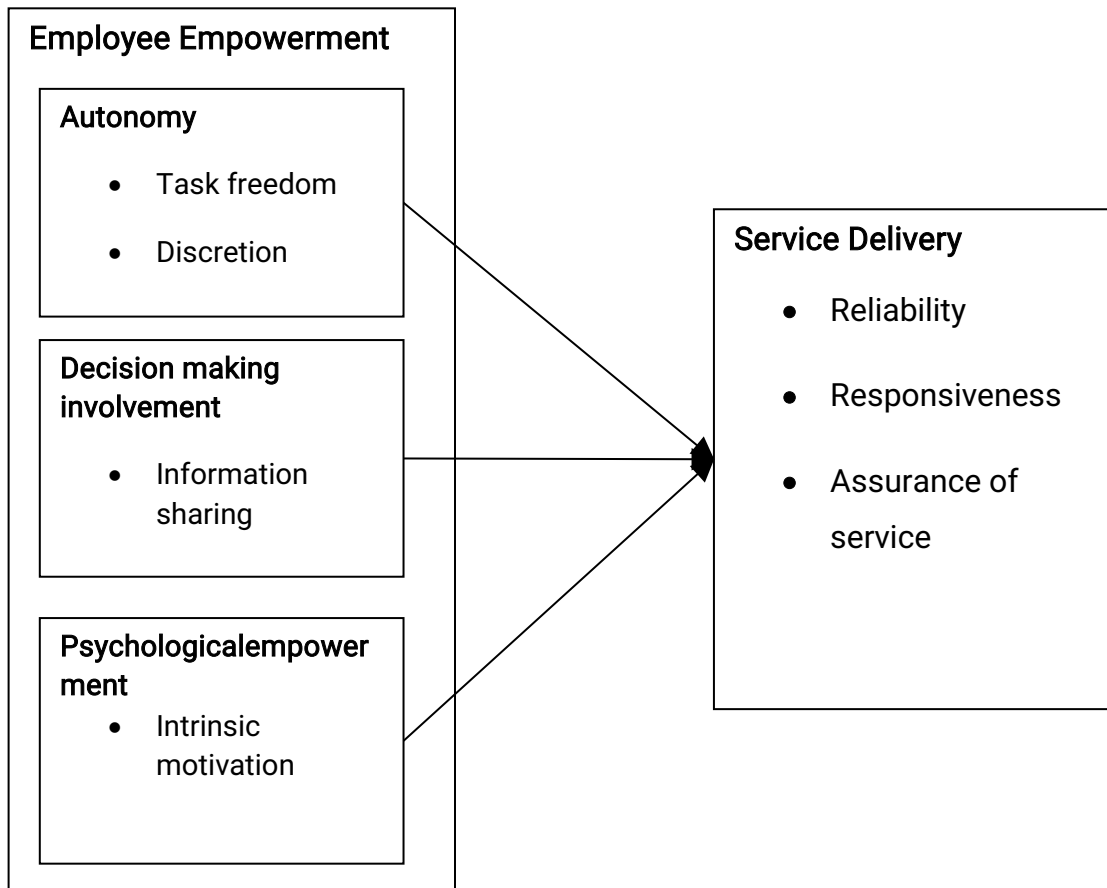
Source: Lawrence(2018), Sprietzer(1995) modified by the researcher

This section describes the conceptual framework that guides the research paper clarifies relevant concepts on the impact of employee empowerment on service delivery. Through this study the researcher developed a conceptual model that guides the

researcher in designing data collection instruments, data analysis and interpretation. It will be presented in order to understand the whole process in a concisely. Accordingly, the conceptual model has been depicted in Figure 1.1. More specifically, this framework indicates dependent and independent variables; employee empowerment practices (independent variables) such as employee participation, capacity building, team work, communication effectiveness and management support that have effect on the outcome variable namely service delivery (dependent variable).

1.9. Definition of Key Terms

The researcher sought to clarify technical terms or words by defining them as they are wished to be understood in this research as shown below:

Employee: An individual who works full-time or part-time under a contract of employment, whether oral or written, express or implied, and has recognized rights and duties.

