Relations of Internal and External Malaysian Hotel Clients’ Satisfaction

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ABSTRACT

This paper reports the internal and external Malaysian Hotel client relations. Most of the previous studies only focused to the satisfaction of the external clients solely and only a few which related between both these variables. This study also studies the related factors that have become a turning point to the internal factors namely the personalities between the employee with the employer, employees with employees and employees to the clients of the hotels. However, the external variables study only on the satisfactory aspects of the clients towards the services and facilities provided by the hotels. The main focus of this study is to see the relations between the external clients as well as the factors which influence these clients. The data were randomly collected from 120 samples by distributing questionnaires around Port Dickson in Negeri Sembilan, Malaysia. In general, this study is able to explore the factors that influence the satisfaction of external and internal clients as well as to arise questions as to whether there are any relations between both these satisfactory aspects.

Keywords: Staff satisfaction, clients’ satisfaction, services quality, services hotel industry, internal factors, external factors.

INTRODUCTION

The hotel industry in Malaysia is expanding rapidly due to the increase of foreign tourist. The services provided by the hotels must fulfill the criteria and the facilities which would enable both domestic and foreign good value and experience for their money spent here. Therefore, the organization must strive to enhance their quality of services especially from the aspect of staff and employees. This is because the factors that influence the clients to purchase do not only depend on the quality of the product but also on the hospitality and capabilities of the staff. These factors will motivate the clients to use the services. This study investigates on the relation between satisfaction of both internal and external variables either in relation by linear or non-linear.

Internal Satisfaction

Job satisfaction refers to the general attitude of an individual towards his or her work. According to William and Hazer (1986), job satisfaction refers to the emotion of an employee and refers to the effective response to the specific aspect of the employee (Terry Lam, Tom Baum & Ray Pine, 2001:36) Greenberg and Baron (2003) explain that job satisfaction as the positive or negative attitude shown by individuals towards their job.

External Satisfaction

The word ‘satisfaction’ is derived from the Latin word ‘satis’ which means to do. Satisfaction can be defined as being able to fulfill a matter or to do something sufficiently. According to Kamus Dewan Dictionary (2005:1239) satisfaction is about being satisfied, relief and enjoyment). Generally, satisfaction can be defined as a good or happy feeling which arises when we get something or when we require it. However when there is link to the context of management, the definition of satisfaction will be varied and complex.
The Relation Between Internal Clients and External Clients

Internal clients’ satisfaction is a factor that plays an important role either positively or negatively in forming the satisfaction of the external clients.

According to Gibson (2000) the job satisfaction is an attitude possessed by employees towards their work. An individual with a high job satisfaction level will show a positive attitude towards his or her work. On the other hand an individual who is not satisfied with his or her work will portray a negative attitude towards the work.

From the clients’ point of view, the effectiveness of the service is when the clients are satisfied with the services rendered and not according to a rigid service evaluation. The cost will be borne by the hotel if the effectiveness is not achieved such as loss of clients, reducing staff capital, negative verbal comments and the need to pay compensation due to errors in the services provided.

LITERATURE REVIEW

Most of the organizations nowadays especially service oriented organizations strive to fulfill the employees’ satisfaction. Greenberg and Baron (2003) explained job satisfaction as a positive and negative attitude performed by individual towards their jobs. Besides, Gibson (2000) stated that job satisfaction as an attitude possessed by employees will give full commitment to the organizations and will have high esprit de corps (Kohl & Jaworski, 1990) Schlesinger and Heskett (1991) had previously mentioned that the increase of employees’ incentives, training and the fore front selection in an organization would enhance the level of employees’ satisfaction. Shore and Tetrick (1991) in their research proposal stated that there are positive relations towards job satisfaction if there is support from the management. The findings of the study by Oshagbemi (2000) stated that the working hours have a significant and positive relation to the job satisfaction. However, if the duration is too long then it would cause the employees to feel the boredom and their level of job satisfaction will be low. (Shah Jalal Sorker, Alf Crossman, Parkpoom Chinmeteepituck, 2003). Ronen (1978) stated that the high level of job satisfaction is influenced by the ranking or position in the job (Titus Oshagbemi, 2003). Miles et.al (1996) found that rank is very significant in influencing the job satisfaction among employees.

