Benefits of employee empowerment for service quality and job satisfaction in the hospitality industry

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Affidavit

I hereby affirm that this Bachelor's Thesis represents my own written work and that I have used no sources and aids other than those indicated. All passages quoted from publications or paraphrased from these sources are properly cited and attributed.

The thesis was not submitted in the same or in a substantially similar version, not even partially, to another examination board and was not published elsewhere.

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Abstract

During the author's exchange semester, she got an insight into human resource management in the hospitality industry and her attention was drawn to the question: "How do people get other people to do jobs in the expected way?" As motivation plays a big part here, and as empowerment is often claimed to motivate employees, she wanted to find out more about this construct. Moreover, as job satisfaction and service quality also play an essential part in the hospitality industry, the author examines if and how, through empowerment, the overall service performance increases, and if and how empowerment contributes toward an increase in employees' job satisfaction. Those two research questions were completed by a third one that aimed to develop the interrelation between the construct of empowerment, job satisfaction, and service quality.

By means of this thesis and through examining existing respective literature, the author wanted to show that empowering employees effectively will support a hospitality organization in achieving enhanced service quality and job satisfaction, and thus, competitive advantage. Furthermore, an expert interview with the Human Resources Manager of The Ritz-Carlton Vienna was conducted in order to answer the research questions and to underline the importance of empowerment to hospitality organizations.

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HR   Human Resources

1   Introduction

Various factors, such as globalization, intensified competition, and a fast-changing environment, have required organizations to change the way they manage their human resources (Thomas and Velthouse, 1990; Koppermann et al., 1996). Managers were challenged to find a new, more creative way to exploit the maximal potential as well as all capabilities of their workforce in order to be able to compete on a global market. Employees should no longer be perceived as unskilled, lazy and irresponsible individuals, who need to be controlled constantly and reminded of their tasks and who represent a major matter of expense within the hospitality industry (Lashley, 2001). In fact, employees should be granted more power to influence decisions that affect their work, should be allowed to decide on how to accomplish the defined goals, should be able to perform tasks that are important for them, and should be supported by management to develop the necessary competence (Quinn and Spreitzer, 1997).

Although, the most encounters between the organization and its customers take place through the organization's front-line employees, who are responsible for performing quality service, they get the lowest pay and valuation by the organization (Baum, 2006). Various authors (e.g. Riley, 1996; Hoque, 2000) argue that hospitality is a very labor-intensive industry and thus, people are crucial to its success. Although technology is constantly emerging, there will always be some personal contact required and desired between the supplier and receiver when it comes to the delivery of hospitality services (Baum, 2006). In former times, employees were mainly regarded as cost centers that needed to be reduced in order to be competitive on the market (Lashley, 2001). However, empowerment changed the way of how organizations obtain a competitive advantage. They are no longer cost leaders, but quality leaders.

The delivery of good service quality by front-line staff is crucial to the organizations' overall success, simply because delivering poor service is depreciated by customers, who can choose and reason what and from whom they purchase (Baum, 2006).

Being leader in quality delivery requires employees who are committed to delight customers, meaning to exceed their expectations through service performance. Committed employees are one potential benefit brought by the successful implementation of empowerment (Lashley, 2001). As argued by Riley (1996), the concept of commitment and empowerment work hand-in-hand and provide a basis for high quality. Empower-

ment can be seen as an activity for enhancing commitment, which in turn helps to provide advanced service quality. Through implementing this concept, the employee performance turns from being a mean of service delivery to being part of the service itself.

The organizations' ability to gain competitive advantages and increased performance by empowerment can be explained by employees who are enabled to respond immediately to special customer needs and adapt the service accordingly, which is especially essential in cases of customer dissatisfaction (Lashley, 1996). Contacts between customers and front-line employees are described by Carlzon (1987, cited by Baum, 2006) as moments of truth and happen thousands of times each day in hospitality organizations. Moments of truth can be only short in time, such as the check-in at the hotel, but are crucial to the organization's success. Employees have the opportunity to either disappoint the customer through not meeting their expectations or to satisfy the customer by, in the best case, exceeding or at least meeting expectations (Baum, 2006).

Moreover, Lashley (1996) further describes that employees are likely to develop a sense of personal responsibility to or ownership of the task in order to ensure customer satisfaction.

What Riley (1996) perfectly points out is the fact that for delivering a high quality service in the hospitality industry, it is important to reduce labor turnover. Even if the constantly changing workforce is well trained, high labor turnover can never lead to consistent and high-quality service. Therefore, the focus of management should lie on keeping the existent employees, increasing their job satisfaction and reaching employee commitment to the company. To achieve higher commitment by employees, more sophisticated motivation practices must be implemented by management. Lashley (2001) links the importance of good service quality to increased customer satisfaction and retention, which in turn leads to employee satisfaction and lower turnover. Reduced turnover again leads to customer satisfaction as well as to good service quality and thus, the virtuous cycle is closed.

The question that now arises is how those employees can be motivated in order to make them not only perform their duties on a sufficient level, but also actively take responsibility in order to exceed what is expected from customers (Riley, 1996). According to research, empowerment can serve as a motivational tool to provide high-quality service, as it, if successfully implemented, addresses and fulfills some intrinsic needs, such as the need for self-actualization, power and achievement (Thomas and Velthouse,

1990). In addition to that, some argue that empowerment also has the ability to enhance employee job satisfaction, as it provides intrinsic rewards when performing the job (Thomas and Tymon, 1994). In the following paper the author examines arguments of researchers about empowerment and its abilities to increase service quality as well as job satisfaction. Referring to this, the author formulated research questions to find out if and how empowerment influences service quality as well as job satisfaction and if and how those three concepts are interlinked.

1.1 Structure of the work

By writing this thesis, the author combines existing literature on the topics of empowerment, how empowerment can be explained as a motivational tool by relating it to some motivation theories, how empowerment is linked to service quality, and how it can lead to job satisfaction.

Chapter 2 will mainly deal with literature concerning empowerment: how the term can be defined, which different perspectives exist, what is necessary for empowerment to be implemented, which techniques can be used to empower people, how empowerment works as a motivational tool and what potential benefits a company can gain from empowerment.

Having examined empowerment in more detail, the author focuses on service quality in Chapter 3, followed by Chapter 4 which contains the concept of job satisfaction. Chapter 5 will then link empowerment to service quality, meaning how service quality can be enhanced by empowered employees, and to increased job satisfaction. The author also will provide an insight into the linkage of empowerment, job satisfaction, and service quality.

In Chapter 6, the methodology for research will be described in more detail. The findings of the expert interview and a discussion to the previously mentioned existing literature can be found in Chapter 7.

The final chapter will provide an overall conclusion and summary of the thesis.

2 Empowerment

The term empowerment is already spread and used in a variety of contexts, such as psychology, social work, emancipation of women, politics, education, law, and employment (Conger and Kanungo, 1988; Lashley, 2001; FRIDE, 2006). This development into different directions and fields of usage caused the meaning of the word to become blurred (Lashley, 2001). As there is no universally accepted definition existing, depending on the context, several interpretations of the term *empowerment* can be observed: some define it as "an alternative strategy to the traditional way of promoting development", others as "the ability to make decisions in questions that affect the life of a person", and still others simply as "a change in the relations of power" (FRIDE, 2006, p. 4).

The latter definition comes close to how empowerment is perceived by some in employment contexts. Though, as described by Lashley (2001), empowerment can take different forms that also reflect different views about the construct. However, what many definitions in the employment field have in common is that managers who empower take the role of authorities for the employees who are empowered. This also implies that the "empowerer" works on a higher level than the empowered, to whom empowerment is done, sometimes without negotiating (Lashley, 2001). With this explanation, empowerment is often defined as sharing or delegating power or authority (Conger and Kanungo, 1988; Bowen and Lawler III, 1992b, cited by Lashley, 2001).

Other researchers focus on the potential of empowerment to intrinsically motivate employees and thus, define it as "enabling" (Conger and Kanungo, 1988). Some commonly suppose that employee empowerment leads to an increased commitment to the business' success and that empowered employees will use their full potential and expertise in order to reach the organization's overall goals (Lashley, 2001). For instance, Thomas and Velthouse (1990) build on these assumptions and further take the aspect of power seen as energy to define empowerment as "to energize" employees.

Generally, there are two main streams of empowerment: the managerial context of empowerment and the motivational context of empowerment, which will be further discussed in section 2.1 and 2.2, respectively.

Concerning the definition by Bowen and Lawler III (1992b, cited by Lashley, 2001), where employees are given some decision-making power, through empowerment, employees are handed over more authority. This definition rather belongs to the managerial concept. That means in the ideal case, employees will be allowed to make decisions and correct issues themselves that lie within the boundaries of empowerment. In many service oriented organizations, this is implemented through allowing front-line employees to do what is necessary to secure customer satisfaction, often after customers voiced a complaint. This definition of empowerment can also involve that employees have the freedom of ordering inventory or deciding on the way of how to achieve the targets set by the organization. If empowerment is implemented according to this definition, employees are likely to experience an increase in job satisfaction as well as they are able to contribute to an increased organizational effectiveness. It also allows employees to deal with problems faster and the decisions about immediate tasks lie within the scope of those who possess the operational experience to make the right decision (Bowen and Lawler III, 1992b). Having the freedom of self-determination about task accomplishment, which is related to empowerment as a motivational concept, is only one of four dimensions of intrinsic task motivation and thus, empowerment (Thomas and Velthouse, 1990; Spreitzer, 1995; Quinn and Spreitzer, 1997). However, to create a committed workforce through empowerment, also the three other dimensions must be considered, which will be further explained in section 2.2.

In section 2.3, some crucial requirements for empowerment in an organization will be mentioned.

Lashley (2001) provides some examples of the usage of the term empowerment within the hospitality industry, for instance, to describe quality circles, suggestion schemes, customer care programs, autonomous work groups, and delayering the organization. Further elaboration of forms of empowerment can be found in section 2.4.

The last section (2.5) of Chapter 2 will provide an insight into the benefits that empowerment can bring if established appropriately.

2.1   Empowerment as managerial concept

In business environments, empowerment is still not consistently defined. FRIDE (2006) describes it as "the process of the distribution of power that allows the employee greater capacity for decision-making and greater autonomy over his/her work".

In the past, employers mainly assumed that employees are only working to earn money (Thomas and Velthouse, 1990), which made an authoritarian management style necessary to assure compliance to rules and regulations, decreasing the chance of experiencing empowerment for employees (Conger and Kanungo, 1988).

According to Thomas and Velthouse (1990), the term empowerment within businesses became popular when globalization and international competition forced organizations to change their management style in order to reach innovation, employee commitment, and willingness to take risks. Moreover, at this time research enforced empowerment's popularity as it drew the attention of managers towards the hidden capabilities and potentials of their workforce.

In management theory, according to Conger and Kanungo (1988), the term empowerment often implies delegating or sharing power with subordinates. When looking at this as a relational construct, it involves the assumption that one has power over others, which can be derived from one's position in the organization, personal characteristics, knowledge, or the access to resources (Conger and Kanungo, 1988).

Power

In order to better understand the concept of empowerment, it is important to think about power first. Power can be seen as the ability to do something (Stewart, 1997) or, more accurately described, as the "capacity to exert influence over others" (Greenberg & Baron, 2008, p. 471). Stewart (1997) describes three kinds of power supervisors carry out: power through position, power through knowledge, power through money.

- **Power through position**

Position power bases to the ability to influence others on the particular position somebody holds in an organization (Greenberg & Baron, 2008) and also refers to the ability to decide on punishments (Steward, 1997), which is also called coercive power (Conger and Kanungo, 1988; Greenberg & Baron, 2008). Using coercive power – "Do what I say!" – might be useful in a situation where a crisis is approaching or where immediate reaction is required. However, there are still managers who use the threat of punishments to influence employees in the desired way because some think they need to keep control over their employees' work. Those supervisors will never be able to use all the capacity of their workforce effectively (Stewart, 1997). Coercive power is often used in the traditional way of managing people, where no power is granted to subordinates

and where employees are explicitly told how to complete their jobs. If there is empowerment established, managers rather assist and guide their subordinates by using the power through knowledge (Greenberg & Baron, 2008).

- **Power through knowledge**

This particular kind of power relates to special skills, knowledge, and competences people possess (Stewart, 1997). If somebody is recognized as an expert in a particular area, people will tend to trust and do what this person says (Greenberg & Baron, 2008), which is evidence for good leadership (Stewart, 1997). Having such people as managers in an organization is an important basis for implementing empowerment. Additionally, as knowledge is power and power should be shared in the concept of empowerment, it would be important that managers of that ilk are willing to support their employees in increasing their education and skills and thus, also share their own knowledge (Stewart, 1997).

- **Power through money**

The third type of power that is described by Stewart (1997) refers to the possibility to provide or withhold instruments in order to do a job. For managers, it is important to keep in mind that in order to motivate their employees, they have to supply them with the necessary means to complete a task. For empowerment, this might mean that the manager needs to share his or her power and duties (Stewart, 1997).

The form of power that should be implemented within an organization is power through knowledge, as sharing knowledge and developing capabilities in and among all levels is essential for creating an empowered workforce. Moreover, power through money as it is described by Stewart (1997), provides the perspective for managers to act as facilitators for employees to be able to complete work successfully.

2.2   Empowerment as motivational concept

The way empowerment is described above is often the way empowerment is regarded from management literature and includes the assumption that the individuals possessing more power are more likely to succeed in their actions than those who have less. The intention of management then was to shift some of the power from the more powerful individuals to the subordinates, often described as sharing power or delegating authority by implementing quality circles or management by objectives (Conger and Kanungo, 1988).

However, Conger and Kanungo (1988) tried to look at empowerment from a motivational perspective and described empowerment as "…a process of enhancing feelings of self-efficacy among organizational members through the identification of conditions that foster powerlessness and through their removal …" (p. 474). They assume empowerment being internal to individuals, as they explain that everybody has an intrinsic desire for power, referring to self-determination (Deci, 1975, cited by Conger and Kanungo, 1988) and self-efficacy (Bandura, 1986, cited by Conger and Kanungo, 1988). Moreover, they argue that empowerment should be regarded as enabling, meaning being motivated through a greater self-efficacy, rather than delegation. "Enabling implies creating conditions for heightening motivation for task accomplishment through the development of a strong sense of personal efficacy." (p. 474).

Thomas and Velthouse (1990) further elaborated this theory to what is called "cognitive model of empowerment". Because the new development in motivational theory through empowerment strives to increase employees' commitment to their tasks, they focus on intrinsic task motivation, which involves employee motivation to perform a task and satisfaction with tasks formed from prior experiences. The authors established four intrinsic dimensions ("task assessments") that determine motivation within employees: impact, competence, meaningfulness, and choice.

2.2.1 Impact

When people assess a task according to its impact, they focus on the degree of contribution their actions can make towards performing the task and reaching the goal. Impact is closely related to perceived control over the environment, as both convey the feeling of being able to make an impact through the behavior (Thomas and Velthouse, 1990). Referring to Quinn and Spreitzer (1997), empowered employees believe having an impact.

2.2.2 Competence

Competence is described as being able to perform tasks skillfully and competently (Thomas and Velthouse, 1990). This same concept was discussed by Conger and Kanungo (1988) under the term "self-efficacy". According to Quinn and Spreitzer (1997), empowered employees have a feeling of self-confidence in task performance, meaning they know that they are able to accomplish the task.

2.2.3 Meaningfulness

Employees judge the value of a task according to their individual expectations and ideals. The outcome of this judgment is directly related to the employees' willingness to put effort into the task (Quinn and Spreitzer, 1997). Therefore, if employees perceive this task to be important to them, they are committed to the task and eager to put effort into it (Thomas and Velthouse, 1990). Empowered employees create a feeling of meaning (Quinn and Spreitzer, 1997).

