



## Optimizing Service Excellence: Exploring the Influence of Job Satisfaction on Job Performance in the Hospitality Industry

<sup>1</sup>Aaliya Ashraf, <sup>2</sup>Nancy Sahni

<sup>1</sup>Research Scholar, Mittal School of Business, Lovely Professional University

<sup>2</sup>Associate Professor, Mittal School of Business, Lovely Professional University

### Article History

Volume 6, Issue 12, 2024

Received: 16 May 2024

Accepted : 20 June 2024

Doi: 10.48047/AFJBS.6.12.2024.1931-1943

**Abstract:** Employee satisfaction increases the likelihood of motivation and engagement in the workplace. This translates into improved front desk customer service encounters, as happy staff members are more likely to respond attentively and cheerfully to questions, requests, and grievances from guests. Among front desk staff, a sense of passion and commitment is fostered by job satisfaction. Employees are more driven to do their work carefully and go above and beyond to satisfy customers when they feel appreciated and content with their workplace. The purpose of this study is to investigate the relationship between hotel staff job performance and job happiness. The study investigates the relationship between job performance and job satisfaction among a variety of clientele in the hospitality sector by using regression analysis via Smart PLS. The primary data were collected freely from staff members of high-end Indian hotels. The study's findings demonstrate a noteworthy relationship between job satisfaction and performance, highlighting the crucial role that raising employee satisfaction plays in boosting operational effectiveness in the hospitality industry.

**Keywords:** Job Satisfaction, Job Performance, Hospitality Industry, Motivation, Engagement

### Introduction

The most important resource for organisational development is human capital. It is the source that best utilizes other sources and extracts the most value from them. However, gaining the upper hand in organizations and their management must make significant movements in the area of human resources. Employees or human resources will work hard for the benefit of the company if they are satisfied with the employer's decisions and conduct. But, they could cause an organization to suffer an unmatched loss if they are not in this position. As a result, human

resource management is become an art. Management constantly tries to use that art to appease their employees. The more contented workers are, the more profitable the company will be. And many studies, academicians, writers, researchers, and leaders have realized this.

The most extensively researched area (Keung-Fai, 1996; George and Jones, 2008). The different ways of satisfying the employees were found by the scholars and facilitated to the human resource managers to attract, motivate and retained the most committed workforce. Job satisfaction has direct impact on level of absenteeism, commitment, performance and productivity. Additionally, job satisfaction lowers the expense of acquiring new staff and raises employee retention (Murray,1999). On the other hand, job discontent results in higher recruiting, selection, and training costs, demotivation of present staff, and slower organisational growth (Padilla-Velez, 1993). The efficiency of the organization is negatively impacted by employee unhappiness. Consequently, one of the most crucial aspects of organisational structure is researching work satisfaction.

Employee contentment with their jobs is measured by job satisfaction. It includes a range of factors, including compensation, working environment, connections with coworkers, and job security (Locke, 1976). A basic grasp of the elements influencing work happiness is provided by theories like Herzberg's Two-Factor Theory and Maslow's Hierarchy of Needs. The efficiency with which an employee completes job tasks is referred to as job performance. It is frequently evaluated using measures like output, effectiveness, and job quality. According to Campbell et al. (1993), job performance is a multifaceted construct that is influenced by a variety of elements, such as an individual's aptitude, motivation, and workplace culture.

Better job performance may result from job happiness, according to a number of ideas. According to the Job Characteristics Model (Hackman & Oldham, 1976), performance is improved and job satisfaction results from aspects of the job design such task significance and autonomy. According to the Social trade Theory (Blau, 1964); workers who are happy in their positions are more inclined to provide better work in return as a positive trade. Because of its dynamic and customer-focused character, the hotel sector is notorious for demanding high performance standards from its employees(Rehman & Dhiman, 2022). In this particular setting, job satisfaction is critical since it has the potential to greatly impact staff behaviour and performance, which in turn affects the calibre of services provided and the hotel's overall success. This review of the literature looks at how job satisfaction affects performance on the job in the hotel sector using a range of empirical research and theoretical viewpoints.

