



How willing/unwilling are luxury hotels' staff to be empowered? A case of East Malaysia



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ABSTRACT

Empowerment is widely viewed as a dynamic concept to improve service quality and operational efficiency in the hospitality industry. The most effective approaches to empowering employees are not always clear. This paper contributes to the literature by seeking to understand the underlying factors that motivate and demotivate employees' willingness to become empowered. Qualitative data was collected through 22 semi-structured interviews with managers, supervisors and employees of four and five-star rated hotels in East Malaysia. In addition to the expected factors such as employees' acquired knowledge and psychological empowerment, employees' values and beliefs were also found to influence their willingness to become empowered. These findings are important in understanding employee perspectives of empowerment practices in operations contexts of East Malaysian luxury hotels.

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1. Introduction

The dynamics of a high growth environment, competition, growing guest demands and the labour intensive nature of the hospitality industry continue to challenge both operations and research in the industry (Cheung, Baum, & Wong, 2012). With the growth and transfer of management approaches and technology globally, organisational hierarchy continues to evolve. International hotel chains as part of their growth strategy keep exploring new opportunities in new markets. As chains expand, they take with them to new markets, management techniques which could present as new experiences for local staff working at different levels in the hotels. Employee empowerment is one such practice within the context of luxury hotels in East Malaysia. For the purpose of this study 4 and 5 star hotels are referred to as 'luxury hotels'.

In 1997, Glasman suggested that research in the last couple of decades has seen the significance of empowerment not only as a new skill to be learnt but also a process which augments knowledge for efficient and effective operational outcomes that are related to customer service and service quality. Research regarding employee empowerment is scarce, but the organisational benefits of the concept are acknowledged

(Kazlauskaitė, Buciuoniene, & Turauskas, 2012). Empowerment is still considered vital in hospitality organisations, as it potentially drives the following outcomes: employee satisfaction and commitment, lower labour turnover and costs, increased productivity, higher service quality and increased profits (Kazlauskaitė et al., 2012; Lashley, 1999, 2001; Mohsin & Kumar, 2010; Pelit, Ozturk, & Arslanturk, 2011; Raub & Robert, 2013).

Empowerment has also become popular due to the fact that organisations operate in increasingly competitive environments, where demand for service quality is intensified. Today, guests are less forgiving if they have to wait for higher levels of management to address their issues (Dickson, Ford, & Laval, 2005). To overcome such situations it is important that employees in the hotel industry are trained and empowered to make appropriate decisions quickly. This enhances service delivery and satisfies guests with a prompt response to their needs (Humborstad & Perry, 2011).

Even though many scholars have supported the benefits of empowerment e.g. (Bowen & Lawler, 1992; Fabre, 2010), others have questioned its effectiveness in practice. There is evidence to suggest that despite the claimed benefits linked with employee empowerment, the implementation of empowerment practices is not as prevalent as would be expected. Numerous employee empowerment initiatives have been unable to achieve the levels of empowerment that management envisioned (Baird & Wang, 2010). There are many claims that empowerment is implemented superficially with managers maintaining real control. The gap between empowerment as rhetoric as and practice is a further area open to criticism (Greasley et al., 2008). A

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number of studies have identified that, in some cases, the problems are present in name only (Baird & Wang, 2010; Honold, 1997). Even though this is not a hurdle to empowerment, it can lead to imprecise criticisms of the empowerment concept. This may lead to those who supposedly empower and those who are empowered becoming dissatisfied and rejecting empowerment as ineffective (Greasley et al., 2008)

Globalisation has also influenced organisations in Malaysia. Traditionally, Malaysian organisations have had a strong and rigid hierarchical system due to a high power distance culture (Bochner & Hesketh, 1994) where employees wait for orders and follow managers' decisions. Managers took all the responsibility for organizing, making decisions, controlling and planning tasks for employees, creating considerably increased workloads for managers. However, the trend toward globalisation and the presence of multinational companies has led Malaysian organisations to adapt to modern management techniques. Several international hotel chains have started operating in Malaysia bringing with them empowerment practices with the aim to improve service quality and guest satisfaction. Such international chains include the Hyatt, Shangri-La, Le Meridien, and Hilton, and carry connotations of international practices. This empowerment approach in luxury hotels is built on the understanding that empowered employees require minimal supervision, thus eliminating the need for more levels of hierarchy and allowing supervisors to concentrate more on strategic issues and planning instead of operational activities (Mohsin & Kumar, 2010; Randolph, 1995).