2.2.4 Choice

Thomas and Velthouse's (1990) "choice" is equivalent to the term self-determination, used by Spreitzer (1995). It describes the degree to which each individual is responsible and the cause for his or her actions. "Self-determination reflects autonomy in the initiation and continuation of work behaviors and processes;…" (Spreitzer, 1995, p. 1443). Quinn and Spreitzer (1997) further point out that empowered employees will establish a sense of self-determination, meaning a feeling that they are able to decide on how to complete the task by themselves.

Assessing tasks according to those four criteria will shape employees' future behavior and thus, the outcome of tasks. This can be seen as a circular development. For instance, when employees experience low impact or inability to perform the task, employees will be unlikely to take initiatives, hence resulting in further decrease of competence, impact and so forth. Nevertheless, this cycle can also develop in reverse direction. If employees are able to establish a sense of being capable of accomplishing meaningful tasks and impacting the goal, employees are more likely to initiate actions and persist on tasks when facing obstacles (Conger and Kanungo, 1988; Thomas and Velthouse, 1990).

The four dimensions are only related to the task itself. However, Conger and Kanungo (1988) argue that also external, contextual factors can influence motivation and satisfaction, such as bureaucracy and authoritarian management styles.

Management can create conditions or use a strategy, such as sharing decision-making power, to increase the feelings of self-determination and efficacy in order to make employees feel more empowered. Though, empowerment cannot, in contrary to many assumptions, be done to employees. Individuals must choose to be and perceive them-

selves as being empowered. "They must see themselves as having freedom and discretion; they must feel personally connected to the organization, confident about their abilities, and capable of having an impact on the system in which they are embedded." (Quinn and Spreitzer, 1997, p. 41).

The author agrees with Conger and Kanungo (1988), Thomas and Velthouse (1990), Spreitzer (1995), and Quinn and Spreitzer (1997) that empowerment highly depends on the individual's feeling of being empowered and therefore can be seen as motivational and psychological construct. As it is argued by Matthews et al. (2003), there is not one right way of implementing empowerment. Elements of both of the two perspectives – managerial and psychological – should be included when implementing an empowerment program. So, the author further believes that through different managerial adaptations, organizations can develop conditions that enhance the employees' feeling of impact, competence, meaningfulness, and self-determination. The further literature review is mainly concerned with different managerial ways to establish empowerment that also have the ability to further enhance some of these intrinsic needs. However, it is important to keep in mind that not all of those tools will be appropriate to make employees feel empowered. Their ability to do so should be critically assessed and if necessary, they should be combined with other techniques. Lashley (2001) argues, motivational concepts enable a comparison of the way empowerment is established in an organization and if employees feel empowered through those initiatives. This analysis can help organizations to find out about techniques that develop this feeling and initiate them.

2.3   Prerequisites for empowerment

2.3.1   Leadership

The form of leadership that is exercised and hence, the way relationships are established between employees and supervisors, will largely influence the development of feelings of empowerment within employees' minds (Siegall and Gardner, 2000).

According to Douglas McGregor, every manager tends to one of two perceptions of his or her employees which also considerably influences the way those people are managed. Those two perceptions are called "Theory X" and "Theory Y" (Stewart, 1997).

Theory X managers tend to think that their subordinates are lazy, unambitious, that they need to be forced to work, delegated, and do not want to take over responsibility. Moreover, according to this theory, employees are selfish and not interested in the overall performance or goal of the organization. People with this attitude about their workforce only delegate and control it with enforcement, reward, and punishment in order to comply with organizational standards (Stewart, 1997). In former times, when employees came from various social classes and different levels of education, this way of managing people eventually was appropriate.

However, as the education of people in every level of organizations continues to get higher and the gaps between social classes minimize, this theory gets more and more inapplicable. Thus, there is theory Y, in which managers believe that employees are capable and motivated to work towards corporate goals, if top-management provides the necessary conditions. Referring to this attitude, employees only act as described in theory X, if the organization ignores their capability of taking over responsibility. The main management task is to provide certain conditions that enable subordinates to reach their own personal goals by working towards corporate goals. (Stewart, 1997)

As easily seen, theory Y significantly fits better to the principle of empowerment. Managers who think about their employees as described in theory X form one major obstacle to the implementation of empowerment within the company (Stewart, 1997).

According to Stewart (1997), having managers who represent theory Y is not enough for empowerment, as it still means that they put themselves on top of the hierarchy and follow an autocratic management style, with which employees have to go along. Empowerment goes further, with the goal of recognizing, supporting and employing the staff's capabilities and knowledge to its full potential. Theory E describes this.

In theory E, like in theory Y, managers believe that employees can and want to do a better performance, if the necessary conditions are ensured by management. The difference between theory Y and E is that theory E goes beyond these common assumptions and focuses on the decentralization of power (Kantsperger, 2001). This is done through facilitating work of the workforce as well as supporting every individual and group, instead of delegating and playing the role of the leader. The role of supervisors change in a way that they are rather regarded as enablers or coaches (Kantsperger, 2001; Lashley, 2001). While delegating implies that the responsibility is handed over – the

employee only functions as substitute –, and power stays with the manager, in decentralization, power, together with responsibility, is passed on to the employee, which means that this individual is fully responsible for tasks (Stewart, 1997). As argued by many researchers, additionally to this, managers also need to assure that employees perceive themselves as capable of performing those tasks; that they are able to create an impact; that those tasks are meaningful to the employee; and that they can self-determine of how to accomplish the goal (Conger and Kanungo, 1988; Thomas and Velthouse, 1990; Spreitzer, 1995; Quinn and Spreitzer, 1997).

The idea of man

Another way of thinking that can be related to empowerment in organizations is the self-actualizing and complex man.

- **Self-actualizing man**

In empowerment theory, the human being is viewed as performing tasks initiatively and responsibly and it is assumed that employees are highly motivated if they are granted greater scope of their job and participation possibilities (Kantsperger, 2001).

According to Kantsperger (2001), the idea of man in empowerment complies very much with the one of the self-actualizing man. Ulich (1992, cited by Kantsperger, 2001) describes the concept of self-actualizing man as being a human who is looking for independency, self-control, and self-actualization. This idea also implies that employees are trying to satisfy their intrinsic needs and are rather motivated by these than by extrinsic factors, which also is in line with the cognitive theory of empowerment by Thomas and Velthouse (1990) and other researchers. Moreover, employees are commonly demotivated if they are not provided with the possibility of using their full potential of skills for work performance (Schein, 1980, cited by Kantsperger, 2001). In more detail, the idea of the self-actualizing man displays a contrast to Taylorism, suggesting that tasks will be completed holistically by individual employees, which creates a sense of impact. Employees will possess decision-making power, possibilities for participation, and increased scope which can be used responsibly. This will result in a flatter hierarchy within the organization (Kantsperger, 2001), where supervisors will take over the role of a facilitator – aiding in completing the more sophisticated tasks –, instead of a controlling authority (Ulich, 1992, cited by Kantsperger, 2001).

Numerous reasons exist why empowerment can be judged as serving as a tool for motivating employees as well as for increasing their job satisfaction. However, some problems in taking these assumptions for granted also may arise.

- **Complex man**

Although it seems logical that empowerment can serve as a great tool for motivating employees, it also has to be mentioned that empowerment is not a motivation for everyone. According to Ulich (1992, cited by Kantsperger, 2001), numerous studies prove that employees tend to respond differently to similar working conditions. Some tasks that are objectively judged as challenging and diversified could be perceived as boring and unsatisfactory. Also, the reverse option exists that tasks, objectively judged as monotonous and unaspiring, are by some perceived as exciting and satisfying.

However, still a great amount of employees experience increased motivation when challenged with sophisticated tasks and granted with more scope for performing the work. On the other hand, other employees might feel uncomfortable and unable to cope with the fact of being empowered (Kantsperger, 2001).

As the theory of self-actualizing man is therefore obviously challenged, Schein (1980, cited by Kantsperger, 2001) created the idea of man called "complex man". According to this, people differ in their individual needs and motivations over time.

The implication to this would be that it is impossible to implement empowerment without any recognition of employees' individual needs and in turn, without any differentiation for individual employees (Kantsperger, 2001).

Besides managers' perception of employees, also the structure within the company contributes to a successful implementation of empowerment, as it is described in the next section.

2.3.2 Corporate structure

The duties of managers involve planning, directing, or controlling at least one, but often more, subordinates. This results in the traditional way of organizing a company – a pyramid, as shown in Figure 1. It shows the hierarchy that exists in almost every company in some form, even if some management theories try to shorten the chains of
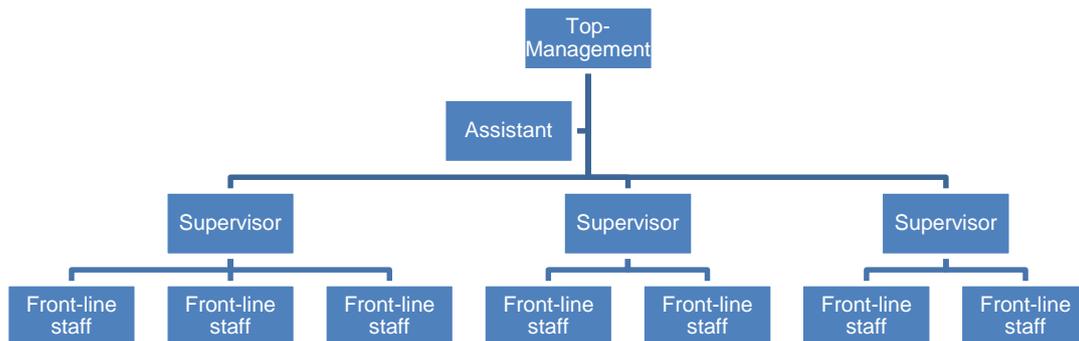
Figure 1: Traditional management structure in form of a pyramid

command by flattening the hierarchy (Stewart, 1997). This implies that top-management still tends to be far away from customers, so that it cannot rapidly react on customer demands (Lashley 2001).

To overcome this issue, employees are often delegated with additional responsibilities and/or increased authority, which extend the scope of their jobs. This aspect of empowerment enables employees to enhance their personal capabilities. However, for implementing an extended scope, managers need to take the role of coaches who support empowered employees until they are able to use their full potential in completing the job, rather than the role of controlling supervisors (Lashley, 2001).

Through empowerment, the organization also gets a less hierarchical structure, which also provides managers with more time to be spent on more strategic planning than on controlling. Implementing empowerment also implies changes within the corporate culture and relationship among employees. Managers would be forced to revise the way they are working with subordinates. Some of their "new" and important tasks would be to find out about the skills and intrinsic needs of employees; to train them to gain competence in accomplishing the task; to set boundaries of empowerment according to their capabilities and legitimate them; and to communicate the overall mission and vision of the company to ensure that employees keep on the right track (Lashley, 2001).

For visualizing empowerment in the organizational hierarchy (Figure 2), according to Stewart (1997), the organization can put the pyramid upside down and see the hierarchy from a different angle. Looking at the reversed chart, the more senior management gets a more supporting and facilitating role, representing a stable basis rather than the role of only leading and commanding top-down. Looking at the hierarchy in a different way, accredits the front-line staff more importance, because they are not seen in the lowest
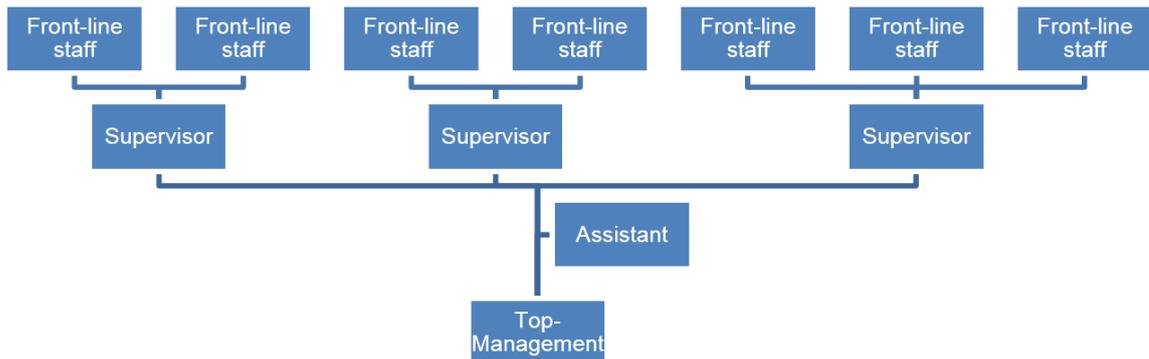
Figure 2: Management structure with empowerment in form of a reversed pyramid

position anymore, as it was done traditionally. The front-line staff is recognized on the top of the hierarchy, enabled by managers and in direct contact with the customers. The task of the manager would then be to provide the necessary means, such as information, knowledge, and development to ensure high quality service, whereas the front-line staff, additionally to providing satisfactory customer service, needs to ensure an efficient communication of customers' needs to management level (Stewart, 1997).

2.3.3 Trust

One of the most important prerequisites for empowerment in an organization is trust between supervisors and subordinates (Stewart, 1997; Quinn and Spreitzer, 1997). Lashley (2001) describes the culture within organizations that successfully empower employees as being based on trust. This introduces the ability to learn from mistakes and thus, creates self-confidence among employees. Trust is especially important when it comes to service failures. If employees need to take some risk in order to attain agreed-upon goals, they need to know that if they would fail, the supervisor would accept the failure (Stewart, 1997). Thus, two important responsibilities of managers would be to establish a working environment in which those who are empowered (1) do not have to be anxious when experiencing a problem within the job and experiencing the ability to frankly report any difficulties arising, and (2) are encouraged to take risks (Lashley, 2001). With a culture of trust, employees will be courageous and will be

willing to take risks. Even if their intentions fail, managers will guide the employees toward learning from mistakes for future risk-taking which in turn contributes to their knowledge as well as self-confidence (Lashley, 2001) and enhances their sense of competence and personal efficacy (Thomas and Velthouse, 1990). The subordinates should be aware of the fact that they will rather be criticized if they do not even try to be successful than if the trial fails. If a failure occurs, the manager should explain how to avoid or correct future errors, without using abusive language. If the employees are scared of the reaction of the manager on a failure, they will try to hide it, which would be the worst case (Stewart, 1997).

2.3.4 Honesty

Moreover, employees should know that they can be honest about the failures that occur or that they can voice doubts or criticism frankly (Stewart, 1997; Lashley, 2001). In the same way as the employee should know about and try to fulfill the requirements management places on him or her, management should also be aware of suggestions and try to meet the expectations employees have (Stewart, 1997).

2.4 Managerial meanings of empowerment

According to Lashley (2001), the terms employee participation, involvement, empowerment and democracy are often used interchangeably in literature, although in reality they result in different implementations for organizations.

According to him and as described by Marchington et al. (1992), employee involvement includes employees providing information and consultation to management and enhancing the communication within and commitment to the organization.

Employee participation, on the other hand, implies that employees are involved in decision-making, which previously was solely the task of upper management. Such initiatives are often established by management, who also sets the limits of the impact of employee suggestions and their decision-making power, in order to meet operational needs and to effectively handle problems as they arise. However, what should be kept in mind is that employees need to develop internal feelings of being empowered and that management strategies can only try to enhance these feelings (Quinn and Spreitzer, 1997).

There are also activities within an organization that seek to establish possibilities for employees to contribute and exercise some control in decisions having an influence on

the organization. Those are summarized under the term industrial democracy (Poole, 1986, cited by Lashley, 2001).

Finally, employee empowerment is described (Lashley, 2001) as having some similarities and overlaps with the previously described initiatives, which is also the reason why those terms are sometimes used interchangeably, but empowerment initiatives can vary widely in the degree of employee influence, activities involved, and the reason why they were implemented. While all organizations try to gain the advantages of empowerment, the underlying needs and intentions for implementing might differ. The form of empowerment that will be used is influenced by these intentions accordingly.