According to Day (1994); Day and Wesley (1988) , Drucker (1954); Hooley et al (1990); Kotler (1977) the main objective of a marketing oriented organization is to create and fulfill the requirements of customers. The customers have made their decision to believe that the level of service is assessed by the customers themselves and not only by the interaction with the services provider (Refer & Jan 1994). Most of the studies conducted usually concentrate on relations of the customers’ satisfaction with the variables such as quality and loyalty (Athanassopoulous 2000; Colgate & Stewart, 1998; Lee et al. 2000). Loyalty can be divided into two dimensions namely the behavior and attitude (Julander etal, 1997). Previous researches show the increase of loyal customers of 5% would increase the profit from 25% to 85% (Reicheld & Sasser, 1990). In addition, quality also plays an important role in fulfilling the satisfaction of customers. According to Oliver (1996), the relations between quality and customers’ satisfaction, both would reflect the comparison between forecast and customers’ perception.

Wilson and Frimppong (2004) through the study by (Isen & Levin 1972; Isen et al.1978) focused more on employees’ satisfaction with customers’ satisfaction. Employees in a good mood will focus towards a helping attitude which gives effect to quality of the service and gradually to the satisfaction of customers. Morris and Feldman (1996) through the findings of Hochschild (1983) stated in his research that employees’ satisfaction will enlighten the job emotion and will contribute to the quality of the service and customers satisfaction. The study conducted by Morris and Feldman (1996) through the findings of Hochschild (1983) in the same as the study conducted by Ulrich (1992) and Ulrich et.al.(1991) that the satisfied employees will be committed towards the service ethics which will bring to the understandings of customers’ prediction and will give the sincere ability to the employees to satisfy the customers. According to Band (1988) and George (1990) the satisfaction of employees is the strategic weapon in achieving the high level of quality of services and customers’ satisfaction. This is because according to Ulrich (1992) and Ulrich et.al. (1991), employees who are satisfied will be committed to their duties. Eisenberger et.al (1986) in their study stated that employees will use their perception of being appreciated and taken care by the organization to increase their effort in
their duties. Moreover, previous studies here also shown that employees who are satisfied will show an attitude of helping the customers (Locke & Lathem, 1990; Weatherly & Tansik, 1993). Schneider (1980) in his study found evidence that the satisfaction of employees is the main factor as to why employees give quality services. Bitner et.al (1990); Estelami, (2000); Estelami and De Maeyer (2002); Keaveney, (1995) stated that the attitude of employees played an important role towards the satisfaction of customers.

**Issues of the Study**

The development of the tourism industry in Malaysia has doubled compared to ten years ago. This development has caused a lot of hotels to be constructed and open. This has caused competition in the hotel industry in Malaysia. This study will view and investigate the relatives between the internal clients’ satisfaction namely the employees of the hotel to the external clients’ satisfaction which are the clients of the hotels in the hotel industry in Malaysia. In order to succeed in this competition only the hotels which provide the services in accordance to the requirements of the clients will be able to succeed. Hotels which are able to fulfill the requirements of the clients will be able to provide satisfaction to the clients. The satisfied clients will return to the hotels and also inform other potential clients and this will open business opportunities for the organization. The role of the employees is important to fulfill and achieve this purpose. Satisfied employees will give full commitment towards the job. The effect of this commitment will be the quality of the service rendered.

This study is conducted to concentrate on the factors pertaining to the internal as well as external satisfactions in the hotel industry in Malaysia. The researchers are studying the factors which contribute satisfaction to the clients such as facilities, hospitality and others. Besides, the researchers also studies on the factors that contribute to the satisfaction of the employees such as the relationship with co-workers, salary, leave, allowance and others. This study is a small move to view the relations between employees and clients as well as the outcome on the performance of the organization.

**Theoretical Framework**

Based on the brief discussion, an outline of the theory has been developed:

**Diagram 1: Model of relations between the internal factors and external in the satisfaction of internal clients.**

**Diagram 2: Model of relations between the facilities and services in the satisfaction of external clients.**

Based on this theory outline, the following are the hypotheses:

**Hypothesis**

H1: There is positive significant relation between the internal factors and the satisfaction of employees.
H2: There is positive significant relation between the external factors and the satisfaction of employees.
H3: There is positive significant relation between the services and the satisfaction of customers.
H4: There is positive significant relations between the facilities and the clients’ satisfaction.