According to Pizam and Ellis (1999), possibilities for professional progression, working conditions, pay, and interpersonal interactions all have an impact on job satisfaction in the hotel sector. Maintaining a great visitor experience is highly dependent on employee satisfaction in the high-contact service industry (Diwakar et al., 2024). In the hotel business, job performance is defined by a number of factors, including teamwork, efficiency, customer service, and standard compliance. According to Chi and Gursoy (2009), maintaining customer happiness and loyalty depends on effective work performance. In the hotel business, research regularly demonstrates a

strong association between job performance and job happiness. For example, Chi and Gursoy's (2009) study discovered that among hotel employees, job happiness is a major predictor of job performance, with higher satisfaction translating into better performance outcomes. A meta-analysis by Brown and Lam (2008), which emphasizes the beneficial effects of job happiness on customer satisfaction and service quality in hospitality contexts, lends support to this.

## **Review of Literature**

### **Job Satisfaction**

According to Robbins (2003), job satisfaction is a person's general attitude towards their work, which reflects the differences between the benefits they feel they should be receiving and the ones they actually receive. According to Spector (1997), job satisfaction refers to how employees feel about their occupations and different parts of their jobs, expressing whether they are happy or unhappy with their work. Spector emphasizes that dispositions like excitement, high motivation, and timeliness show that one is satisfied with their work. He continues by explaining that employees' perceptions of their occupations and other job components are influenced by job satisfaction, an attitude variable. Furthermore, job satisfaction can trigger emotional reactions that affect organisational commitment, depending on organisational and personal circumstances.

### **Job Performance**

Employee performance, according to Campbell, McHenry, and Wise (1990), includes observable behaviors or acts that support organisational goals. They stress that this kind of behaviour encompasses the capacity for critical thought, efficient planning, and problem-solving in the workplace (Landy & Conte, 2013). This interpretation emphasizes that task execution based on an employee's knowledge relevant to their work constitutes part of their performance as an employee.

### **Job Satisfaction and Job Performance**

For many years, the main area of interest in organisational behaviour research has been the connection between job satisfaction and job performance. Gaining an understanding of this relationship is essential to raising employee satisfaction and achieving better organisational results (Rehman et al., 2023). The numerous aspects, theoretical frameworks, and empirical data pertaining to the influence of job satisfaction on job performance are thoroughly examined in this review of the literature.

A good emotional state that arises from an evaluation of one's work or work experiences is known as job satisfaction (Locke, 1976). It encompasses several aspects including the actual labor, compensation, advancements, management, and coworkers (Smith et al., 1969). The efficacy and efficiency with which job obligations are performed is referred to as job performance (Campbell, 1990). Task performance, or technical tasks, and contextual

performance, or voluntary and interpersonal activities that support organisational culture, are common categories (Borman & Motowidlo, 1993).

There is a positive association between job performance and job satisfaction, according to numerous researches. In a meta-analysis of 312 samples, Judge et al. (2001) discovered a strong positive association with a mean correlation of 0.30, suggesting that happy workers are more likely to deliver superior work. According to Blau (1964), workers who are happy in their positions are more inclined to perform better in return as a positive exchange. According to Hackman and Oldham (1976), aspects of job design like task significance and autonomy lead to higher job satisfaction and improved performance (Nagpal et al., 2024). Events at work can set off emotional reactions, which can then have an impact on job satisfaction and performance (Weiss and Cropanzano, 1996).

According to a Bakotić (2016) study, job satisfaction is a strong predictor of job performance in the manufacturing industry, with happy workers demonstrating higher productivity and reduced absenteeism rates. Chi and Gursoy (2009) provided evidence in the hotel sector that higher customer happiness and improved service quality are directly correlated with staff job satisfaction. A longitudinal study by Wright et al. (2002) highlighted the long-lasting nature of this link by confirming the beneficial impact of job satisfaction on job performance over time.