In order to account for different intentions, Lashley (2001, p. 55) came up with a model that describes "four separate but overlapping meanings of empowerment in service industries", as shown in Table 1.

Managerial meaning	Initiatives used
Empowerment through participation	Autonomous work groups Whatever it takes training Job enrichment
Empowerment through involvement	Quality circles Team briefings Suggestion schemes
Empowerment through commitment	Employee share ownership Profit sharing and bonus schemes Quality of working life programs, job rotation, job enlargement
Empowerment through delayering	Job re-design Re-training Autonomous work groups Job enrichment Profit sharing and bonus schemes

Table 1: Managerial meanings and potential forms of empowerment, adapted from Lashley (2001)

Those examples represent different forms of empowerment that can vary in intrinsic and extrinsic motivation for employees and intensity toward achieving company goals. Each of those meanings and potentially involved initiatives of empowerment will be further described in the successive sections.

2.4.1 Empowerment through participation

As already mentioned above, forms of empowerment through participation allow employees to exert decisions that were previously made by upper management. Lashley (2001) distinguishes between empowerment on task level, which is related to decisions being made about the employees' direct tasks, and empowerment on non-task level, meaning employees are empowered to execute some control over decisions beyond their direct tasks.

2.4.1.1 Task level empowerment

The first form that is discussed within this category are working groups, no matter whether they are called autonomous work groups, self-directed teams, or semi-autonomous teams. Yukl and Becker (2006) describe self-managed teams as an important program to establish or increase the feeling of empowerment. Those teams form responsible units that work within the boundaries laid down and that are accountable for their actions (Lashley, 2001). With this form of empowerment in place, the working groups have the power to independently decide how the work will be completed, which tasks will be completed by whom, and how to increase the efficiency or productivity as well as the service quality within the overall limits set. Moreover, some groups might be empowered to reorder stock or to make other necessary expenditures (Yukl and Becker, 2006). However, the influence of those groups is mainly reduced to topics that are directly related to their immediate tasks. From a service organization's perspective, using working groups can be highly advantageous, as they can rapidly adapt to operational needs, for instance in the case of low demand by decreasing the number of employees, or in the case of high demand by assisting each other (Lashley, 2001). Moreover, cross-training increases the flexibility of the team, the variety of tasks they are able to perform, and the autonomy in accomplishing the work. Team members get a better understanding of the work processes, which enables them to better solve arising problems and suggest improvements. All these features are likely to create satisfied employees and thus, reduce labor turnover (Yukl and Becker, 2006). In addition to that, groups also function as a control feature, as they monitor the performance and efforts of individual members. From an employee's perspective working in teams can satisfy social needs (Lashley, 2001) that, according to the Hawthorne studies, serve as a motivation of employees (Go et al., 1996; Kantsperger, 2001) as well as can establish relationships between coworkers that might lead to feelings of belongingness and support, and again can turn into satisfaction. If self-managed teams are used in appropriate ways, for instance in complex and self-contained tasks, they have the potential to increase

productivity and employee commitment and decrease labor turnover (Yukl and Becker, 2006).

The second important form of empowerment through participation described by Lashley (2001) is the one of job enrichment, which focuses on the empowerment of individual employees. Often front-line jobs are enriched by offering exceptional services or products or immediately responding to a customer complaint or problem to satisfy the customer. Therefore, it is necessary to invest resources into employee training as they need to identify, understand, and take the initiative to do "whatever it takes" to satisfy service needs. The organization applying job enrichment strives for improved service quality by providing extra service and a quick response when customers experience dissatisfaction. While it is true for job enrichment that managers act as coaches, there are not necessarily changes in the corporate structure or allocation of power and authority. In some cases, job enrichment applies self-controls and monitoring of service quality by the empowered. However, employees are still accountable for their operations, which will be monitored and eventually questioned by management.

2.4.1.2   *Non-task level empowerment*

Two forms, described by Lashley (2001), of non-task level empowerment include work councils and employee directors, where employees are able to participate in decision-making concerning issues that are not directly related to their task, but still affect them. This form of empowerment is named "democratic decision processes" by Yukl and Becker (2006), representing the development of industrial democracy. Those authors provide an example of some European countries, in which employees are required to be represented within the board of directors, enabling them to voice their concerns in some aspects of decision-making. Although this form does not empower individual employees, it empowers the common interests of employees to be represented in decision-making – interests which generally involve seeking for more democracy granted to employees.

2.4.2   Empowerment through involvement

Empowerment through involvement means that organizations involve employees but managers continue to make the final decisions, as opposed to empowerment through participation (Lashley, 2001). Employees are solely, often to a varying degree, involved for providing suggestions (Lashley 2001; Yukl and Becker, 2006) for, for instance new services, correcting common service failures, improving processes or procedures, and

improving the company's overall performance (Koberg et al., 1999, cited by Lashley, 2001). Managers often use the advice from employees, gained through, for instance quality circles or team briefings as tool for making educated decisions. The aims of such initiatives are to motivate employees to look for quality improvements and to use their full capabilities to meet customer needs as well as providing suggestions for problem solving and thus, improving service quality (Lashley, 2001).

The main focus of quality circles lies on the involvement of employees and improvement of quality. Other reasons, also described by Dale and Lees (1986, cited by Lashley, 2001), might include enhanced communication and commitment to service quality. Quality circles are formed by volunteering employees, who meet regularly to discuss problems relating to productivity or, as the name implies, service quality. Moreover, quality circles provide an insight into employee experience that is used by management for educated decisions. Hence, those employees who participate in quality circles and take the chance to be more involved may experience the feeling of being empowered as well as belonging to the company. However, this form of empowerment is exclusive (Lashley, 2001; Yukl and Becker, 2006), meaning that not all employees are able to participate, which might lead to tensions among those who are involved and those who are not (Lashley, 2001). Another weakness of quality circles is that the decision-making power remains with the managers and thus, employees' influence is limited, which may not lead to the wished feeling of being empowered (Yukl and Becker, 2006). Nevertheless, quality circles have a great potential to contribute to a sense of meaning and employee worth.

Another form of empowerment through involvement is team briefings, which have in common with quality circles that the final decision-making is done by management. In this initiative, all employees are involved in regular meetings, but the degree of involvement can vary widely. The frequency such briefings are held can range from before and after each shift, where specific issues referring to the shift, such as anticipated demand, targets, and feedback are discussed, to a weekly or monthly basis, covering more generic topics like newly introduced products or policies and business performance. The latter team briefings have a greater focus on top-down communication than more frequently held meetings, where usually more emphasis is put on bottom-up suggestions (Lashley, 2001). Nevertheless, sharing information can be seen as basis for successful empowerment initiatives. According to Yukl and Becker (2006), who labeled Lashley's empowerment through involvement as "sharing information" and

"sharing power through parallel structures", employees need to have access to business information, such as goals, strategies, or competitors in order to be able to contribute to organizational success in a meaningful way. Those authors also describe open-book management as an appropriate tool, which requires employee training in order to use business information for increasing performance. This tool can enhance employees' intrinsic feelings of making an impact as well as performing meaningful work through increased competences.

Through the correct implementation of such initiatives that strive for empowerment through involvement, employees could experience pride when their advices are applied, could be stimulated to recognize service failures, find potential solutions to increase the quality of service, and could be committed to satisfying customers' needs facilitating their full potential (Lashley, 2001). Those advantages may be derived from the positive assessment of some of the intrinsic task motivations. Next to those intrinsic benefits for employees, team briefings as well as quality circles also provide an advantage to the organization that is being able to draw strategic conclusions from frontline employees' experience referring to customer expectations.

2.4.3   Empowerment through commitment

Empowerment through commitment, as described by Lashley (2001), involves initiatives that aim to develop employee commitment to perform high quality service and satisfying the customer without necessarily focusing on involving employees through suggestions or decision-making. Empowerment is perceived as being able to establish greater employee commitment and eagerness toward their responsibilities in creating the service; toward the quality of service that is provided to customers; and toward the boundaries that are laid down. Referring to Lashley (2001), empowerment through commitment has the ability to create a minimum level of employee commitment that is necessary to implement other forms of empowerment such as through involving or participating. On the other hand, the benefits of these latter initiatives are mainly created through a greater commitment of employees. It therefore can be argued that employee empowerment and commitment are interdependent as a base level of commitment is needed to create empowered employees, while at the same time empowerment contributes to employee commitment (Lashley, 2001).

Employee commitment can be seen as either calculative or non-calculative. Calculative commitment means, as Lashley (2001) and Etzioni (1961, cited by Lashley, 2001) argue, that employees compare the material benefits of remaining with an organization to the costs related with leaving the organization. Such material benefits an organization can offer might include higher remunerations than normal in the industry, additional payments related to performance, and possibilities for development and promotion. In other circumstances, rather non-calculative commitment through a psychological bond to the company (Cooper and Hartlely, 1991, cited by Lashley, 2001) or moral commitment (Etzioni, 1961) is created. This emotional empowerment tries to establish commitment through creating a "sense of ownership" for service quality and thus, for company's success (Lashley, 2001, p.115).

The main form of empowerment through non-calculative commitment is recognition of employees' importance to service and business performance. This might lead to the feeling of worth to the organization and performing meaningful work, which in turn can contribute to feeling of being empowered.

Committed employees are more likely to stay with the organization, which is especially important for service industries. Often, by trying to enhance commitment, one potential target or part of the strategy is to reduce labor turnover. High labor turnover has a negative impact on training and recruitment costs, customers and coworkers. If a company experiences high turnover, it might not be willing to invest sufficient amount of money into training programs, which in turn has an influence on the service quality customers receive, customer satisfaction as well as employee job satisfaction. Hence, Lashley (2001) claims that commitment is necessary to attain higher quality service and thus, better satisfied customers. The topic of job satisfaction will be further examined in Chapter 4.

2.4.4 Empowerment through delayering

Empowerment that strives for a flatter structure in organizations is delayering it, meaning that levels within the management structure are eliminated and some areas of responsibility and authority are transferred from top level management to line management. The main reasons of such re-structuring are to reduce the distance between customers and top management in order to create a more customer-oriented organization, to be closer to the customer and therefore being able to adapt to their changing needs

(Stewart, 1997; Lashley, 2001). Some may argue that the removal of middle management might also result in a reduction of costs. However, what needs to be considered here is that there is an increased necessity of training junior levels in the tasks formerly operated by middle management (Bowen and Lawler III, 1992a; Lashley, 2001). There are two other major drawbacks of reducing tiers in the management structure: (1) there are less promotions available for junior managers that strive to get a position in middle management, which can have negative influences on motivation and commitment, and (2) managers might see the increased responsibility without an additional material compensation as a negative development for them (Lashley, 2001). Although it is necessary to keep an eye on the negative aspects, empowerment through decentralization has the ability to increase employees' sense of self-determination in achieving the goal of providing customized services, which will lead to employees who will take initiatives (Yukl and Becker, 2006). Other benefits for organizations might include increased effectiveness of communication between employees and managers; senior management getting a clearer picture of operational performance; encouraged junior managers to adapt the operations under his or her control according to changes in demand; and shifting decision-making closer to the problem, while senior management can more closely focus on future strategies. As senior management will not be capable of controlling the increased number of subordinate managers, empowered junior managers will need to work autonomously within specified limits without constant supervision, which also implies that they are responsible and accountable for their undertakings (Lashley, 2001). Indeed, empowered managers have similarities to empowered employees. Managers need to create a sense of commitment and ownership of the sections they are responsible for as well as a sense of performing meaningful and important tasks, and being able to exert some control. Managers can be empowered individually or in form of semi-autonomous work groups. The latter approach would create the advantages of monitoring the performance of other team members as well as providing mutual support. Overall, it needs to be considered that people vary in their personalities and thus, in the ways they respond to changes in the structure and responsibilities (Lashley, 2001).

2.5 Differentiation of empowerment to motivation

As already mentioned in section 2.2, empowerment can be seen as a motivational construct. However, empowerment is not the same as motivation, but can lead to it. The

following introduction to motivation theories justifies the assumption that empowerment is able to motivate employees. Also other theories, such as Maslow's hierarchy of needs, might be able to explain empowerment as a motivational construct. However, some were not academically mentioned as related to empowerment and therefore are not included in this paper.

As people play an important part in hospitality industries (Riley, 1996; Hoque, 2000), managements' major goal is to ensure high performance of its staff. Thus, an important task of management is to motivate employees (Go et al., 1996). As justified by Go et al. (1996), motivation is directly connected to the satisfaction of employees and consistency in performance, which further links to ensuring service quality in the hospitality industry. Also Rosenstiel (2000, cited by Kantsperger, 2001) argues that motivation is of high importance to management as it is the employee's expression of willingness to execute high levels of performance. Therefore, supporters of the empowerment theory explain an increased job performance by higher motivation as a result of empowerment (Kantsperger, 2001). In simple terms, motivation can be defined as "…willingness to do something." (Tesone, 2005) or in more sophisticated terms as "…the willingness to exert high levels of effort toward organizational goals, conditioned by the effort's ability to satisfy some individual need." (Watkins, 1990, cited by Go et al., 1996). The latter definition accounts for the characteristic of motivation as being an internal state of employees that shapes their behavior (Go et al., 1996; Weightman, 2004; Tesone, 2005; DeNisi and Griffin, 2008). People search to fulfill internal needs and desires, which influences their willingness to exert effort in achieving company goals. However, needs vary from individual to individual and motivation comes from within a person and cannot be increased by external sources, such as managers (Tesone, 2005). Therefore, it would be crucial for management to understand what is important to employees and what the reason for their behavior is (Go et al., 1996). After understanding employees' needs, managers have the ability to design workplaces in a way that enables employees to meet their intrinsic needs, while at the same time produce performance that will reach company goals (Go et al., 1996; Kantsperger, 2001; Tesone, 2005). Referring to various authors (Conger and Kanungo, 1988; Thomas and Velthouse, 1990; Spreitzer, 1995), empowerment is a tool that seeks to meet employees' intrinsic needs of impact, competence, meaningfulness, and self-determination. In the following sections, the ability of empowerment to motivate employees will be challenged and examined, using some popular motivation theories and models.

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2.5.1 Two-factor theory (Herzberg)

This motivation and job satisfaction theory was developed by Frederick Herzberg in the 1960s. He argues that the fulfillment of a person's needs can have one of two effects: it creates job satisfaction or it prevents from job dissatisfaction, which implies that those two feelings are not opposites (Go et al., 1996). Those factors preventing employees from being dissatisfied with their work are named "hygiene factors", while those helping to make employees satisfied are named "motivators" (Weightman, 2004). The latter term also indicates that these factors can be used to drive employees' behavior into the wished direction (Go et al., 1996). In Herzberg's theory, first the hygiene factors, such as company policy, relationships with coworkers and supervisors, salary, working conditions, and security, need to be positive in order to prevent employees to be dissatisfied (Weightman, 2004). These factors, however, if fulfilled, will not lead to job satisfaction (Go et al., 1996; Kantsperger, 2001). On the other hand, in order to create job satisfaction among employees, it is necessary to meet individual needs through Herzberg's motivators, which are for instance achievement, possibilities for growth, recognition, responsibility, advancement, and the work itself (Go et al., 1996; Kantsperger, 2001; Weightman, 2004). If those motivators are not fulfilled, people will not be dissatisfied, they solely will be not satisfied. The same applies to the hygiene factors: if they are fulfilled, people will not be satisfied, but rather be not dissatisfied (Manktelow, n.a.).