METHODOLOGY

This study investigates on the relations between the internal clients’ satisfaction and external clients’ satisfaction. In order to achieve the objective of this study, the data’s were collected through questionnaires which were distributed randomly to hotel employees and clients around Port Dickson, Malaysia.

Instrument

Data’s were collected using the distribution of questionnaires because this method is more effective in the data collection process. According to Aaker et.al (1998) and Ruys & Wei (1998), the questionnaires are suitable as its feedback is good. Two sets of questionnaires were prepared and each studies on the satisfaction of internal and external clients. The questionnaires that studies on the aspect of employees satisfaction is divided among employer and employee and employee with clients. Whereas, the questionnaire on the external clients satisfaction is divided into two parts namely the satisfaction of clients towards facilities and services provided by the hotel. The questionnaires is furnished with 5 levels of Likert scale from 1 (Not satisfied at all), 2 (Unsatisfactory), 3 (Satisfactory), 4 (Satisfied) and 5 (very satisfied). The Likert scale is used in the questionnaire because this study is an observation study which usually uses it in order to test attitude (Wiersma, 1995). The respondents were required to state the extent that they are satisfied or not satisfied based on the statements given.

Samples

In this study, the internal clients refer to the employees of the hotels in Port Dickson, Malaysia and the external clients are the clients/guest of the hotels in Malaysia. Using the systematic samples, 120 respondent were used whereby 60 respondents for the study on employees’ satisfaction (A) and 60 respondents for the study clients satisfaction (B). The questionnaires were distributed in hotels and to clients in the vicinity of the resort of Port Dickson. Only 98 questionnaires (81.6%) of the 120 questionnaire were returned. 53 questionnaires (88.33%) were returned by the respondents from category A while 45 (75%) were from category B. From the 53 questionnaires returned by the A respondents only 47 (88.68%) of it could be used in the study while 43 (95.56%) out of the 45 questionnaires of respondents B could be used.

Analysis and Findings

From the 120 respondents involved as samples, only 98 (81.67%) returned their responses. From the 98 respondents, 53 (54.08%) are of the internal clients’ satisfaction and only 47 (88.67%) of the data’s could be used in this study. 53 (88.68%) of the respondents of external clients’ satisfaction were returned and only 43 (95.56%) of the data’s could be used. 43 (71-67%) of the 60 respondents in the overall sample used to the study the external clients’ satisfaction 15 (34.9%) are female respondents. 21 (48.8%) of the respondents are in the range of 20 to 30 years of age, 14 (32.6%) of the respondents are between 31-40 years old, while 8 (18.6%) of the respondents are above 41 years of age. 7 (16.3%) of the respondents are civil servants, 16 (37.2%) of the respondents and the private sector while 15 (34.9%) of the respondents are student and the rest 5 (11.6%) of the respondents are from the other professions. Among the 43 respondents, 2 (4.7%) of the respondents have stayed in one star rated hotels, 6 (14.0%) of the respondents have stayed in 2 star rated hotels, 17 (39.5%) of the respondents have stayed in 3 star rated hotels while 15 (34.9%) of the respondents have stayed in 4 star rated hotels and the rest 3 (7.0%) of the respondents have stayed in 5 star rated hotels.

47 of the respondents samples on internal clients’ satisfaction comprise of 20 (42.6%) male respondents and 27 (57.4%) female respondents. 29 (61.7%) of the respondents are between 20 to 30 years old, 15 (31.9%) of the respondents are in the range of 31 to 40 years of age and the rest 3 (6.4%) of the respondents are above 41 years old. 44 (93.6%) of the respondents and permanent staff and 3 (6.4%) are contract staff. 25 (53.2%) of the respondents have working experience of between 1 to 5 years, 15 (31.9%) of the respondents have between 6 to 10 years of working
experience, 6 (12.8%) of the respondents have 11 to 15 years of working experience and 1 (1.2%) of the respondents has worked for between 16 to 20 years.