It is also noted that published research on employee empowerment largely relates to the Western World (Cheung et al., 2012). Study on empowerment practices in luxury hotels in East Malaysia is almost non-existent. A few studies have been conducted in Malaysia (Abdul Aziz, Awang, & Samdin, 2011; Patah et al., 2009) but they have concentrated on Peninsular Malaysia. Peninsular Malaysia consists of 11 states and two federal territories with a total population of 22.53 million (Department of Statistics Malaysia, 2010). By contrast, East Malaysia consists of only two states and one federal territory with a total population of 5.77 million. Unlike Peninsular Malaysia which has manufacturing and agriculture sectors to depend on, East Malaysia, which consists of Sabah, Sarawak and Labuan, heavily relies on the tourism and hospitality sector for its survival (Sabah Tourism Board, 2013). According to the Malaysian Tourism Promotion Board (2012), tourist arrivals in East Malaysia increased almost 48% from 4,787,191 to 6,955,963 in the decade between 2002 and 2012. The increasing trend in terms of tourist arrival in Sabah also contributed to the rapid increase in demand for hotel accommodation and supporting activities. According to the Malaysian Association of Hotels (2013), there were 615 hotels in East Malaysia in 2013 compared to 426 hotels in 2002.

Focusing on the growth of the hotel industry in East Malaysia, which is arguably different from that in West Malaysia, this paper explores the underlying factors that either motivate or demotivate employees' willingness to become empowered. Doing so should promote an understanding of employee empowerment and advance suggestions that help to refine the employee empowerment framework in the East Malaysian context.

2. Theoretical background

2.1. What is empowerment?

The term is used to refer to wide range of initiatives of human resource management (Lashley, 1999). It is also defined as a theoretical concept, a management tool with different uses. The literature suggests that there is no single or simple globally excepted definition of empowerment (Cunningham & Hyman, 1999). What seems to qualify as the general approach and use of empowerment is the improvement of individual employees' potential of for better organisational performance in terms of service quality, job satisfaction and customer satisfaction. Empowerment in its broad concept refers to training, preparing and authorising front line employees to make appropriate decisions to help

customers which impacts on service quality outcomes. Ro and Chen (2011) find that empowering employees improves organisational effectiveness and guest satisfaction. This occurs as empowered employees reflect greater job satisfaction and self-esteem. Hence, empowerment, as found by Chiang and Hsieh (2012), involves offering employees the control, freedom and information to participate in decision-making and organisational affairs. According to Menon (2001), major approaches to conceptualise employee empowerment can be classified into three categories:

1. Empowerment as an act: the act of granting power to person/s being empowered.
2. Empowerment as a process: the process that leads to the experience of power.
3. Empowerment as a psychological state that manifests itself as measurable cognition. (Menon, 2001, p. 157).

Additionally, empowerment theory is currently vying for a place among those social theories that attempt to connect the individual and the organisation. In order to critically analyse the notion of empowerment in social science research, the root concepts of power and control must be considered. Numerous studies such as those by Ahearne, Mathieu, and Rap (2005) and Kazlauskaitė et al. (2012) have operationalised the concept of empowerment in two distinct constructs. Researchers have operationalised empowerment as a perceived discretionary authority at work, a type of relational construct (Chan & Lam, 2011; Conger & Kanungo, 1988; Fock, Hui, Au, & Bond, 2013). However, a growing number of researchers have suggested that empowerment is more than just job autonomy (Conger & Kanungo, 1988; Spreitzer, 1995). These researchers define empowerment as a psychological construct, suggesting an intrinsic motivation, referring to the extent to which employees believe they are capable of accomplishing their job. The underlying logic of the distinction between these two constructs of empowerment, lies in the meaning that is attributed to the concept of power (Conger & Kanungo, 1988). Moreover, the difference between the organisation and an individual may serve as another point of reference in explaining the empowerment concept. This differentiation can be made between an HRM practice of sharing power with subordinates (empowerment practices), and an individual's perception of the power that has been granted to him or her (psychological empowerment) (Kazlauskaitė et al., 2012).

2.2. Significance of empowerment

Even though many scholars have supported the benefits of empowerment (Bowen & Lawler, 1992; Fabre, 2010), others have questioned its effectiveness in practice. Bowen and Lawler (1995) state that slower or inconsistent service delivery can result from empowerment and customised services. Slower service delivery can lead to frustration or dissatisfaction. They also argued that employees with insufficient experience, training, motivation, or supervision may make decisions which are not desirable for the organisation (Cheung et al., 2012). For example, when employees are empowered to give discounts for service failure, they may offer too much discounts incurring cost for the organisation. In fact, absolute empowerment rarely occurs since it would allow employees to influence all aspects of the business (Pelit et al., 2011). There are concerns among some scholars that empowerment is being used to disguise work intensification. It is often argued that empowerment usually requires taking on more responsibility and more work, with no extra reward (Gkorezis & Petridou, 2008).

The research regarding employee empowerment has decreased over the past decade, although organisational benefits of this concept are still acknowledged (Kazlauskaitė et al., 2012). Empowerment is still considered to be highly vital in hospitality organisations, as it can drive a number of important outcomes: satisfied and committed employees; lower

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