Herzberg's theory can also be compared and shows some similarities with the "hierarchy of needs theory" of Maslow (1943). The hygiene factors, which form the foundation for applying motivators in order to achieve job satisfaction, are similar to Maslow's lower-level needs. Those needs first have to be fulfilled in order to move to higher-level needs, such as self-esteem and self-actualization, which correspond to Herzberg's motivators (Go et al., 1996; Tesone, 2005). Moreover, his theory states that individual needs can be met through the work itself, which reflects the intrinsic motivation of employees, for instance through achievement and recognition that exhibit the strongest influence on job satisfaction (Go et al., 1996; Rosenstiel, 2000, cited by Kantsperger, 2001).

Rosenstiel et al. (1995, cited by Kantsperger, 2001) applied Herzberg's theory in order to identify and create working conditions that help to motivate employees. Those recommendations are:

- Performance: Employees should focus on achieving clear and specific objectives. Those objectives should be determined by the supervisor and the subordinate. Feedback according to the degree of achievement should be provided.

- Recognition of performance: Feedback from the supervisor, in form of praise or criticism, should be an important part of leadership.

- The work itself: The work for every employee should be designed according to the individual capabilities and should challenge the employee appropriately. This implies that employees would need to be given an appropriate scope of their jobs.

- Responsibility: By delegating tasks, each individual should also take responsibility of performing tasks satisfactorily.

- Promotion: Employees should be able to reach higher positions, in order to gain greater job content as well as more responsibility.

- Possibilities for growth: Providing possibilities for growth does not only mean granting employees more scope, but also offering possibilities to constantly learn and expand their horizon within the job in order to qualify for future tasks through for instance (cross-)trainings.

Such a motivating environment for employees, which is based on Herzberg's two-factor theory, shows similarities to the implementation of empowerment and therefore, it can be argued that empowerment can lead to an increase of the intrinsic motivation of employees (Kantsperger, 2001).

2.5.2 Hawthorne effect

The Hawthorne effect claims that the performance of individuals is affected by group influences, such as group standards and norms, and that the needs of individual employees cannot be effectively satisfied only by money (Go et al., 1996). The dominant assumption of this theory is that human beings are best motivated through social needs that can be met by interacting with their coworkers (Weinert, 1984, cited by Kantsperger, 2001; Go et al., 1996) and influenced through the behavior of their working environment or colleagues (Weinert, 1984, cited by Kantsperger, 2001). According to Go et al. (1996), two important findings of the Hawthorne studies can be applied to the motivation of employees. First, it should be kept in mind that intrinsic needs of em-

ployees, such as social needs, when fulfilled, can serve as motivation. Second, managers should consider the influence of groups on employee motivation and productivity. As a result, the establishment of work teams as well as sophisticated information and communication systems were drawn a lot of attention to (Ulich, 1992, cited by Kantsperger, 2001), which is also part of empowerment theory.

In the Hawthorne theory, it is also claimed that supervisors rather should put their attention to supporting and listening to subordinates and to understanding their needs instead of constantly trying to control them (Schein, 1980, cited by Kantsperger, 2001). These arguments are in line with the theory of the self-actualizing man that can be seen as a foundation to empowerment. What is also of interest here, is that within the theory of empowerment, the focus often lies on team work and communication among employees but also between entry-level staff and management. Moreover, supervisors serve more as function of coaching instead of controlling (Kantsperger, 2001). Therefore, also this motivation theory has similarities with empowerment theory, which results in the assumption that empowerment can be used for motivating employees.

2.5.3 Expectancy theory

Expectancy theory includes the three components of effort, performance, and outcomes, and is concerned with the links between these (DeNisi and Griffin, 2008).
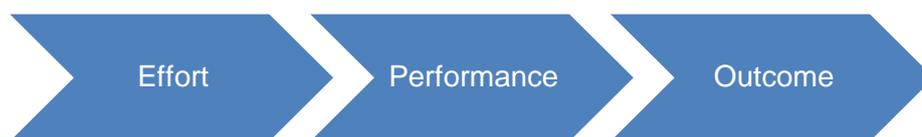
Figure 3: Model of expectancy theory

As shown in Figure 3, the first link in this theory is between the level of the employee's effort in performing work and the resulting level of performance (Go et al., 1996). This so-called "…effort-to-performance expectancy is the person's perception of the probability that an increase in effort will result in an increase in performance." (DeNisi and Griffin, 2008, p.434). Therefore, the first step for an employee to be motivated would be to expect a higher effort that has to be executed in order to achieve more satisfactory performance (Go et al., 1996). The second link, the one between performance and outcome, also called performance-to-outcomes expectancy, describes a "…person's perception of the probability that improved performance will lead to certain outcomes." (DeNisi and Griffin, 2008, p. 434). To make this theory complete, the valence of the

outcome is another important aspect to consider. The outcome that is created after performing satisfactorily needs to have high value to the individual employee in order to serve as a motivator. Thus, in order to motivate employees to put reasonable effort into work, they must believe that the outcome in the end will be desirable to them (Go et al., 1996; DeNisi and Griffin, 2008). Expectancy theory is built on the basic assumption that employees tend to behave in a certain way in order to be rewarded, which suggests that employees behave more rational and calculating than they are in reality (DeNisi and Griffin, 2008). Moreover, this theory is often associated with material outcome, such as a raise in pay (Tesone, 2005; DeNisi and Griffin, 2008). What is not considered here is that also emotions and intrinsic needs can trigger employee behavior (Go et al., 1996).

Conger and Kanungo (1988) argue that empowerment can be explained as to strengthen individuals' sense of self-efficacy. Translating this to expectancy theory, Bandura (1986, cited by Conger and Kanungo, 1988) explains the link between effort and desired level of performance as self-efficacy expectation. Through empowerment, employees will develop a positive attitude that they are able to master the task. It will enhance their belief in their own effectiveness and ability to perform to the desired level. In other words, the empowerment experience leads to employee feelings of being able to complete tasks competently and enhance performance if reasonable effort is exerted. Further, empowerment can enhance the feeling of making an impact as well as meaningfulness, which would represent the performance-to-outcome expectancy and valence of the outcome, respectively. According to Oldham's (1975) study, the work performance of an employee will be enhanced as the positive internal feelings, stemming from effective performance, increase. Moreover, he found out that the more internally motivated an employee is, the greater will be the quality of his or her performance and the more effort he or she is likely to put into the job. Thomas and Velthouse (1990) argue that each of the four intrinsic needs – impact, meaningfulness, competence, choice – can function as reward for individual employees during an activity, which they can give themselves and which will lead to continued ambition.

2.5.4   Job enrichment

Often job enrichment, basically a technique to redesign jobs, is claimed to be motivating (Go et al., 1996; Tesone, 2005), as it not only increases the range of tasks performed by an employee, but also the control employees possess over these tasks. Managers

grant more authority to subordinates, who perform holistic tasks, leading to an increased sense of ownership of and responsibility to the job. Moreover, through job enrichment, employees will be enabled to take over new and more challenging tasks (DeNisi and Griffin, 2008). These characteristics are in line with what empowerment attempts to achieve. As employees will be able, through increased training and management acting as coaches, to take over responsibilities that require new ways of approaching, they will be highly motivated if their need for achievement is high. They will experience an increased feeling of personal efficacy and impact. As employees will also be enabled to work on complete tasks, the meaningfulness of tasks will be enhanced. Moreover, as more authority is granted to employees, this restructuring is likely to reinforce their perceived self-determination.

Looking at different motivation theories and models in order to understand the way empowerment can enhance employees' motivation is crucial for management. However, with all these techniques, it needs to be considered that not every employee can be motivated by same factors (Tesone, 2005). As motivation comes from within an employee, so does empowerment. Empowerment and motivation are related to individuals' perceptions of intrinsic needs and feelings that vary from person to person and from time to time. Therefore, it is even more crucial for managers to understand the unique employee needs. Managers can only try to establish conditions that can help to meet those needs or enhance such feelings like meaningfulness, self-determination, self-efficacy, or the sense of impact. But employees choose themselves to be motivated and thus, empowered. (Quinn and Spreitzer, 1997)

In this section, the author examined the motivational aspect of empowerment. According to the above literature review, empowerment has the ability to increase employees' motivation as it ensures the satisfaction of various intrinsic needs. Thus, it can be argued that indeed, empowerment is a motivational construct and can be used to motivate individuals as it is argued by numerous researchers (e.g. Conger and Kanungo, 1988; Thomas and Velthouse, 1990; Spreitzer, 1995). However, it needs to be kept in mind that intrinsic needs and their importance vary from employee to employee and therefore, also the way they are motivated. Nevertheless, successful implementation of empowerment as a motivational construct is likely to be highly advantageous, not only for employees but also for employers. Several benefits that can be gained will be presented in the next section.

2.6 Potential consequences of empowerment

Lashley (2001) explains that most of the claims what benefits empowerment can bring to the organization, involve the greater commitment of employees. Commitment of employees toward organizational goals and customer service can be understood as the key of competitiveness, performance, and customer and employee satisfaction. The author further perceives the skills and capabilities of employees, and their willingness to do their best to contribute toward achieving organizational goals as essential when it comes to competitive advantages of service organizations – aspects that are typically enhanced through successful empowerment.

Lashley (2001) describes that employee empowerment creates mutual benefits for both employees and employers. Empowered employees are supported in learning on the task; developing a greater commitment to the achievement of tasks through the additional responsibilities (Lashley, 2001) and greater self-confidence (Thomas and Velthouse, 1990); experiencing an increased job satisfaction through the ability of using their full potential; being valued by the organization and more involved in decision-making, which all leads to a greater self-efficacy (Conger and Kanungo, 1988; Lashley, 2001).

Bowen and Lawler III (1992a) mention even more advantages, such as employees being more enthusiastic about their jobs and create positive attitudes, which can also be recognized by customers. Employees tend to feel satisfied with their jobs as they perform meaningful jobs for which they are responsible, resulting in an increased sense of ownership and self-efficacy. Moreover, they state the employees' ability to immediately respond to special customer needs and to adapt the service accordingly as another major advantage of empowerment. Thus, employees have the ability to delight the customer. Especially in the case of service failure, empowerment can turn the dissatisfied customer into a satisfied one.

All these advantages can be seen as advantages for employees and employers alike. Lashley (2001) continues to point out that employers who empower their employees gain an overall enhanced business performance through the increased effectiveness of satisfying customer needs and wants as well as the increased ability to compete in the industry. Those benefits, in turn, are created through facilitating experiences and expertise of front-line employees in decision-making; through gaining a more knowledgeable, focused, and committed workforce; and through creating a better service quality

for customers and productivity by means of diminished labor turnover (Bowen and Lawler III, 1992a; Lashley, 2001). Moreover, Bowen and Lawler III (1992a) mention that the organization can use employees' experience and knowledge to create new services and further improve service quality, which also enhances customer loyalty and positive word-of-mouth. Also, Lashley (2001) argues that empowered employees are emotionally "bound" to the organization as they experience the feeling of belonging to the company and being excited about the job.

Further benefits of empowerment will be discussed in Chapter 5.

3 Service quality

It is argued by many researchers, that empowerment and the resulting motivation of employees has positive effects on organizational innovation, decisions being made, and service quality (e.g. Parasuraman et al., 1991; Lashley, 2001; Yukl and Becker, 2006). To better understand how empowerment can influence service quality, it has to be kept in mind that empowerment serves as a tool to enhance employees' commitment and motivation in service delivery. This chapter will examine some general, critical facts about the service industry. The impact of empowerment on service quality will more closely be discussed in Chapter 5.1.

3.1 Characteristics of service industry

Within the hospitality industry, managers, employees as well as customers have to deal with the unique characteristics of services they offer, implying some difficulties when trying to manage services. Those four characteristics are commonly summarized as heterogeneity, intangibility, inseparability, and perishability.

3.1.1 Heterogeneity

Zeithaml et al. (1985a, 1985b) explain heterogeneity of services as certain variability in the service delivery. This is especially true for services that require a high amount of employees to perform the service, as the quality of delivery may vary from person to person, from guest to guest, and from time to time. Lashley (2001) further points out that because of the personal contact in many service industries between customer and employee, services are difficult to standardize. People are likely to have different degrees of commitment to service quality or interpret customer needs in different ways. But also the expectations of customers, which will determine the level of satisfaction, can vary widely.

However, exactly this heterogeneity can also be seen as positive as it allows the service organization to include a degree of personalization and customization (Onkvisit and Shaw, 1991, cited by Wolak et al., 1998), which in turn can form some part of differentiation and competitive advantage (Wyckham et al., 1975, cited by Wolak et al., 1998). But the success of the service still depends on the individual employee, who should be able to anticipate customer needs and wants and who should also be empowered to bring the service performance in line with their expectations (Lashley, 2001).

3.1.2 Intangibility

Working according to customers' needs and expectations is especially important for services, as they incorporate many, however in varying amounts, intangible aspects, such as the processes involved or the knowledge, professionalism, and attitude of staff (Wirtz et al., 2009). Due to this characteristic, services can hardly be tested before purchase (Zeithaml et al., 1985b), nor can they be seen, tasted, nor touched (Zeithaml et al., 1985a). This makes it difficult for companies to set standards for services and measure their quality, but also generate difficulties of understanding how customers perceive and evaluate the services received (Zeithaml, 1981). From customers' perspective, and as described by Lashley (2001) and Wirtz et al. (2009), deciding for a service that cannot be tested and quality that cannot be verified until the service is purchased and received, creates some uncertainty and perceived risk for the customer. Additionally, intangible elements of services make it harder for customers to distinguish between the quality of competing firms, thus, make it harder for companies to anticipate customer expectations, and harder for employees to evaluate expectations of management of what should be delivered. Many firms used the benefits of intangibility to create competitive advantages, often communicated as emotional benefits for customers, which are difficult to copy for competitors. This means keeping the promised benefits to customers also requires the appropriately empowered workforce to deliver the emotional service (Lashley, 2001).

3.1.3 Perishability

Keeping the promise is essential for services as they are perishable. Perishability of services does not only imply that unused services at a time cannot be stored as inventory for later use (Zeithaml et al., 1985a; Wirtz et al., 2009), but also means that once the service has been delivered, it can hardly be repaired and returned to the customer in case a failure occurred (Lashley, 2001). Because of that very reason, it is important to satisfy customer needs when they arise and to do it right the first time.

Moreover, Zeithaml et al. (1985a) point out that there are times where there is too much demand and customers need to be turned away, and there are times where there is too little demand, which means that there is left capacity and revenue that is lost forever. Those peak times and off-peak times comprise difficulties for managers in planning the service delivery (Lashley, 2001).

The characteristics of perishability and intangibility create a service for customers that is temporary and hard to remember. Those characteristics make sure that customers usually do not have lasting memories about the service and its benefits, which implies problems for loyalty and repeat purchases (Lashley, 2001).

3.1.4 Inseparability

The inseparability of consumption and production in services is the fourth characteristic. It takes into account that consumption and production happen at the same time and that customers are part of the service delivery, which can have an influence on the final quality of performance (Zeithaml, 1981). Customers participating in the service delivery are forced to communicate and interact with employees who deliver the service, with the place and the surroundings where the service takes place, and with other customers that are present (Lashley, 2001). All these physical and intangible cues, such as buildings, interior design, equipment, appearance of employees, their behavior, the relationship they establish with customers, and the language they use, have the ability to impact customers' perceptions of the service performance (Lashley, 2001; Wirtz et al., 2009). Through empowerment, employees would be able to establish the feeling of personal efficacy to correctly interpret customer expectations, create the appropriate relationship with them, and thus shape the service performance received (Lashley, 2009).

According to Lashley (2001), a successful service delivery may be perceived differently by customers, depending on the personal interpretation and experience, which makes it difficult to define and deliver consistent service to all customers and consistently measure service quality. What Zeithaml et al. (1985b) further found out is that many researchers and practitioners agree that service quality experienced by customers is determined by a comparison between prior formed expectations and the perception of service performance received, which also shapes customer satisfaction.