Empowerment: is a positive use of power to create more power, which has a positive energizing effect on the organization (Vogt and Murrel, 2014). Empowerment in this study is means encouraging the employees to make decisions with least intervention from higher management and as giving the power to employees to makedecisions. It is a form of freedom in which employee takes decisions to ensure maximum satisfaction to customers.

Leadership: is the process of empowering, influencing and directing the subordinates or employees to achieve a common goal and vision.

Employee empowerment: According to this study employee empowerment means giving employee authority, skills and self-control to perform their tasks and a method of delegation which enables work decision to be taken as near as possible to the operating units and their customers.

Management: The organization and coordination of the activities of a business in order to achieve defined objectives. Management is often included as a factor of production along with machines, materials, and money.

Service Delivery: The state has a vital role in the delivery of a wide array of public services from justice and security to services for individual citizens and private enterprises. Besides traditional public services, such as health care or education, there

10

are administrative services, such as delivery of licenses and permissions, which are subject to regulation of administrative proceedings

List of References

Torach Martin Lawrence (2018) Employee Empowerment and service delivery, national water and sewerage corporation, Kampala University Dissertation.

Thomas, Kenneth W., and Betty A. Velthouse. 1990. Cognitive Elements of Empowerment: An "Interpretive" Model of Intrinsic Task Motivation. Academy of Management Review 15(4): 666–81

Brady, M. K., & Cronin Jr, J. J. (2001). Some new thoughts on conceptualizing perceived service quality: a hierarchical approach. Journal of marketing, 65(3), 34-49.

Braxton, J. M. (2008). Toward a scholarship of practice centered on college student retention.New directions for teaching and learning, 2008(115), 101-112.

Briggs, S., Sutherland, J., & Drummond, S. (2007). Are hotels serving quality? an exploratory study of service quality in the scottish hotel sector. Tourism Management, 28(4), pp. 1006-1019.

Carman, J. M. (1990). Consumer perceptions of service quality: an assessment of T. Journal of retailing, 66(1), 33.

Carol. A., Wong., R. N., Heather K. S., &Laschinger. (2013) Authentic leadership, performance, and job satisfaction: the mediating role of empowerment,69(4), pp. 947 – 959.

Carson, C. M., & King Jr, J. E. (2005). Leaving leadership: Solving leadership problems through empowerment. Management Decision, 43(7/8), 1049-1053.

Cengiz, E. (2010) Measuring customer satisfaction: must or must not? Journal of Naval Science and Engineering, 6(2), pp. 76-88.

Chang, L., C., Shih, C. H., & Lin, S. M. (2010). The mediating role of psychological empowerment on job satisfaction and organizational commitment for school health nurses: A cross-sectional questionnaire survey. International Journal of Nursing Studies, 47(4), pp. 427-433.

Chebat, J. C., &Kollias, P. (2000). The impact of empowerment on customer contact employees' roles in service organizations. Journal of Service research, 3(1), 66-81.

Bindl, U.K. and Parker, S.K. (2010) Proactive Work Behavior: Forward-thinking and Change-Oriented Action in Organizations. In: Zedeck, S., Ed., APA Handbook of Industrial and Organizational Psychology, American Psychological Association,

49

Washington DC, 567-598.

Morrison, E.W. and Phelps, C.C. (1999) Taking Charge at Work: Extrarole Efforts to Initiate Workplace Change. Academy of Management Journal, 42, 403-419. [16] Hackman, J.R. and Oldham, G.R. (1976) Motivation through the Design of Work: Test of a Theory. Organizational Behavior and Human Performance, 16, 250-279. https://doi.org/10.1016/0030-5073(76)90016-7

Nicholson, N. (1984) A Theory of Work Role Transitions. Administrative Science Quarterly, 29, 172-191. https://doi.org/10.2307/2393172 [22]

Van Dyne, L., Cummings, L.L. and McLean P.J. (1995) Extra-Role Behaviors: In Pursuit of Construct and Definitional Clarity (A Bridge over Muddied Waters). In: Cummings, L.L. and Staw, B.M., Eds., Research in Organizational Behavior, JAI Press, Greenwich, CT, 215-285