

# EMPLOYEE MOTIVATION AND CUSTOMER SATISFACTION IN THE HOSPITALITY INDUSTRYA CASE STUDY OF

## MESTIL HOTEL KAMAPAL CITY

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A RESEARCH REPORT SUBMITTED TO THE FACULTY OF MANAGEMENT SCIENCES, DEPARTMENT OF TOURISM AND HOSPITALITY MANAGEMENT IN PARTIAL FULFILLMENT OF THE REQUIREMENT FOR THE AWARD OF A DEGREE OF TOURISM AND TRAVEL MANAGEMENT OF BUSITEMA UNIVERSITY

**AUGUST 2024** 

## **DECLARATION**

## DECLARATION

l, the undersigned do hereby declare that the work in this report proposal is my original work and to the best of my knowledge it has never been submitted for award of a Bachelor's Degree in any other University for examination purposes

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## **APPROVAL**

## APPROVAL

This is to certify that this research report proposal has been written by Nantabo Shalom Piscilla under my supervision and it is now ready for submission to the Department of Tourism, Faculty of Management Sciences as a partial fulfillment of the requirement for the award of Bachelor's Degree in tourism and travel management of Busitema University.

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(Supervisor)

## **DEDICATION**

I wish to dedicate this piece of work to my beloved father Mr. Mukwaya Benard Mande and my mother Mrs. Kisakye Margret Nakavuma who have given me all the support financially morally and spiritually during this demanding time of the study and also the sacrifice and patience they exhibited towards me during my time of study, not to mention the encouragement.

I also dedicate this work to my supervisor Ms. Adongo Gorreti and the Head of Department, Mr.Wampande Ahmed Jowalie, thank you so much for the great support that you rendered to me. I wouldn't have managed to make it without your help. May the Almighty God reward you abundantly.

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## LIST OF ACRONYMS

UNWTO	United Nations World Tourism Organization
BLS	Bureau of Labor Statistics
WTTC	World Travel and Tourism Council
UNECA	UN Economic Commission for Africa
MoT	Ministry of Tourism
MTWA	Ministry of Tourism World Life and Antiquities
EE	Employee Engagement
UWA	Uganda Wildlife Authority
MI	Motivation Incentives
CS	Customer Satisfaction
NBS	National Beurial Statistics
GDP	Gross Domestic Product
US	United States
EBITDA	Earnings Before Interest, Taxes, Depression and Amortization
FY	Financial Year
SPSS	Statistical Package for Social Sciences

## **ABSTRACT**

This study aimed at determining the role of employee motivation on customer satisfaction in the hotel industrial sector in Uganda with the study objectives; To find out the role of Motivation Incentives on customer satisfaction of hotel industry in Kampala city. To find out the role of Engagement on customer satisfaction of hotel industry in Kampala city. To find out the role of Employment Benefits on the customer satisfaction of hotel industry in Kampala city .The study was anchored on Agency theory as suggested by Jensen & Meckling (1976) which recommends employee motivational tools are some of the mechanisms that can be used in an entity to solve the agency problem by reducing the agency outlays that further boosts customer satisfaction (Kamau, 2022). In addition to that, the study applied a cross-sectional research design and quantitative approach. The study had a target population of 38 respondents and collected data from a sample size of 36 respondents as guided by Krejcie and Morgan (1970). Data was collected using close ended questionnaires of up to five Likert scale. Furthermore, data analysis was done using statistical package for social sciences from which descriptive statistics, frequency tables, reliability, validity, correlation and regression remarks were obtained. The study findings showed that employee motivation positively impacts customer satisfaction in the hotel industry. Based on the findings of the study, the researcher therefore recommends that Mestil hotel should endeavor to ensure and maintain motivational incentives categorized by allowances, rewards, decision making, training etc. to help in boosting employee's performance which in the due course enhances customer satisfaction.

## **CHAPTER ONE**

## INTRODUCTION

#### 1.0 Introduction

This chapter comprises of the background of the study, statement of the problem, objectives of the study, research questions, scope of the study and significance of the study and the conceptual framework.

## 1.1 Background of the study

Customer satisfaction is defined as the consumer's response to the evaluation of the perceived discrepancy between prior expectations and the actual performance of the product or service as perceived after its consumption (Osinde et al., 2020). Consequently, in the hospitality industry customer satisfaction is very important, and is a measure of how products and services supplied by a business meet customer expectation(Wampande, 2021). This implies that satisfaction is an overall post-purchase evaluation by the consumer. According to Kotler (2020) Customer care is considered as a major tool for customer satisfaction derived from employee motivation.

Also, Ayofe & Martha, (2021) noted that employee motivation are those psychological characteristics of human that contributes to an individual's level of commitments to the organizational goals and objectives. In addition, the hospitality industry is a service-based industry which requires employees to have close relations with the customers (Khalaf etal, 2016).

In the several hospitality destinations, diverse phases have been adopted to increase on the customer satisfaction with in different contexts of the world for example implementation of customers complaints management strategies, consecutive service delivery, enlightening customer care, ensuring safety and health measures to wards the hospitality clients (Christine, 2018) .still, deprived customer satisfaction is still a challenge in the hotel industry, hence this research study to establish on employee motivation and customer satisfaction of hospitality industries in Uganda a case of Mistil Hotel.

Globally, In Europe according to Annual report and accounts, (2018) on park plaza hotel group, a high level of service was recognized in improvements of both guest satisfaction and service performance scores compared with those achieved in 2017. Furthermore, as measured through the

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