In a study that was conducted by Zeithaml et al. (1985b, p. 44), a model showing "a set of key discrepancies or gaps [that] exist regarding executive perceptions of service quality and the tasks associated with service delivery to consumers." was created. Those gaps can be seen as potential areas where the service delivered does not comply with the service expected, leading to potential customer dissatisfaction (Lashley, 2001). Figure 4 visually represents the gap model, showing the lower section consisting of

gaps for which companies are responsible and the upper section representing customers' evaluation of service quality.
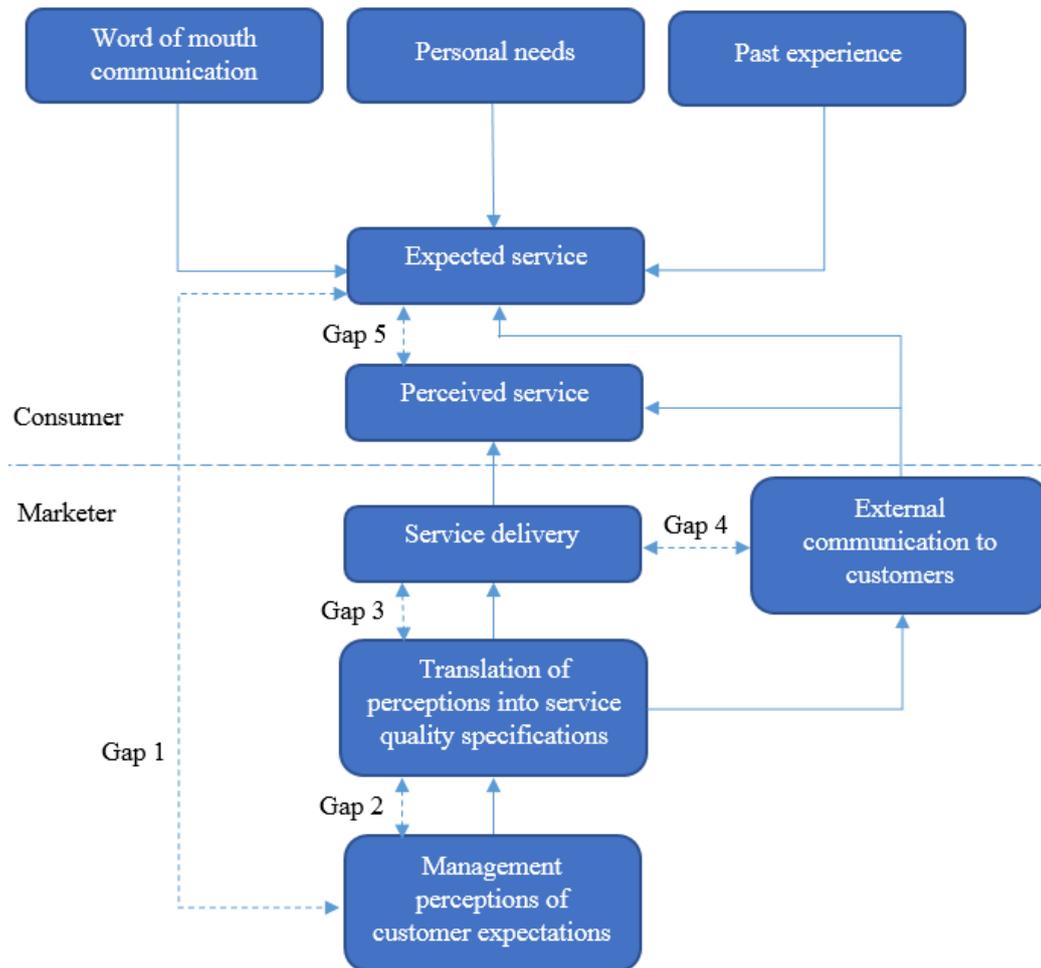
Figure 4: Gap model, adapted from Zeithaml et al. (1985b)

3.2 Gap model

Zeithaml et al. (1985b) found out that the first gap arises between the actual customer expectations and what management thinks those expectations are. They propose that this gap, if not closed, can lead to a negatively perceived service delivery as all further actions are based on management's understanding of customer needs.

The second gap that affects service quality lies between the management's expectations of customer needs and the service quality specifications implemented. Even if management is able to capture customer expectations correctly, there may be a lack of resources, such as skilled labor or management's commitment to service quality.

The third gap arises between service quality specifications and the actual service delivery. Although management might know about customer expectations and implemented appropriate service quality specifications to ensure the expectations are met, the actual quality delivered depends on the individual employee performing the service. These standards cannot always be met as the performance of employees varies and services are hard to standardize.

The service delivery-external communications gap can have an influence on customer perceptions and customer expectations about the service. If the company takes outstanding effort to ensure a high quality service, which is generally not visible to customers, but communicated to them, it can favorably impact the customer perception of service quality. The gap exists if this effort is not communicated. The gap between service delivery and external communication that influences customer expectations is due to promises about the service being made by marketing activities that the firm is unable to fulfill in the end.

Due to findings of the study, Zeithaml et al. (1985b) were able to reinforce the assumption that customers evaluate the quality of a service as a comparison of prior expectations and perceived service performance. As shown in Figure 5, they suggest that expectations are influenced by personal needs, word-of-mouth, and past experience with a similar or the same service.

Moreover, for the gap between customers' perceived and expected service quality, Zeithaml et al. (1985b) found ten key criteria that are commonly used by customers when evaluating service quality. Further research on these determinants has been carried out, which combined and relabeled them as "five dimensions of service": reliability, tangibles, responsiveness, assurance, and empathy (Parasuraman et al., 1991).

3.3 Dimensions of service

According to Parasuraman et al. (1991), reliability, involving the dependable and accurate performance of the promised service, is the most important dimension in shaping expectations. Reliability is concerned with the outcome of a service. This implies that customers expect service organizations to simply deliver what they have promised and are supposed to deliver. However, in order to exceed customer expectations, they found that the other dimensions, especially responsiveness ("The willingness to help customers and provide prompt service."), assurance ("The knowledge and courtesy of employ-

ees and their ability to convey trust and confidence."), and empathy ("The caring, individualized attention provided to the customer") have the ability to serve the customer beyond the expected level (Parasuraman et al., 1991, Table 2). Also, Lashley (2001, p. 220) argues that "…the performance of service employees in the service interaction appear to play a significant role in shaping customer evaluations of satisfaction [and] quality …". In short, companies need to be reliable in order to match their customers' expectations and to be able to compete against competition. If companies can also perform well in the other dimensions, they are able to exceed customer expectation, make them feel satisfied, and return to the company. Thus, companies get the chance to prevail against competition. Using these three dimensions to gain competitive advantages, involves a number of actions concerning creating a workforce that is able and committed to delivering high service quality, for instance providing continuous training, attractive rewards as well as empowerment to be able to interpret customers' individual needs and adapt the service accordingly (Parasuraman et al., 1991).

As illustrated in Figure 5, each of those dimensions has an impact on either the expectations formed by customers or the perceptions of the service performance (Zeithaml et al., 1985b). Moreover, also the degree of experiences customers have, can shape expectations, as those who are experienced with a service are likely to have higher expectations than those who are less experienced (Zeithaml et al., 1985b; Lashley, 2001). The bottom line should be that mangers understand customer expectations and
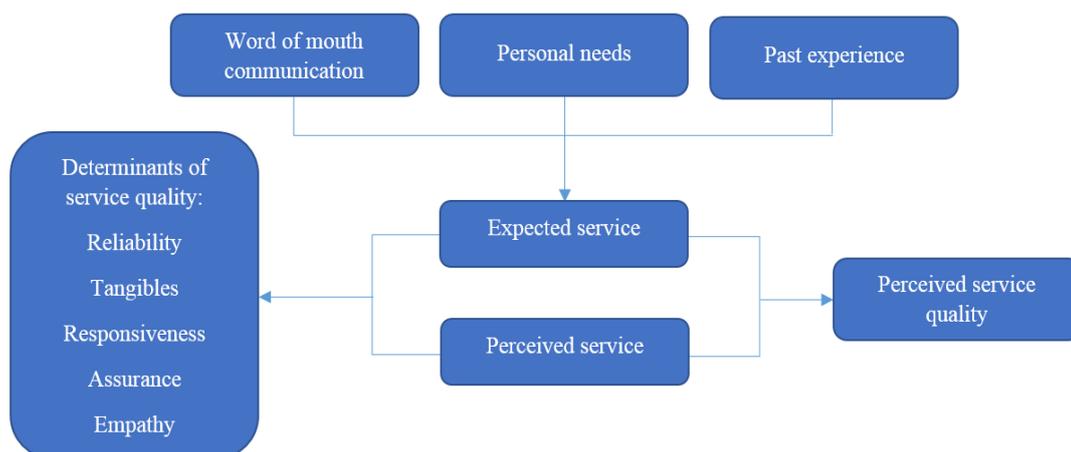
Figure 5: Determinants of perceived service quality, adapted from Zeithaml et al. (1985b), modified according to Parasuraman et al. (1991)

that they are shared with employees, who have the responsibility to perform the service in a way that satisfies them (Lashley, 2001).

The last section showed unique characteristics of service and the importance of service quality for business' success within the hospitality industry. It is the service aspect that makes guests satisfied and returning, representing the goal of every service organization. Moreover, happy customers tend to spread positive word of mouth, which is another reason why service quality needs to be in management's focus. However, the service is delivered by subordinates, who need to be motivated and committed to meet guests' expectations in order to constantly strive towards corporate success. As mentioned in section 2.5 and 2.6, empowerment is beneficial for employees' motivation, which in turn can lead to a committed workforce as well as better service performance. The usefulness of empowerment to enhance the quality will be further discussed in Chapter 5.1. The following part of the paper will deal with the topic of job satisfaction and how it influences business' productivity and turnover rate. In turn, an organizations' employee turnover and satisfaction may also impact the quality of service delivered.

4 Job satisfaction

As well as service quality, also employees' job satisfaction might be a crucial factor that determines an organization's success within the hospitality industry. Job satisfaction is a construct to which a lot of attention has been paid in the last decades (Weir, 1976; Cranny et al., 1992). Job satisfaction has become especially important during the human relations movement in the 1930s, which resulted from the Hawthorne studies. During this time, more emphasis was placed on employees' satisfaction, leadership styles, and personal relations, than in the, at that time dominant, concept of Taylorism, which embodied fragmented and meaningless tasks. According to Karl Marx (cited by Gruneberg, 1979), work settings after Taylor's theory caused feelings of misery and lack of fulfillment. The human relations movement was extended by Maslow's hierarchy of needs, which basically describes a theory of human motivation including more than social relationships, and by Herzberg's theory, which shed more light on job dissatisfaction and job satisfaction, influenced by various factors (Weir, 1976). Resulting from all that, job design became an important issue, which is defined as "specification of the contents, methods and relationships of jobs in order to satisfy technological, and organizational requirements as well as the social and personal requirements of the job holder" (Davis, 1966, p. 21). To summarize this definition, not only the company goals should be achieved, but also the employees' individual needs should be considered and fulfilled in order to enhance motivation, satisfaction and performance (Weir, 1976). Referring to Gruneberg (1979), various factors play a role in determination of job satisfaction, such as the design of jobs, social relationships, payment, and supervisory hierarchies. For management, it is crucial to recognize job satisfaction's determinants and consequences to understand employee behavior at work. Although job satisfaction is not universally defined, many definitions describe job satisfaction as an emotional reaction to a job. This reaction is determined by the individuals' comparison of desired and actual outcomes (Cranny et al. 1992). This common element of job satisfaction stays in line with the argument of Gruneberg (1979) that it is essential to take into account dissimilarities of human beings and variations of their intrinsic needs.

As Gruneberg (1976) argues, the nature of job satisfaction involves very controversial views. Some argue that job satisfaction is determined by the total amount of feelings that an employee experiences about the job, which involves feelings about the nature of the job, the remuneration, possibilities for promotions, the supervision, et cetera. The degree of overall job satisfaction is then the degree of the sum of those aspects creating

the feeling of satisfaction or dissatisfaction. Some others might argue that considering the nature of the job itself is not enough to understand this concept. (Gruneberg, 1976) Also, employees' expectations about the job need to be taken into account as influencing job satisfaction. If the job fails to meet such expectations, employees tend to be dissatisfied. Again, it needs to be respected that expectations may vary from employee to employee and from time to time. According to this view, overall job satisfaction can be explained by the sum of individual satisfactions with the different parts of the job. However, next to expectancy theory, there is also the two-factor theory developed by Herzberg, which explains job satisfaction. According to this theory, job dissatisfaction and satisfaction are not caused by the same conditions. Herzberg (1968) also states the importance of job enrichment to overcome the trend of fragmented tasks, allowing more decision-making and the usage of employees' full potential to increase job satisfaction (Gruneberg, 1976). Gruneberg (1976) further points out that the theory of job enrichment was further developed and studied, resulting in the importance of changing the nature of the job for increased job satisfaction. Three main characteristics a motivating job must have, as provided by Porter et al. (1974, cited by Gruneberg 1976), are (1) creating a sense of ownership; (2) tasks should result in a meaningful outcome; and (3) the tasks should allow the employee to make an impact and give feedback on what is accomplished.

The advent of job satisfaction studies helped managers in changing the design of jobs in a way that motivates employees, but also brought to their attention that enhanced job satisfaction could result in an increased productivity and decreased turnover. The following sections will further elaborate these relationships.

4.1 Job satisfaction and productivity

One of the main reasons why job satisfaction became such a popular topic is that many believed it would contribute to enhanced performance output. This assumption was confirmed during the human relations movement through various studies, one being the Hawthorne study, which claims that increased job satisfaction, caused by friendly supervision, leads to enhanced productivity (Lawler III and Porter, 1967; Gruneberg, 1979). Due to such findings, managers as well as scientists assumed a relationship between a decreased dissatisfaction and increased job performance (Lawler III and Porter, 1967). However, some other studies on job satisfaction and productivity, such as the one from Brayfield and Crockett that is mentioned by Lawler III and Porter (1967), did not find any relationship between the two variables. Such results abandoned the naïve

assumption of satisfaction leading to high performance. Further studies found a low correlation, which makes both the naïve and pessimistic view of the relationship between satisfaction and performance unjustified (Gruneberg, 1979). Lawler III and Porter (1967) also offer another study, conducted by Vroom, which shows quite low correlations, but those correlations are consistently positive in direction. In short, after various studies were conducted, the strong relationship between job satisfaction and performance had to be rejected, but there is evidence that a low, positive correlation exists.

The complex rather than straight-forward relationship may also be the other way around: job satisfaction is caused by job performance. This relationship was further elaborated according to expectancy theory by Lawler III and Porter (1967). They argue that the correlation can be explained by a third variable: rewards. According to them, good performance has the ability to cause rewards and valued rewards lead to satisfaction. These rewards can be extrinsic or intrinsic in nature. Extrinsic rewards, representing Maslow's lower level needs, such as payment, security, and promotion are granted by the company and often do not directly relate to actual performance. Therefore, it may be argued that extrinsic rewards do not contribute to job satisfaction (Gruneberg, 1979), while intrinsic rewards, representing Maslow's higher level needs, such as the feeling of being able to accomplish something meaningful, are more directly related to satisfaction (Lawler III and Porter, 1967). Intrinsic rewards are given by an employee to him- or herself for accomplishments. Lawler III and Porter (1967) tested their model and found a significant relationship between job performances causing job satisfaction. Moreover, it was confirmed that the fulfillment of higher-order needs (self-actualization, self-esteem, or growth needs) are closely related to productivity and satisfaction. This finding stays in line with the results of studies conducted by Slocum (1971, cited by Gruneberg, 1979) and Hackman and Lawler III (1971, cited by Gruneberg, 1979), showing satisfaction of higher-order needs having an influence on the relationship of job performance and job satisfaction. Self-esteem relates to the perceived competence of completing the job, which may lead to enhanced performance being the source of satisfaction (Korman, 1977, cited by Gruneberg, 1979). Furthermore, Gruneberg (1979) mentions the degree of control an employee has over the task as an even more important influence on this relationship. Hackman and Lawler III (1971, cited by Gruneberg, 1979) further divided the job into four dimensions that are positively correlated to productivity: autonomy, variety, identity, and knowledge of results. They

found that the sum of the satisfaction with those dimensions determines the overall job satisfaction and productivity.