All the data’s collected were processed using the SPSS for Windows Latest Version software. The trustworthiness of the validity of the scale and subscale of the instruments is determined by using the Cronbach’s Alpha Coefficient for the instrument scale for the clients’ satisfaction and employees’ satisfactions are as shown in schedule 1 and schedule 2.

### Schedule 1: Trustworthiness for the scale of clients’ satisfaction

<table>
<thead>
<tr>
<th>Item</th>
<th>Cronbach's Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clients’ Satisfaction</td>
<td>0.926</td>
</tr>
<tr>
<td>Facilities</td>
<td>0.883</td>
</tr>
<tr>
<td>Services</td>
<td>0.773</td>
</tr>
</tbody>
</table>

Summary of test results and results between internal factors and external factors with employees’ satisfactions were shown in schedule 2.

### Schedule 2: Summary of Test Results: Relations between internal factors and external factors with employees’ satisfaction.

<table>
<thead>
<tr>
<th>Pearson Correlation</th>
<th>Internal Factors</th>
<th>External Factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees Satisfaction</td>
<td>0.197</td>
<td>0.325*</td>
</tr>
<tr>
<td>Significant</td>
<td>0.185</td>
<td>0.026</td>
</tr>
<tr>
<td>N</td>
<td>47</td>
<td>47</td>
</tr>
</tbody>
</table>

* Correlation is significant at the 0.05 level (2-tailed).

Summary of Test Results and Relation between facilities and services with clients’ satisfactions as shown on schedule 3.

### Schedule 3: Summary of Test Results: Relations between facilities and services with clients’ satisfaction.

<table>
<thead>
<tr>
<th>Pearson Correlation</th>
<th>Facilities (F)</th>
<th>Services (S)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clients’ Satisfaction</td>
<td>0.847**</td>
<td>0.552**</td>
</tr>
<tr>
<td>Significant</td>
<td>0.000</td>
<td>0.000</td>
</tr>
<tr>
<td>N</td>
<td>43</td>
<td>43</td>
</tr>
</tbody>
</table>

** Correlation is significant at the 0.01 level (2-tailed).

### Schedule 4: Regression Analysis of Employees’ Satisfaction

<table>
<thead>
<tr>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>Change Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>R Square Change</td>
</tr>
<tr>
<td>.382(a)</td>
<td>.146</td>
<td>.107</td>
<td>.37629</td>
<td>.146</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>F Change</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3.757</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>44</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>.031</td>
</tr>
</tbody>
</table>

* Predictors: (Constant), External, Internal |

Based on Schedule 4, the results of regression analysis shows the regression coefficient R=0.382 with R square = 0.146 or 14.6% only that contributed the internal and external factors to the satisfaction of the employees. This means that the analysis of the study found the value of P=0.031 < 0.05 and therefore it is significant.

### Schedule 5: Regression Analysis of Clients’ Satisfaction

<table>
<thead>
<tr>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>Change Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>.863(a)</td>
<td>.745</td>
<td>.732</td>
<td>.31148</td>
<td>.745</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>58.469</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>40</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>.000</td>
</tr>
</tbody>
</table>

* Predictors: (Constant), service, facilities |

b Dependent Variable : clients’ satisfaction
However in schedule 5, the results of the regression analysis shown the regression coefficient R=0.863 with R square =0.745 or 74.5% that contributed facilities and services to the clients satisfaction. This means that analysis of the study found that the value of P=0.000 < 0.01 and therefore it is significant. Generally, the regression equation is shown as in formula below:

\[ Y = a + (b1.x1) + (b2.x2) + (b3.x3) + (b4.x4) + e \]

\( a = \) constant  
\( b = \) coefficients  
\( x1-x2 = \) independents variables

Employees' satisfaction = 0.566+0.365 (Internal) +0.514 (External) + 1.172

Based on the formula above, it can be concluded that both factors whether internal and external play an important in creating satisfaction among employees of the hotel. In comparison of both these factors, the external factor is more important than the internal factor in obtaining satisfaction among the employees. Y shows the satisfaction achieved by the employees of the hotel. The content for this formula is ‘a’ 0.566 which is fixed and will not change although the coefficient for internal factors (D) is 0.365 which is positive because there is significant relation between internal factors and satisfaction of the employees. For the coefficients of external factors (L) which also shows positive value of 0.514 shows the significant relation between external factors with satisfaction of the employees. The constants ‘e’ is 1.172 which shows standard error constant for the formula.