Some research has found weak or non-significant connections between job satisfaction and job performance, despite the generally positive link. For instance, Brown and Peterson (1993) hypothesized that the link would be more complicated than a simple positive correlation and that it might be mediated by other factors such as employee motivation and commitment. The literature on organisational behaviour has extensively studied the phenomena of the correlation between job performance and job happiness (Rehman et al., 2024). Even though most research points to a positive association, there are a number of moderating factors that affect the relationship, making it complex. Companies may benefit from increased work performance and better organisational outcomes if they identify and manage the factors that influence job satisfaction. As a result the hypothesis of the study has been framed as following:

**H1:** There is a positive significant impact of job satisfaction on job performance of employees in hotel industry

### **Research methodology**

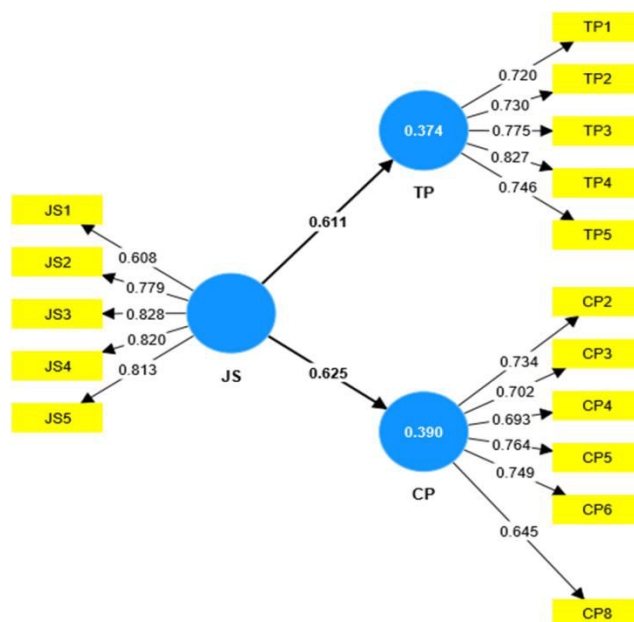
Questionnaire items were derived from the works of Agho, Price, and Mueller (1992), Koopmans et al. (2011), Van Dyne et al. (2012), and Masrek et al. (2017) in order to assess the factors included in the framework. Five items total for each variable were scored using a 5-point Likert scale, ranging from "1 = Strongly Disagree" to "5 = Strongly Agree." For each item, respondents were asked to rate their level of agreement. The study investigated the effect of job satisfaction on front desk employees' job performance in the hotel business using a descriptive research technique. Front desk staff from 3, 4, and 5-star hotels in various parts of India—a

nation well-known for its sizable tourism industry—were included in the study. Using proportionate sampling approaches, data were collected from 200 randomly selected staff members from different 3, 4, and 5-star hotels in order to meet the research objectives.

Using SmartPLS Version 4.0, the study used partial least squares structural equation modelling (PLS-SEM) to analyze the data. There are two primary processes in this approach: measuring the model and analysing the structural model. Convergent and discriminant validity of the measurement model were assessed. Whereas discriminant validity looks at how much an item varies from one concept to another, convergent validity evaluates how closely similar an item is inside a construct. In order to evaluate the structural model, the study's analysis mainly focused on looking at the suggested links between the constructs. As part of this assessment, the associations within the structural model were assessed for collinearity, significance, and relevance, and the coefficient of determination ( $R^2$ ) was examined.

## Results and Discussion

### Structural Model (Validating lower order constructs)



Source: Author's Own Calculation

### Instrument Validity and Reliability

Three criteria were used, according to Hair et al. (2007), to evaluate the scale items' convergent validity. First, factor loadings ought to be higher than 0.50. Second, the composite dependability of every construct needs to be higher than 0.70. Finally, each construct's average variance extracted (AVE) should be greater than the 0.50 cutoff point suggested by Fornell and Larker (1981).

### Result Summary for Validity and Reliability

Column1	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted (AVE)
CP	0.809	0.813	0.863	0.512
JS	0.828	0.826	0.881	0.599
TP	0.817	0.819	0.873	0.579

**Source: Author's Own Calculation**

Reliability is evaluated using Cronbach's Alpha and Composite Reliability. Good Cronbach's alpha is defined as a value of 0.70 or higher. Additionally, according to Konting et al. (2009), Cronbach's Alpha scores between 0.61 and 0.70 are considered acceptable. A composite reliability level is a number that ranges from 0 to 1, with a higher number denoting greater reliability. Hair et al. (2014) state that composite reliability ranges from 0.60 to 0.70. Validity and reliability have been established since each number is indicated in Table 4.18 to be within acceptable boundaries.