4.2 Job satisfaction and employee turnover

Various studies also mentioned that there is a significant relationship between job satisfaction and employee turnover (Lawler III and Porter, 1967; Gruneberg, 1979). Therefore, understanding job satisfaction is also crucial for managers who want to reduce labor turnover.

Hospitality is claimed to be one of the industries with the highest turnover rates, which means that employees stay a relatively short time with an organization. A certain degree of turnover can be helpful for businesses, however too high turnover rates may be extremely costly for an organization. This is especially true for jobs where a high amount of on-the-job training or education is needed for new entrants, as it is often the case in hospitality industries. If employees leave the organization, knowledge and skills are also gone with these employees. Building up a new workforce that provides the same capabilities and competences as the one that is lost, can require substantial amount of time and money (Kysilka and Csaba, 2013).

On the one hand, job dissatisfaction is likely to lead to labor turnover (Gruneberg, 1979). And on the other hand, job satisfaction can be seen as being able to reduce labor turnover. People who experience high probabilities of receiving rewards after completing the job are likely to be motivated to go to work where his or her individual needs are fulfilled. The satisfaction of individual needs results in job satisfaction, which in turn leads to decreased labor turnover (Lawler III and Porter, 1967). Kysilka and Csaba (2013) argue that hospitality organizations that are effective in retaining their current employees are able to establish a sustainable competitive advantage.

5 Consolidation of the concepts

This chapter will bring together the concept of empowerment with service quality, as well as with job satisfaction. It will be further elaborated how empowerment can be used to deliver superior service (5.1) and how it contributes to increased job satisfaction (5.2). Section 5.3 will provide an insight into how all the three concepts may be interlinked.

5.1 Empowerment for delivering superior service

Research on empowerment supports the assumption by Parasuraman et al. (1991) that employees play a crucial role in delivering high quality services, shaping customer satisfaction, creating competitive advantage, and enhancing organizational performance (Guiry, 1992; Lashley, 2001; Chiang and Birtch, 2010; Coelho et al., 2011). However, in former times numerous companies within the service industry perceived employees as major cost centers, which needed to be reduced in order to gain a cost competitive advantage. The results were low remunerations, poor employee skills due to poor training, low motivation, low job satisfaction, and thus high labor turnover. Lashley (2001, p. 221) mentions that "…these 'cost leadership strategies' are incompatible with a quality based strategy and with empowerment". The two major problems managers have to deal with in service organizations are high labor costs and the inability to constantly control employee performance. After having examined the crucial role of employees in the service encounter, companies should focus on gaining competitive advantage through the quality of service they deliver, instead of cost reductions. For doing so, employees need to be trained to develop skills needed for a successful service delivery, be informed about and involved in the organization, and be committed to satisfying customers (Lashley, 2001). The second issue relates to the complexity of service encounters and customer needs that make it difficult for managers to control every work done by front-line employees. According to Lashley (2001, p. 226), empowerment can help to overcome these problems, as it enhances employees' "…motivation to be involved and committed to customer satisfaction." Bowen and Lawler III (1992a) also mention that through empowerment, employees will be enabled to spontaneously adapt the service delivery according to individual customer needs and to be confident about their competence of satisfying customer expectations. This is especially important if there are customer complaints about service quality. Empowered employees who take the responsibility to solve the experienced problems according to customer needs have the chance to turn a dissatisfied customer into a satisfied and loyal one. Empowerment

typically leads to an increased job satisfaction, which, according to Bowen and Lawler III (1992a), will shape the service experience perceived by customers. Moreover, providing a satisfying experience to customers can be ensured through creating a sense of ownership and personal efficacy as well as commitment within employees. As argued by Yukl and Becker (2006), enabling employees to make decisions and create impact is likely to increase employees' responsibility, sense of ownership, and motivation to deliver high quality services. After realizing this and getting some training, employees will work according to company standards and service specifications, which create the ability of moving control away from managers towards front-line employees. Through introducing self-managed teams and through the shift in responsibilities and granting more of it to individual employees, companies have the chance to decrease management costs in the long run (Yukl and Becker, 2006), enhance business performance due to increased responsiveness of employees to customer expectations, and thus, increase customer satisfaction and loyalty (Lashley, 2001).

Furthermore, the author argues that empowerment can be used to close some of the gaps between expectations and delivery, introduced by Zeithaml et al. (1985b). Gap 1 that refers to the managements' understanding of customer expectations and their real expectations might be closed through information derived from front-line employees' suggestions, if they are empowered through forms of involvement, such as suggestion schemes. If there is a lack of skilled labor to work according to customer expectations, which forms gap 2, companies could consider to apply empowerment through participation in form of job enrichment, including detailed training that enables employees to take the authority and responsibility to adapt the service in a way that meets customer needs. If there is a gap between expected service by management and actual service delivered by employees, empowerment can increase employees' motivation and commitment toward providing highly satisfying services and enhancing business success. Creating commitment to organizational goals can be seen as the overall objective of every empowerment strategy. This objective is also presented in the gap between external communication and actual service performance. Through empowerment, employees are likely to feel more committed to deliver performance that is communicated to the outside environment. Finally, gap 5, which is the difference between customer expectations and the perceived service delivery, can be overcome, as already previously mentioned, by focusing on the three dimensions of how service is delivered by employees: their responsiveness to customers' special needs, assurance, and empathy (Par-

asuraman et al., 1991). Using forms of empowerment, for instance, through participation enables employees to interpret customer needs and create a service that is tailored to them, as well as to communicate self-confidence in and being committed to delight the customer. Also empowerment through commitment can be used to enhance employees' responsibility for their actions and create ownership of delivering quality (Lashley, 2001).

5.2   Empowerment for increased job satisfaction

Companies find themselves more and more under external pressure, resulting from intensified economic conditions, as well as internal pressure, due to unsatisfied employees (Keis, 2000). Challenges, such as the continuously growing global competition, rapid changes in a company's environment, and demand for increased quality and better service, can only be handled if the company understands how to use the full potential of their human resources (Koppermann et al., 1996).

The roots of empowerment can be traced back to the 1950s when the Taylorism was still the dominant theory in designing work places (Keis, 2000). However, this management theory did not contribute to motivation, in contrary, it led to increased unresponsiveness of employees. The theory was criticized to create repetitive tasks which result in the abasement of humans (Kieser, 1999, cited by Kantsperger 2001). Therefore, scientists claimed to stop the breaking down of tasks into tiny steps in order to provide the employees with a chance of self-actualization through performing the work holistically (Keis, 2000).

Since then, also the expectations of employees towards their work changed. In former times, employees' main requirement to the job was having a secure payment and employment. Those expectations changed to an increased importance in being able to perform tasks that require more responsibility as well as employees' own initiative (Rosenstiel, 2000, cited by Keis, 2000). As empowerment is able to satisfy those expectations and also higher order, intrinsic needs, it may lead to increased job satisfaction. Other authors who support the relationship between empowerment and job satisfaction are Thomas and Tymon (1994, cited by Wang and Lee, 2009), Spreitzer et al. (1997), Yukl and Becker (2006), and Harris et al. (2009), for instance because empowerment generates intrinsic rewards, which are generally related to increased job satisfaction (Thomas and Tymon, 1994).

Some researchers (Spreitzer et al., 1997; Wang and Lee, 2009) examined the four dimensions of empowerment and how they relate to some job outcomes, such as job satisfaction. Spreitzer et al. (1997) viewed the influence of meaning, choice, impact, and competence on job satisfaction individually and found a strong, positive relationship between meaning and job satisfaction. This stays in line with what Thomas and Velthouse (1990) argue, namely that a task that is meaningless to an employee usually results in apathy and job dissatisfaction. Wang and Lee (2009) reviewed and collected more studies based on empowerment and job satisfaction, which resulted in differing outcomes. They claim that most of this research confirmed a positive relationship between job satisfaction and meaning, as well as choice, whereas the results varied widely for the relationship between job satisfaction and impact and competence. Wang and Lee (2009) explain these varying results of other authors to some extent by the fact that those disregard the interaction among the four dimensions of empowerment in influencing job satisfaction. In other words, Wang and Lee (2009) claim that the interlinking between empowerment's dimensions has a great impact on job satisfaction.

In contrary to what Spreitzer et al. (1997) argue – that employees need to experience the most of every dimension in order to increase job satisfaction –, Wang and Lee (2009) claim that there might also be too much of one dimension and that the right balance between the dimensions have to be found in order to maximize job satisfaction. They found meaningfulness as being the one dimension that has a positive correlation with job satisfaction, regardless of the other three dimensions. Therefore, Wang and Lee (2009) examined the interaction between the three dimensions of impact, choice, and competence. On the one hand, they conclude that the dimensions might reinforce each other, for instance situations with low choice, high competence and high impact have a strong positive influence on satisfaction. If, in this case, also greater choice would be granted to employees, satisfaction would be slightly lower. On the other hand, the dimensions can also suppress each other, for instance in a situation with low impact and low competence, higher level of choice would lead to less satisfaction. From a managerial perspective, this can be explained by the resulting stress and ambiguity that employees feel not capable or motivated to complete the job. Wang and Lee (2009) further suggest, among other relationships, that when introducing empowerment to increase employees' choice, it should be considered to also increase employees' competences if the impact of the job is low, or increasing the perceived impact if the competences are low. Similarly, if empowerment seeks to increase competence, for instance through training, an increase in perceived job impact or choice should also follow.

However, meaningfulness is claimed to enhance job satisfaction in any situation. As already mentioned before, those relationships should be monitored thoroughly in practice in order to find the right balance of empowerment dimensions (Wang and Lee, 2009).

5.3 Linkage of empowerment, job satisfaction, and service quality

Although many researchers claim that there is no, or a low, correlation between job satisfaction and productivity, some other studies show that there is a strong correlation between job satisfaction and service quality in service industries (Yoon et al., 2001; Snipes et al., 2005; Yee et al., 2008). For instance Snipes et al. (2005) found that job satisfaction can impact service quality significantly and therefore, also the effectiveness of a service organization. Moreover, they used extrinsic as well as intrinsic job satisfaction facets to determine the relationship to perceived service quality. It was revealed that intrinsic job satisfaction facets are more significantly leading to job satisfaction, whereas among the extrinsic facets only one seemed to be significant. Because of these results, Snipes et al. (2005) point out that often the work itself can be enjoyable, fulfilling, and thus, motivating. Service employees who experience high intrinsic motivation are likely to perform better customer service. Snipes et al. (2005) also tested the relationship between feelings of empowerment and job satisfaction, which revealed a strong correlation. Therefore, it can be concluded that overall empowerment provides employees with intrinsic rewards of doing their jobs, which has a positive impact on job satisfaction. Further, job satisfaction is able to lead to increased service quality (Snipes et al., 2005; Yee et al., 2008) and also directly influences customer satisfaction, which in turn leads to increased profitability (Yee et al., 2008).

Lashley (2001) concludes that there is a relationship between customer satisfaction, customer turnover, employee satisfaction and turnover. In case of a good service quality, a virtuous cycle will be created, meaning that good service will result in customer satisfaction and low customer turnover, which in turn leads to higher profit margins and employee satisfaction, which also results in decreased labor turnover. Low employee turnover further links to customer satisfaction to close the circle. On the other hand, there might evolve a vicious cycle in the case of poor service quality. Customer satisfaction will be reduced due to poor service quality, which results in decreased customer retention and lower profit margins. Employees would need "…to work harder to recruit new customers which reduces employee satisfaction and increases employee turnover, which in turn impacts on customer satisfaction." (Lashley, 2001, p. 224).

Literature review about empowerment, service quality, and job satisfaction revealed three important aspects. Firstly, it can be argued that empowerment is a motivational construct. The way of how empowerment increases employees' motivation is explained by several popular motivation theories. Those theories show that empowerment has the ability to fulfill various intrinsic needs that vary in importance from person to person. Secondly, as motivation is a major tool to increase service quality, so is empowerment. Motivated and committed employees tend to provide better performance, which results in satisfied guests. Thirdly, it is explained that the satisfaction of internal needs will also result in job satisfaction. Therefore, it is claimed by many researchers that empowerment is capable to increase employees' satisfaction, which in turn results in enhanced service quality. But also good service quality, satisfied guests, and business' success can lead to greater job satisfaction. All in all, empowerment can be seen as highly beneficial for organizations within the hospitality industry, as it ensures happy employees as well as happy customers.

In the following chapter, the research methodology will be described. The empirical part consists of an expert interview with the Human Resources Manager of The Ritz-Carlton Vienna. Findings and interpretations of this interview will be presented in Chapter 7, followed by an overall conclusion.

6 Methodology

In this chapter, quantitative research methodologies are described in a brief, and qualitative research methodologies in a more extensive way. Moreover, the author also provides the reasoning of choosing qualitative research as appropriate for the empirical part. Expert interviews as special form of semi-structured interviews will be presented in more detail as it embodies the technique used for the research of this paper.

6.1 Quantitative versus qualitative research

In general, research methodologies can be categorized into quantitative and qualitative approaches. Quantitative research requires observations to be measureable, which are then statistically processed. For this type, one will need to formulate hypotheses that need to be tested and then judged to be confirmed or rejected. In qualitative research, researchers are more interested in attaining a detailed and holistic picture from the case under study, which is derived from asking fewer, thoroughly chosen participants open questions that should be answered spontaneously. One of the three approaches of qualitative research aims to find out about the subjective meaning of an issue from the participants' perspective (Flick, 2011). Due to the fact that this thesis deals with empowerment, which is a subjective theory, the author claims that qualitative research would fit best for answering the research questions.

6.1.1 Qualitative research

A crucial question that arises after choosing the qualitative approach is which methods to use. Researchers distinguish between studies where events are directly analyzed through observations or interaction studies, and studies where reports of the events are analyzed, through interviews or narratives (Flick, 2011). The author decided to use verbal data instead of observations, as empowerment is an intrinsic construct, which might not be visible to externals.

The three basic types among methods to collect verbal data are narratives, focus groups, and interviews. Narrative methods are often used in biographical research and can be described as encouraging the interviewee to tell stories about their experience with the topic under study. Focus groups involve a small group of people, discussing the topic under study, while the interviewer moderates the discussion according to a more or less specified structure. Finally, interviews usually take place only with one participant at a time, using more open questions than in questionnaires, which allows interviewees to

express their viewpoints more extensively (Flick, 2006). Moreover, interviews as opposed to narratives focus more on the perceptions of participants concerning the topic under study, than on the individuals themselves and their history and experience with the topic (Flick, 2011). As the author aims to find out how individuals might perceive empowerment in hospitality industry and is not so much interested in the personal experience of individuals with empowerment, she decided to use interviews as a data collection tool. Moreover, she preferred interviews over focus groups because group discussions are not as useful to examine a topic such as empowerment, which is implemented differently in various organizations, causing people having varying understandings of the construct. This could lead to misunderstandings during group discussions.