Employees' satisfaction = 0.957+1.085 (Facilities) – 0.317 (services) + 0.381

Based on the formula it can be concluded that clients pay more emphasis on facilities provided in hotels compared to services or hospitality provided in hotel. Y shows the satisfaction achieved based on facilities and services provided by the hotels. The constant for the formula is ‘a’ 0.957 which is fixed and will not change when other coefficients charge. The coefficient for facilities (F) is 1.085 which is positive and this is due to the significant relation between facilities to the employees’ satisfaction. The constant of services (S) shows a negative constant which indicates an insignificant relation between services and clients’ satisfaction. This means that the clients do not give emphasis to services in their satisfaction. References to ‘e’ 0.381 shows standard error of constant for the formula.

**DISCUSSION**

The discussion is divided into 3 parts based on the analysis of the data’s and findings. First is the relation between internal and external factors to internal satisfaction (employees) in the hotel service in Malaysia. Non- dependable variables identified are the internal and external factors. Dependable variables are satisfaction of internal clients (employees). The first objective in this research is to identify if there is any relation between internal factors to the employees’ satisfaction. The second objective to be achieved is to identify if there is any relation between the external factors to the satisfaction of employees. Pearson Correlation Analysis is used to the study if there is any relation between the non dependable variable sand dependable variables.

It is found in this study that there is insignificant internal factors with employees satisfaction based on the analysis of data’s obtained which is \( r = 0.185, p < 0.05 \). This findings is not equivalent to the hypothesis predicted by the researcher which is \( H1 = \) there is positive significant between internal factors with employees’ satisfaction. However, it is found that the relations between external factors with employees' satisfaction is significant based on the data analysis obtained which is \( r = 0.026, p < 0.05 \). This finding is the same as the hypothesis predicted by the researcher which is \( H2=\) there is no positive significant relation between the external factors with the employees’ satisfaction.

Furthermore, the third objective to be achieved is to identify if there is any relation between services with external clients’ satisfaction. Non-dependable variable identified is the service. It is found that the relation between service is significant to the clients’ satisfaction based on the analysis of data’s obtained; \( r =0.000, p < 0.01 \). This finding is as the same as the hypothesis predicted by researcher; \( H4= \) there is positive significant relation between service with clients’ satisfaction.

Based on the objective of the study, the main objective intended to be achieved is the relation that exist between the internal clients’ satisfaction and external customers in the hotel industry in Malaysia. Based on the analysis of data, it can be concluded there is no relation between the internal clients’ satisfaction and external consumers in the hotel industry in Malaysia. Based on the analysis of R square, the study has shown that only 14.6% of the internal clients
who have achieved satisfaction compared to 74.5% of external clients who have achieved satisfaction. This shows that there is a difference and could be further concluded that the internal clients’ satisfaction does not have any relation between the internal client satisfaction and external consumers in the hotel industry in Malaysia. Although the study indicates low internal clients satisfaction it can provide satisfaction to the external clients on reasons that cannot be identified.

While carrying out the study, there were several hindrances faced by the researcher and possibly interrupted the findings of the study. Among the problems is that the question in the survey did not have sufficient confirmation. Besides, the answer given by the respondents are answers beyond the control of the researcher. Therefore, the researcher could only take samples in one place only which is in hotels in the surrounding of the Port Dickson, Malaysia. Hence, the findings obtained may not fulfill the main objectives of the study.

It is proposed that non-dependable variables on other employees be used in further research/study so that the outcome of the study can relate between the internal clients’ satisfaction with the internal clients’ satisfaction.

Based on the outcome of this research, it can be concluded that the internal hotel clients’ satisfaction does not have any direct relation to the external clients’ satisfaction which are the hotel’s clients/guests. Based on the analysis of R square which was conducted, the study reveals that only 14.6% of the internal clients have achieved satisfaction compared to 74.5% of external clients who have achieved satisfaction. This shows a vast difference and based on the data. It can also be concluded that the internal clients’ satisfaction did not give any effect to the external clients’ satisfaction.

REFERENCES