### Discriminant Validity

To establish discriminant validity between constructs, it is recommended that the Heterotrait-Monotrait Ratio (HTMT) score for job satisfaction and job performance levels should be below 0.90. This criterion indicates sufficient differentiation between the constructs.

### Discriminant validity for Job Satisfaction impacting Job Performance

Column1	Column2	Column3	Column4
	CP	JS	TP
CP			
JS	0.757		
TP	0.876	0.741	

**Source: Author's Own Calculation**

Heseler et al. (2015) state that the Heterotrait-Monotrait ratio of correlations (HTMT) technique is used by researchers to evaluate discriminant validity in PLS structural equation modelling, with criteria such as 0.85 and 0.90. As a critical component of model validation, confirming that HTMT results show discriminant validity is part of the validation process. The impact of job satisfaction on job performance is seen in Table 4.19. Since the results are below Gold and Arvind Malhotra's suggested cutoff point of 0.90, they exhibit good discriminant validity (2001).

### Multicollinearity

The table displays the multicollinearity values related to the impact of job satisfaction on job performance.

**Collinearity Statistics**

Column1	VIF
CP2	1.656
CP3	1.622
CP4	1.554
CP5	1.869
CP6	1.734
CP8	1.405
JS1	1.201
JS2	1.713
JS3	2.095
JS4	2.254
JS5	2.308
TP1	1.596
TP2	1.569
TP3	1.668
TP4	2.316
TP5	1.923

**Source: Author's Own Calculation**

It is usual practice to utilize the Variance Inflation Factor (VIF) to discover data multicollinearity. Collinearity problems are generally addressed with a VIF of 5 or less (Hair et al., 2011). All of the study's observed items have VIF values less than 3.3, which suggests that there is little collinearity between them. As a result, we may say that the components do not significantly collinear.

**Outer Loadings**

Column1	CP	JS	TP
CP2	0.734		
CP3	0.702		
CP4	0.693		
CP5	0.764		
CP6	0.749		
CP8	0.645		
JS1		0.608	
JS2		0.779	
JS3		0.828	
JS4		0.82	

JS5	0.813
TP1	0.72
TP2	0.73
TP3	0.775
TP4	0.827
TP5	0.746

**Source: Author’s Own Calculation**

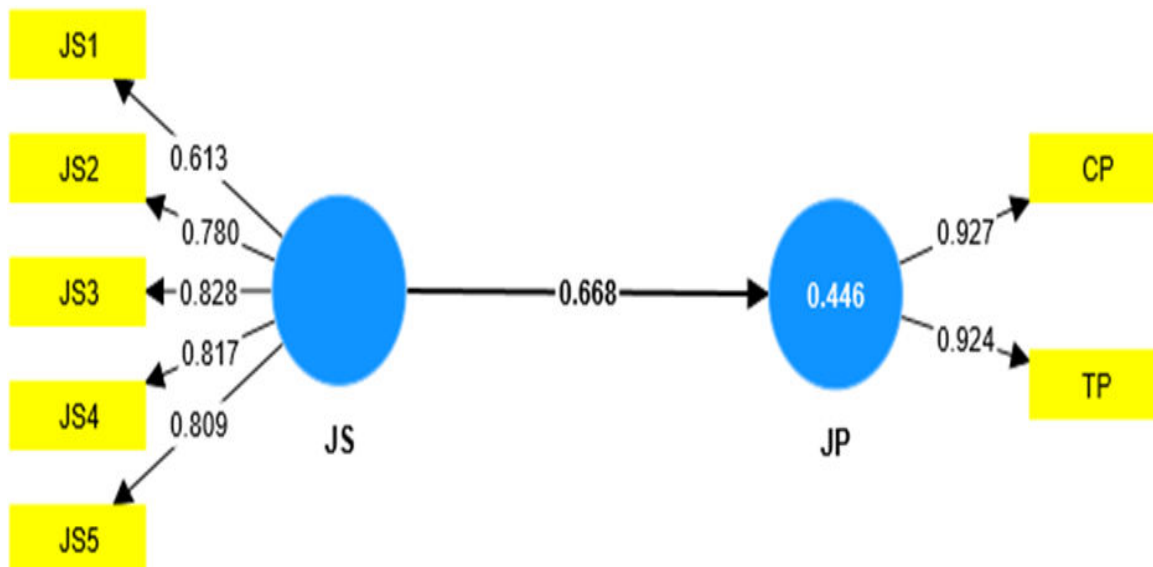
The outer loadings of all components, with values either above 0.7 or at least 0.5, are considered acceptable. Item CP7 was removed due to negative loadings, similar to item CP1, which was excluded from the subsequent analysis due to its lower value. Table 4.21 indicates that all other items have outer loading values of 0.7 or higher, confirming their suitability for further analysis. Each item is deemed satisfactory and retained for further analysis, as evidenced by table where all items show outer loading values above 0.7 or 0.5.