6.1.2 Semi-standardized interviews

Interviews can be further distinguished into several forms: focused interviews, semi-standardized interviews, problem-centered interviews, expert interviews, and ethnographic interviews. Flick (2006) further describes all of those forms and names semi-standardized interviews as a method for reconstructing subjective theories, which best fit to the research of this thesis. "The term 'subjective theory' refers to the fact that the interviewees have a complex stock of knowledge about the topic under study." (Flick, 2006, p. 155). In order to surface this knowledge, different kinds of questions need to be asked, that are noted in the interview guide (see Appendix 1). First, in order to introduce each subtopic, an open question is asked, followed by more detailed and theory-driven questions. Before closing each subtopic, a confrontational question is to be asked in order to critically reconstruct the interviewee's opinion. Flick (2011) also mentions expert interviews as being part of semi-structured interviews. He describes it as a method where the questions are more closely linked to the aims of the research – that is deriving the expertise and knowledge of interviewees in a particular field – than to the personality of the individual and his or her experience. Due to this, the author decided to conduct an expert interview as a special form of semi-standardized interviews for her study. The reason why only one interview was conducted is that it was aimed to provide exemplary results. For a representative outcome, the author would have needed to interview a large number of experts, which would have gone beyond the scope of this thesis.

6.2 Data collection and analysis

For examining the construct of empowerment and in order to answer the research questions, the author chose to interview the Human Resource Manager of The Ritz-Carlton Vienna, as the brand Ritz-Carlton is one of the most renowned companies within the hospitality industry that incorporate empowerment of front-line employees. The interview with the expert was recorded and subsequently transcribed into written form, which can be found in Appendix 2. For the transcription, rules describes in Table 2 were applied.

Designation in transcript	Meaning
*	Short break
**	Long break
Abc-	Break off word
Abc-	Break off sentence
#abc#	Simultaneous talk
(comment)	Paralinguistic utterance
I	Interviewer
IP	Interviewee

Table 2: Rules for transcription, extracted from Flick (2006, p. 291)

The data obtained was analyzed using qualitative content analysis after Mayring (1983). There are three analytic techniques provided: summarizing content analysis, explicative content analysis, and structuring content analysis (Flick, 2011). In the case of this thesis, structuring content analysis was used as it deals with "…specific topics or domains which characterize the texts…" (Flick, 2011, p. 139). This structure is also called content structure, which is built upon the interview guide and literature review. By using this approach, the author will reassess the findings against existing literature, and thereafter will provide the interpretation and answer to the research questions.

7 Findings and interpretation

In this chapter the results of the expert interview concerning the relationship between empowerment, service quality and job satisfaction will be presented. The successive sections are grouped according to the coding applied. Although the first section, which deals with general findings about empowerment, is not essential to answer the research questions, it provides relevant insights into the view of empowerment by the expert. Section 7.2 and 7.3 will be concerned with results of how empowerment with its four dimensions relates to service quality and job satisfaction, respectively. Thereafter, findings of the relation between empowerment, job satisfaction, and service quality will be presented and discussed. Assessing all findings against existing literature will provide the author with the possibility to answer the research questions about if and how empowerment contributes to an increased overall service performance; if and how empowerment contributes toward an increased employees' job satisfaction; and if and how empowerment, job satisfaction as well as service quality are interrelated.

7.1 Empowerment in general

The findings of the interview show that the expert's opinion about empowerment is concerned with both perspectives, empowerment as a managerial and empowerment as a motivational concept. Although the term for her means granting decision-making power, as it is also described by some researchers, it also deals with the motivational aspect and feelings of empowerment. The expert confirms what is argued by Conger and Kanungo (1988), Thomas and Velthouse (1990), Spreitzer (1995), and Quinn and Spreitzer (1997), namely that it is crucial for employees to feel empowered. Employees need to see a sense behind the tasks they are performing and need to understand what they are working for in order to feel empowered. The Ritz-Carlton Vienna provides meaningful jobs in every department, all contributing to one goal, which is constantly transmitted to every employee. Also, the expert mentions that the reason why a goal has been achieved needs to be communicated. *"(…) tell your team this is what we achieved, and this is why we achieved it. So that the people say that it was actually their impact why we achieved the goal." (Line 52-53).* Management needs to acknowledge the fact that employees are the drivers of achieving a goal, that they have an impact on the overall success. This also contributes to the feeling of being empowered. The expert was not too clear about the dimensions self-determination and competence and how they lead to the feeling of empowerment. However, she argued that at Ritz-Carlton, it is important to make people know first about the hotel's culture and

standards in order to judge what is right and what is wrong before it comes to granting decision-making power. Moreover, she mentions that employees first need to be developed and trained in order to become empowered. *"I cannot give someone the power to make decisions (…) if they do not have the skills for it, if they do not have the knowledge (…) these are the basics that need to be there and that need to be also trained (…) before the people can get the power." (Line 74-78).* She explains, that necessary skills need to be acquired first, before power can be granted. This assumption is in line with what Spreitzer (1995) and colleagues claim, namely that the feeling of competence leads to empowerment. In general, the expert believes that empowerment is very beneficial to a hotel and can impact its success. *"Well, my general opinion is that empowerment is very important (…) I can only say that it is really a big key success factor as well because it also makes the Ladies and Gentlemen (…) stronger, it just gives better quality and better service to our guests." (Line 82-87).* Through empowerment, employees constantly learn from each other, get stronger, and provide enhanced service quality. They are given possibilities for self-determination and growth instead of predefined guidelines for processes, procedures and activities.

7.2   Empowerment and service quality

Concerning the importance of service quality to hospitality industry, the expert argues that service quality is the one major topic as it is the aspect that makes customers satisfied and returning. In general, service quality can be enhanced by empowerment as employees have the freedom to do anything that is necessary – staying in line with core values and standards – to satisfy the customer. This argument complies with Bowen and Lawler's (1992a) assumption that empowerment enables employees to adapt the service according to customer needs. Other aspects that have the ability to improve service are the presence of trust and respect in the company as well as the possibility to voice ideas or feedback that are also listened to by management. Such a culture is able to motivate individuals to perform a good job and is also described by various researchers as important for implementing empowerment (Stewart, 1997; Quinn and Spreitzer, 1997; Lashley, 2001). Empowerment's dimension of meaningfulness plays a major part in providing quality. Employees need to believe in the work they are performing, in the brand, and in service quality. Perceived meaningfulness will make employees feel comfortable, happy and proud of their jobs. *"(…) they would deliver better service and they would feel more comfortable, they would just be happy at their job, they would probably be proud at the place that they are working and they would be proud of themselves*

if they see that guests are (...) happy and satisfied." (Line 241-245). Also, if employees feel that they are having an impact on the satisfaction of guests, they will take the task more serious. *"If you have the feeling that you are important and that you have an impact to achieve something, then of course you would (...) automatically take everything some more serious." (Line 249-251).* Therefore, service quality can be enhanced as employees see they are impacting the overall goal of meeting guests' expectations. Moreover, good service quality depends on the degree of self-determination. *"I think it also (...) helps to achieve it, better service quality. Because it's (...) also then more authentic." (Line 255-256).* Granting employees some choice on how to complete the job instead of using checklists or guidelines, makes the service more authentic and increases the chances of satisfying the guest. Also, competence resulting from training and education enhances service performance. In general, the expert believes that empowerment is one big key to increase service quality. *"I would say (...) that empowerment is a big key to increase the service quality. Of course, with guidance, with supervision, there is no doubt about that. But still, empowerment is a very big and very important key." (Line 272-274).* Looking at the expert's opinion how empowerment and its dimensions can manage enhanced service quality, leads the author to the assumption that empowerment, in fact, has the ability to impact quality. This assumption is supported by the existing literature of how empowerment can be used to deliver superior service, written by authors like Bowen and Lawler III (1992a), Lashley (2001), and Yukl and Becker (2006).

7.3 Empowerment and job satisfaction

Another important aspect to satisfy guests is employees' job satisfaction. The expert claims it needs happy employees to make happy guests. Job satisfaction can be ensured not only through hygiene factors, such as the property, colleagues, money, and other circumstances, but also through intrinsic motivators, such as the way employees are treated, the way their feedback is recognized, and the degree of impact and meaningfulness they experience. As empowerment is claimed to meet those intrinsic needs, it can also lead to enhanced job satisfaction (Thomas and Tymon, 1994). The expert believes that tasks must be meaningful to employees to make them happy and successful. *"(...) you need to like the task that you are doing to be successful, to be happy, and (...) to do a good job." (Line 299-300).* The importance of meaningful tasks for employee satisfaction is confirmed by researchers such as Spreitzer et al. (1997), Thomas and

Velthouse (1990), and Wang and Lee (2009), who found a significant positive relationship between these two. Moreover, the expert argues that choice and impact lead to job satisfaction but does not further elaborate on those relationships. Also, perceived competence is said to lead to job satisfaction as it means that the organization invests resources in trainings and career development. *"(…) if Ladies and Gentlemen see that (…) they are also giving me something, they are investing in me as a person, in my career, that should lead to [job satisfaction]." (Line 320-323).* In general, the expert considers empowerment as being able to contribute to increased satisfaction, which is in line with what Spreitzer et al. (1997) argue. "*[Empowerment] is a big impact, I would say. It is a big impact for job satisfaction, for the quality of the service. Yes, I would say so." (Line 336-337).* However, according to Wang and Lee (2009), the right degree of choice, impact, and competence need to be found in order to enhance job satisfaction. As there are various perspectives regarding the interaction of those two concepts and as the expert was not able to elaborate on some relationships, the author is able to answer the second research question only partially. She concludes a positive relationship between the overall feeling of being empowered and job satisfaction, due to some existing literature (e.g. Spreitzer et al., 1997; Yukl and Becker, 2006; Harris et al., 2009), the expert's view, and her personal experience.

7.4 Empowerment, job satisfaction, and service quality

The last main topic was concerned with bringing the concepts of empowerment, job satisfaction, and service quality together. The expert argues that those three concepts are crucial for achieving the goal of satisfying the customer and therefore, for a hotel's success. *"(…) I think these are all big points, the main points that at the end come to a goal that the guest is happy and satisfied." (Line 343-344). "(…) this is all pretty much combined and very important to get to the goal that every hotel has – to fill it with satisfied guests." (Line 348-349).* She explains that if employees are not empowered, meaning not self-confident in performing the tasks skillfully, not knowing about their impact and meaningfulness, and not granted choice in performing the job, they will be unable to supply superior service. *"(…) if you are not empowered, if you are not self-confident, and not know what you can do and have to always ask people how to make the guest satisfied, then the guest will leave." (Line 345-347).* Moreover, empowerment leads to happy employees, who are caring to make the guests happy as well, which results in an increase of service quality. *"If you are not happy at your job, you will not care to make our guests happy." (Line 347).* The expert's statements are supported by

various studies, such as Yoon et al. (2001), Snipes et al. (2005), and Yee et al. (2008). The ability of empowerment to satisfy intrinsic rewards, which is important for the overall job satisfaction is supported by Snipes et al. (2005). They and some more researchers (Yoon et al., 2001; Yee et al., 2008) additionally found a strong positive relationship between job satisfaction and service quality in service industries. Also, service quality directly impacts customer satisfaction, in turn leading to increased profitability (Yee et al., 2008).

7.5 Summary of findings

Overall, it can be argued that the expert's view about empowerment is consistent with Conger and Kanungo (1988), Thomas and Velthouse (1990), Spreitzer (1995), and Quinn and Spreitzer (1997). They all claim that empowerment is a motivational construct and that it cannot be done to employees. Instead, employees need to feel that they perform meaningful tasks, which are able to impact the overall goal of the organization. Further, also the feeling of self-determination and competence are crucial emotional states for successful empowerment.

When it comes to service quality and empowerment, the author found that not only researchers but also the expert believe an empowered workforce to have positive influences on the quality of service delivered. The expert mentions that the implementation of all four dimensions of empowerment has the ability to motivate employees to perform enhanced service. This in turn will satisfy and retain guests, which is the major goal of every hospitality organization. All in all, it can be argued that empowerment is a beneficial tool for the motivation of employees and satisfaction of guests.

As empowerment in general has the ability to fulfill intrinsic needs, it will lead to greater job satisfaction among employees. However, neither researchers, nor the expert clearly point out how each of the four dimensions contributes to it. Nevertheless, it can be concluded that the overall feeling of being empowered leads to increased satisfaction. Moreover, the expert mentions that job satisfaction is a crucial aspect within hospitality organizations, as it needs happy employees to make happy guests and thus, to be successful.

Finally, by reviewing existing literature and the expert's view, the author concludes that there is an interrelation between empowerment, job satisfaction, and service quality. As empowerment will enhance individuals' motivation and fulfill their intrinsic needs, employees will be committed to the delivery of high quality service and will

experience higher job satisfaction. Therefore, the author assumes that empowerment has the ability to increase service quality as well as job satisfaction. Further, she believes that generally, happy employees perform superior service and thus, are more likely to strive towards satisfaction of guests.

Overall, the conducted research reveals that a successful implementation of empowerment is highly beneficial for hospitality organizations, as it not only satisfies employees, but also customers.

7.6   Limitations and implications for further research

The empirical research in this thesis can be seen as an exemplary demonstration of how empowerment can be regarded by an expert in the hospitality industry. However, as the sample only comprises one expert, the results cannot be generalized, nor are they valid. It needs to be kept in mind that empowerment is a subjective theory and perceived in various ways by individuals. In order to better understand the feeling of empowerment and its dimensions as well as how they link to service quality and job satisfaction, individual employees in positions that claim to be empowered can be researched. It could be examined how service quality and job satisfaction change with the feelings of empowerment, resulting from an effective introduction of the concept. This thesis only brings together existing literature and an expert's view about empowerment and intends to stimulate other researchers to further elaborate the relationships discussed.

8 Conclusion

The aim of this thesis was to examine existing literature about empowerment, service quality, job satisfaction and how empowerment has the ability to influence the two latter concepts. Moreover, in course of the paper the author conducted an expert interview with the Human Resource Manager of The Ritz-Carlton Vienna in order to find out more about the interrelations between the three constructs.

Firstly, it can be concluded that empowerment can only be successful within a company if employees feel empowered. The author suggests that only if this condition is fulfilled, empowerment is able to create the desired benefits. She also agrees with various researchers and the expert that the feeling of empowerment includes four dimensions: meaningfulness, choice, impact, and competence. If employees perform meaningful tasks, if they can exercise some form of impact on the overall goal, if they are granted freedom to decide how to complete the job, and if they are self-confident to perform the tasks skillfully, employees are likely to be motivated to do a good job. Therefore, empowerment with its four dimensions can be seen as a motivational construct.

Secondly, empowerment is judged as a very important concept to increase service quality in hospitality organizations. The author argues that if employees feel empowered and have the necessary support from management, they are able to adapt the service according to individual customer needs. This way, hospitality organizations will be more effective in satisfying customer expectations and ensure returning customers, which is the key to success.

Thirdly, through empowerment also experienced job satisfaction can be increased. Employees are said to feel more meaningful to the company as they can impact the organization's goal, feel more competent through sufficient training in course of empowerment strategy, and feel more trusted from management as they are able to have freedom in decision-making and how to complete the job. Performing meaningful tasks seems to be the most significant factor influencing overall job satisfaction. Although the results of other dimensions' impact varies from study to study, the author proposes that the overall strategy of empowerment has the ability to affect employees' job satisfaction positively.

Generally, it is concluded that empowerment is a crucial concept for organizations within the hospitality industry. The author supports the assumption that empowerment

is able to motivate employees to perform tasks to guests' full satisfaction, which in turn leads to returning customers and positive word of mouth. Satisfied guests and employees' knowledge that, through empowerment, they actively contribute to the business' success, leads to job satisfaction and a low turnover rate. Low turnover rates can impact service quality positively as it means that trained, knowledgeable, and professional employees are performing the service. This fact again results in satisfied guests, which is the main and common goal across all hospitality organizations.

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Appendices

Appendix 1 – Interview Guide

1. Description of the interview:

Confidentiality agreement

The research for the bachelor thesis comprises of an expert interview, where the benefits of empowerment for service quality and job satisfaction in the hospitality industry are questioned.