**Hypotheses Testing**

**H1: There is a significant impact of job satisfaction on job performance.**

The diagram illustrates job performance as the dependent variable and job satisfaction as the independent variable for evaluation. The analysis includes assessing the coefficients of the structural model paths and the coefficient of determination ( $R^2$ ).

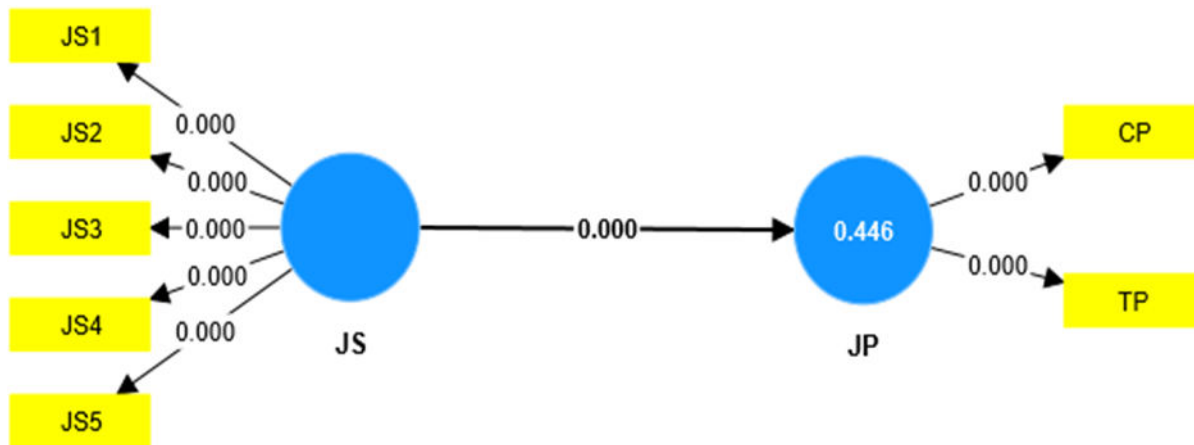
**Structural model: Impact of JS on JP**





Source: Author’s Own Calculation

**Structural model: Impact of JS on JP**



Author’s Own Calculation

**1.R -Square and R-square adjusted**

Column1	R-square	R-square adjusted
JP	0.446	0.444

Source: Author’s Own Calculation

**2. Path Coefficients**

Colum n1	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics ( O/STDEV )	P values
JS -> JP	0.668	0.67	0.036	18.688	0

Source: Author’s Own Calculation

The adjusted R-square of 0.444, which closely resembles the R-square value after accounting for the number of predictors, shows a robust model fit, as shown by Table. The degree to which the regression model matches the dependent variable, job performance (JP), is indicated by the R-square and adjusted R-square values. Greater percentages of the dependent variable's variation described by the model are indicated by higher R-square values, which suggest a better fit. More specifically, job satisfaction accounts for roughly 44.6% of the variability in job performance, as indicated by the adjusted R-square value for job performance (JP) of 0.446. Consequently, about 44.6% of the variations in job performance that have been noted can be attributed to job satisfaction.

The relationship between job performance (JP) and job satisfaction (JS) is seen in Table 2. The table's P value of less than 0.05 suggests that job performance (JP) is strongly influenced by job satisfaction (JS). The hypothesis testing's findings demonstrate that job satisfaction has a major

influence on employees' job performance in the hotel sector. That the hypothesis is accepted follows naturally.

### **Discussion**

Organisational behaviour study indicates a strong relationship between job performance (JP) and job satisfaction (JS). According to the underlying idea, negative emotions can result in behaviors that are contrary to one's beliefs, whereas happy emotions typically lead to behaviors that support or validate those views (Eagly and Chaiken, 1993; Fishbein and Ajzen, 1975). In Fisher's original investigation, managers, executives, and employees generally agreed that job happiness directly improves work performance. Fisher (2003) conducted two key studies supporting this link. Students who looked into this further agreed that those who are happy in their jobs are productive workers.

Further research supports the positive relationship between JS and JP in a range of professional contexts. For instance, Gu and Siu (2009) found a strong correlation between workers' job happiness and output at the casino hotels of Macao. According to their findings, happy workers typically perform better on the job, which has a favorable impact on organisational outcomes. Numerous studies demonstrate how crucial it is to promote job satisfaction in order to improve overall job performance and organisational success.

The present study's conclusions are in good agreement with earlier studies, such as a 2010 study by Nimalathan and Brabete that looked at the connection between job performance (JP) and job satisfaction (JS). Their study found a strong association between these variables, highlighting the significance of elements like equitable opportunities for advancement, sufficient pay, and a positive work environment. They came to the conclusion that good working conditions and job satisfaction play a big role in maximizing worker performance. This reaffirms the body of research showing that improving job satisfaction through hospitable work environments and just policies can result in better job performance and overall success for the organization.

### **Conclusion**

The study's conclusions highlight how crucial it is for businesses to encourage employee job happiness. Higher levels of productivity and engagement are more likely to be shown by workers when they are happy with their jobs and have comfortable working environments. Consequently, this has a favorable effect on organisational outcomes like overall success, personnel retention, and efficiency. As a result, businesses ought to give top priority to initiatives that increase worker satisfaction by implementing laws that promote equity, offer sufficient compensation, and create a positive work environment. By doing this, they may establish work conditions that inspire workers to provide their best effort, which will ultimately improve output and ensure the long-term success of the company.

## **References**

- Bakotić, D. (2016). Relationship between job satisfaction and organisational performance. *Economic Research-Ekonomska Istraživanja*, 29(1), 118-130.
- Blau, P. M. (1964). *Exchange and power in social life*. Transaction Publishers.
- Blau, P. M. (1964). *Exchange and power in social life*. Transaction Publishers.
- Borman, W. C., & Motowidlo, S. J. (1993). Expanding the criterion domain to include elements of contextual performance. In N. Schmitt & W. C. Borman (Eds.), *Personnel selection in organizations* (pp. 71-98). Jossey-Bass.
- Brown, S. P., & Peterson, R. A. (1993). Antecedents and consequences of salesperson job satisfaction: Meta-analysis and assessment of causal effects. *Journal of Marketing Research*, 30(1), 63-77.
- Campbell, J. P. (1990). Modeling the performance prediction problem in industrial and organizational psychology. In M. D. Dunnette & L. M. Hough (Eds.), *Handbook of industrial and organizational psychology* (Vol. 1, pp. 687-732). Consulting Psychologists Press.
- Campbell, J. P., McCloy, R. A., Oppler, S. H., & Sager, C. E. (1993). A theory of performance. *Personnel selection in organizations*, 3570.
- Campbell, J. P., McHenry, J. J., & Wise, L. L. (1990). Modeling job performance in a population of jobs. *Personnel Psychology*, 43(2), 313-575.
- Chi, C. G., & Gursoy, D. (2009). Employee satisfaction, customer satisfaction, and financial performance: An empirical examination. *International Journal of Hospitality Management*, 28(2), 245-253.
- Chi, C. G., & Gursoy, D. (2009). Employee satisfaction, customer satisfaction, and financial performance: An empirical examination. *International Journal of Hospitality Management*, 28(2), 245-253.
- Diwakar, K., Bhalla, P., Rehman, M., & Peer, U. A. (2024). Examining The Impact Of Social Entrepreneurship On Empowering The Transgender Community In India : An Empirical Analysis. 30(3), 636–646. <https://doi.org/10.53555/kuey.v30i3.1329>
- Hackman, J. R., & Oldham, G. R. (1976). Motivation through the design of work: Test of a theory. *Organizational behavior and human performance*, 16(2), 250-279.
- Hackman, J. R., & Oldham, G. R. (1976). Motivation through the design of work: Test of a theory. *Organizational Behavior and Human Performance*, 16(2), 250-279.

Judge, T. A., Thoresen, C. J., Bono, J. E., & Patton, G. K. (2001). The job satisfaction-job performance relationship: A qualitative and quantitative review. *Psychological Bulletin*, 127(3), 376-407.

Landy, F. J., & Conte, J. M. (2013). *Work in the 21st Century: An Introduction to Industrial and Organizational Psychology*. John Wiley & Sons.

Locke, E. A. (1976). The nature and causes of job satisfaction. In *Handbook of industrial and organizational psychology*.

Locke, E. A. (1976). The nature and causes of job satisfaction. In *Handbook of industrial and organizational psychology*.

Nagpal, R., Singh, P., Angra, P. K., Cheema, G. S., & Rehman, M. (2024). Wearable Computing: Canonical Correlation Analysis (CFA) Statistical Method to Validate the Measurement Models Smart Ergonomic Shoes. *International Journal of Intelligent Systems and Applications in Engineering*, 12(17s), 404–408.

Noe, R. A., Hollenbeck, J. R., Gerhart, B., & Wright, P. M. (2006). *Human resource management: Gaining a competitive advantage*. McGraw-Hill.

Pizam, A., & Neumann, Y. (1999). The effect of task characteristics on hospitality employees' job satisfaction and burnout. *Tourism Management*, 20(1), 29-37.

Rehman, M., & Dhiman, D. B. (2022). To Study the Impact on the Perception of Banking Customers toward E-Banking (A Case Study of Jk Bank Customers). *Journal of Corporate Finance Management and Banking System*, 26, 10–20. <https://doi.org/10.55529/jcfmbs.26.10.20>

Podsakoff, P. M., MacKenzie, S. B., Moorman, R. H., & Fetter, R. (1990). Transformational leader behaviors and their effects on followers' trust in leader, satisfaction, and organizational citizenship behaviors. *Leadership Quarterly*, 1(2), 107-142.

Rehman, M., Dhiman, B., Kumar, R., & Cheema, G. S. (2023). Exploring the Impact of Personality Traits on Investment Decisions of Immigrated Global Investors with Focus on Moderating Risk Appetite : A SEM Approach. 8984(August), 95–110.

Rehman, M., Dhiman, B., Nguyen, N., Dogra, R., & Sharma, A. (2024). Behavioral Biases and Regional Diversity : An In-Depth Analysis of Their Influence on Investment Decisions - A SEM and MICOM Approach. 4(2), 70–85.

Robbins, S. P. (2003). *Organizational Behavior*. Prentice Hall.

Schneider, B., Ehrhart, M. G., Mayer, D. M., Saltz, J. L., & Niles-Jolly, K. (2003). Understanding organization-customer links in service settings. *Academy of Management Journal*, 46(3), 364-375.

Smith, P. C., Kendall, L. M., & Hulin, C. L. (1969). The measurement of satisfaction in work and retirement. Rand McNally.

Spector, P. E. (1997). *Job Satisfaction: Application, Assessment, Causes, and Consequences*. SAGE Publications.

Weiss, H. M., & Cropanzano, R. (1996). Affective events theory: A theoretical discussion of the structure, causes, and consequences of affective experiences at work. *Research in Organizational Behavior*, 18, 1-74.

Wright, T. A., Cropanzano, R., & Bonett, D. G. (2002). The moderating role of employee positive well-being on the relation between job satisfaction and job performance. *Journal of Occupational Health Psychology*, 7(2), 93-105.

Rehman, M., & Dhiman, D. B. (2022). To Study the Impact on the Perception of Banking Customers toward E-Banking (A Case Study of Jk Bank Customers). *Journal of Corporate Finance Management and Banking System*, 26, 10–20.  
<https://doi.org/10.55529/jcfmbs.26.10.20>

{Bibliography