Process of expert (semi-structured) interview:

- The interview will consist of questions that aim to find out about your view of the subjective theory of empowerment in hospitality industry.
- Examples that reconstruct your opinion are very much welcomed.
- The interview will be recorded, transcribed, and analyzed.
- Names, that you may mention, will be anonymized during transcribing the interview.

2. Opening phase:

- Since when are you HR Manager at Ritz-Carlton?

- Which other jobs did you perform before that?

- Did you already have prior experience with HR Management before you started working at Ritz-Carlton?

- Do you have some academic education concerning HR Management?

3. Questions to reconstruct the contents of the view of the subjective theory of empowerment:

(1) Empowerment

(1A) What do you link to the word "empowerment"? How would you describe it?

- How is the feeling of performing **meaningful** tasks related to a feeling of being empowered?

- If an employee perceives that he or she can make an **impact** on the success of the hotel, how would this relate to the feeling of being empowered?

- How would you say does more freedom on how to perform the job relate to the feeling of empowerment? (**choice**)

- How do you think does a feeling of being **competent** in performing the job lead to the feeling of empowerment?

(1B) What do you generally think about empowerment? How is your opinion regarding this concept? (beneficial to a hotel's/service company's success; motivation of employees?)

(1C) Empowerment at Ritz-Carlton Vienna

- How does empowerment work at Ritz-Carlton? Can you describe some situations where empowerment took place/was used? In different departments?

- What kind of information is typically communicated to front-line staff?

- Generally, would you describe the communication rather as top-down communication or do employees also have the possibility to voice feedback and ideas?

- How would you describe the management philosophy when it comes to employees contributing to operational issues through their feedback and ideas?

- How would you describe the role of trust in your organization between front-line employees and managers? Is it mutual? For example, do employees tell managers honestly if there was a failure or if they need help?

- Why is trust so important?

- What happens in case of a service failure? Which procedures are in place?

- Which role do supervisors have in service delivery? Controlling/delegating or enabling/facilitating?

(1D) Confrontational question: Could you please summarize your opinion why you think that empowerment can/cannot be beneficial to a hotel's success?

(2) Empowerment and service quality

(2A) How do you think about service quality? Which value does it have for the hotel?

(2B) Which tools does Ritz-Carlton Vienna use to enhance or keep service quality?

(2C) What are the most important things that make an employee performing high quality service? What motivates employees to perform to the standards?

(2D) Relating service quality to the four dimensions of empowerment

- If employees perform tasks that are important to them personally, how would you relate this feeling to enhanced service quality? (**meaningful**)

- If employees have the feeling that they can contribute towards achieving the goal/success of the company while performing their job, how does it relate to a better service quality? Can service quality be enhanced if the individual perceives that he/she is able to **impact** the success of the hotel?

- If employees get the chance to decide on their own how to complete their job, how does this lead to increased service quality? (**choice**)

- If employees perceive that they are **competent** of performing their jobs, if they are self-confident to perform the tasks skillfully, how would you relate that to service quality? How does this feeling enhance their performance?

(2E) Confrontational question: So all in all, you think that service quality can/cannot be enhanced through empowerment? Why?

(3) Empowerment and job satisfaction

(3A) What do you generally think why employees' job satisfaction is important for a hotel?

(3B) How do you think do employees get satisfied with their jobs? What makes them satisfied? What are the most important aspects for satisfaction? (extrinsic or intrinsic)

(3C) Relating job satisfaction to the four dimensions of empowerment

- How do you think are **meaningful** jobs related to job satisfaction? With meaningful I mean that the employee is committed to the task, that he/she sees a personal value in performing the job.

- What do you think, how does the feeling of making an **impact** on the success of the hotel might result in job satisfaction?
  How do you think does the feeling of being important, and performing important tasks for the hotel contribute to make employees satisfied with their job?

- How do you think does freedom in deciding how to complete the job contribute to job satisfaction? = Giving employees more power for decision making on how to complete their tasks. (**choice**)

- If employees believe they are **competent** in their job, if they are self-confident in performing their job, how does this lead to job satisfaction? Is it related at all?

(3D) What are things that are likely to contribute to a decreased job satisfaction?

(3E) Confrontational question: To sum up, you would say empowerment can/cannot contribute to job satisfaction? To which extent can it influence job satisfaction? Why would you say it cannot?

(4) Empowerment, job satisfaction, and service quality

(4A) What is your opinion about the relationship between empowerment, job satisfaction and service quality? How do you think are they interlinked?

(4B) Confrontational question: To conclude, you argue that there is a/no relationship between job satisfaction and service quality? Why are you assuming that there is a/no relationship?

Appendix 2 – Transcription

Expert Interview: Human Resources Manager of The Ritz-Carlton Vienna

Location: The Ritz-Carlton Vienna

Conducted: May 15, 2014, 12:00

1   I: So the first questions would be about yourself. Ahm since when are you the HR

2   Manager of Ritz-Carlton?

3   IP: Ah, particularly for the Ritz-Carlton Vienna I am the HR Manager since last year

4   of June. So it's pretty much almost one year now.

5   I: Mhm. Ahm which other jobs did you perform before that?

6   IP: Before my position here?

7   I: Yes.

8   IP: I worked basically in Food and Beverage. Ahm so I developed myself in Food and

9   Beverage before I had the opportunity to switch to the Human Resources Department

10 in January 2011.

11 I: Okay. In which hotel? Also in the Ritz-Carlton?

12 IP: No, I worked- Before this hotel, I worked at the Renaissance Vienna Hotel. Also

13 here in Vienna, which is also part of the company. Before that I worked in the United

14 States for InterContinental.

15 I: Oh okay. * Ahm do you have- Yeah, you already have prior experience with HR.

16 IP: Yes, I do because I was in my prior hotel, in the Renaissance Hotel, I worked from

17 2011 til June 2013 also in HR.

18 I: * Ahm do you also have some academic education concerning HR?

19 IP: No, I actually just finished the basic- I mean basic- The regular apprenticeship as a

20 hotel specialist * and then during the time with my experience I got the possibility to

21 switch the department and ah * changed to human resources. But I did not do an addi-

22 tional studying or something.

23 I: Okay. Let's start with the questions concerning empowerment. Ahm what do you

24 link to the word empowerment? So, how would you describe it?

25 IP: Well, for me empowerment basically like also the word says is about power and

26 power that particularly here in our, in our case at the hotel that our employees, our so

27 called Ladies and Gentlemen, need to have the power to make decisions by themselves.

28 I: ** Ahm would you also say that the feeling is important for being empowered? So

29 that the employees, or the Ladies and Gentlemen, would need to feel empowered?

30 IP: Absolutely. Absolutely, it is also a big basic that we or a big, big topic that we also
31 always tell our Ladies and Gentlemen that they do have the empowerment and they
32 need to know that. So that they feel-* I would not say that they feel more important but
33 that they just feel more self-confident.
34 I: Mhm. ** So, would you also say that if an employee feels that he or she performs
35 meaningful tasks, that this is related to the feeling of being empowered?
36 IP: Yes, I would say so. I mean I would not say that a meaningful task or a meaningful
37 job is combined to any position or any department. I would not say that because every
38 department or every position here is meaningful in this hotel. It all comes together to
39 one goal. But definitely, the people ah* need to know that they are empowered to also
40 feel meaningful because it's nothing worse than when you do a job but you do not really
41 know for what you are doing it. Then, you could have the possibility to- Or then it could
42 happen that you do not feel as if you are meaningful but that's not really ah* really- It
43 can happen to someone who works in stewarding but it also can happen the HR Man-
44 ager if I don't know for what I am doing it then I do not really see what kind of sense
45 it makes, and then it can happen that I am feeling that I am not meaningful.
46 I: Yeah. Also, if an employee perceives that he or she can make an impact, so can
47 impact the goal of the organization, how would you relate this to the feeling of being
48 empowered?
49 IP: ** Well, ahm * yeah, it also comes together I think. I mean empowerment and
50 achieving goals or having an impact to that, is also- Ahm I think it's also important to
51 have then basic or ahm ** feedback talks or have meetings, where you also, for exam-
52 ple, as the leader tell your team this is what we achieved, and this is why we achieved
53 it. So that the people say that it was actually their impact why we achieved the goal.
54 I: * Okay. ** Ahm ** Would you also say- Or how does the freedom of how to com-
55 plete the work- So you said already before that they have power to, like, decide how to
56 complete the work. Also decision-making power.
57 IP: #Yes, absolutely.#
58 I: #Ahm, how# would this relate to the feeling of being empowered?
59 IP: I mean of course, we do have also a lot of ah an onboarding process where the
60 people or our Ladies and Gentlemen but also in general, I am just talking about our
61 hotel but it's a general case if you- Ahm the people need to know what is right, what is
62 wrong, what is the culture, what are the standards of course at first after you give them
63 the power to be empowered. So that they also make the decisions but what is also com-
64 bined with it is our culture not to do anything which is against our ah* law or something
65 like that. Just point out the worst scenario.

66   I: Okay, * ahm ** Also, how do you think does the feeling of being competent, so being

67   able to perform the tasks that the employees have skillfully, how does this relate to the

68   feeling of being empowered? ** So that they are ahm self-confident in performing.

69   IP: Mhm. **

70   I: How would it relate to empowerment?

71   IP: This is also to ahm total ah close things that come together because you, which is

72   also again a big part of the onboarding, a big part of permanent training, of ah perma-

73   nent possibilities to show the Ladies and Gentlemen how they can develop, how they

74   can do better but I cannot give someone the power to make decisions if, in our case in

75   a hotel for the guest satisfaction, if they do not have the skills for it, if they do not have

76   the knowledge, ah so this is all- Like these are the basics that need to be there and that

77   need to be also trained from the, the leaders or the guidance team before the people can

78   get the power.

79   I: Yeah okay. * So, what is your general opinion regarding empowerment? Is it im-

80   portant for a hotel?

81   IP: Yeah, my general opinion is definitely that in a hotel, in other companies, in what

82   kind of area ever, it is very important to be empowered. Well, my general opinion is

83   that empowerment is very important, of course for us, since I have the experience now

84   in the hospitality, ahm I can only say that it is really a big key success factor as well

85   because ahm * it also makes the Ladies and Gentlemen, does not matter in which, in

86   which ahm department or which position, it just makes them stronger, it just gives bet-

87   ter ah quality and better service to our guests. Ahm, yes and it just makes us also-

88   Because everyone has different kind of opinions, different kind of thoughts and differ-

89   ent kind of ways how to deal with things, so I think it is also very important to always

90   have the eyes open and also see how the colleagues, how the leaders are doing it. Also

91   learn from each other. And I think that can only happen if people are empowered, if-

92   And not only to give them, you know, this is the structure, this is how you can go, and

93   that's it.

94   I: Yeah * okay. * Ahm, how does empowerment actually work at Ritz-Carlton? Can

95   you describe some situations where empowerment was ahm * performed, or was used?

96   IP: Well, actually, it is pretty much on a daily basis. Ahm Ladies and Gentlemen here

97   are always having situations where they need ahm use their empowerment. In situations

98   where something maybe did not went hundred percent correct for the satisfaction of

99   our guests and they ahm do have the empowerment to solve these things. But they also-

100   All of them know that they also have ah the strengths, that if they are at some point

101   where they are maybe not confident to also get the manager with that, also to get a

102 support with them and someone who is also supporting them to again then come to the

103 goal that the challenge which was maybe with the guest is being solved to the satisfac-

104 tion or ah * of the guest.

105 I: Mhm. Ahm, also do you have it in different departments or is it only Front Office or

106 service?

107 IP: No, it is in different departments. It's definitely in ah as well in the front office, as

108 well at the reservation, where maybe something ah is directly on the phone , it is ah in

109 our food and beverage department, doesn't matter if it is in banquettes with an event,

110 ahm, with ah our restaurant, the steak house. There are lot of departments where em-

111 powerment can be used.

112 I: #Okay#

113 IP: #And I would# not always say- * Some people always combine it with complaints.

114 Ahm that's not what I would say but just empowerment also in changing things, maybe

115 in seeing okay we are doing this on a daily basis from day to day and I just see that it

116 would- that it takes us half an hour longer than when we do it that way. It is also that

117 they then have the empowerment to make a new strategy, give it to the leader, or ask

118 the people what they think about it and then just change it.

119 I: Okay, mhm. * So concerning the information communication in the hotel, what type

120 or what kind of information is typically communicated to the front-line staff, from man-

121 agement?

122 IP: A lot of information (laugh). A lot of information from ah daily operations, what is

123 going on in the hotel, because everyone needs to know that. And for us it's also very

124 important that everyone knows it, doesn't matter if it's someone like me, who is more

125 the back of the house. But also if I walk through the hotel because I have to talk to

126 someone of our Ladies or Gentlemen, it can always happen that a guest comes and asks

127 me something and I cannot excuse myself and say I am HR, I am not supposed to know

128 that. That's not how it is and it's not how it should be. But also then split it on the

129 departments. Everyone should know their goals, what the goal is, like I also said in the

130 beginning Ladies and Gentlemen also need to know that so that they know what they

131 are actually looking for. And ahm, yeah, so there are pretty much a lot of information,

132 a lot of ah- Also from forecasting, maybe from strategies what is happening in the fu-

133 ture, some concepts, or something such as that the people also always thing ahead.

134 I: Mhm. Okay, so how would you describe the communication? Is it rather top-down

135 or is it also bottom-up? So can ahm employees voice feedback or ideas?

136 IP: Yeah. Definitely. I mean there are of course ahm information that are coming from

137 the top to the line staff, from the leaders to the line staff. Ahm but the other way around

138 as well. If there are any communications needed or whatever, line staff can always

139 come to the leader, to the guidance team and talk to them. So it's both way. We also

140 make everyone responsible to get the information that they needed or that they need.

141 So it's always from both sides. I am responsible for example to give the information

142 but the other people are also- The front line leader or the line staff is also responsible

143 to get some information if they don't know it or if they are not sure.

144 I: Yeah.

145 IP: And that's very important for us.

146 I: Mhm. So the management philosophy concerning the communication, you would say

147 it's very important for the hotel?

148 IP: Yes. Yeah. Definitely.

149 I: And * how can they contribute their feedback or their ideas? Is it that they have like

150 monthly meetings or daily meetings or just if they have ideas that they come to the

151 leader or to management?

152 IP: Well, there are different ways. Ahm it can be during feedback sessions for example.

153 It can be during monthly meetings, but it can also always be ahm on a * like spontane-

154 ous occasion. Ahm * yes, these are pretty much the solutions that we have.

155 I: Okay. * How would you describe trust in your organization between front-line staff

156 and management?

157 IP: Mhm.

158 I: How would you describe that?

159 IP: ** If I think it's important?

160 I: Yes, as well.

161 IP: Yeah, I think it is very important. Ahm it is something * that is necessary. I mean

162 we need to- * The line employees need to trust the leaders and the guidance team, what

163 they are deciding and what they are doing is right also for them and right for the goal

164 our hotel and our company wants to achieve. But also on the other way around, as a

165 leader of a department or as a guidance team of a division, you need to trust the people

166 under yourself. Otherwise you will also not be successful. So that's a very, very big

167 part at our company and our hotel as well. Honesty, trust, loyalty, all this kind of things

168 are very, very ah necessary for good service.

169 I: So for example, also employees tell the managers if there is a failure? So they are not

170 anxious about telling that there was a failure or that they need help in anything?

171 IP: No. No, I mean also our- At our hotel, it's very hands-on from both sides. It's not

172 that we- You can also see our General Manager walking through the hotel and talking

173   to guests, to calm them a bit down in stressful situations or something. It's very hands-

174   on from every ah * every line at our property.

175   I: Okay. So, what happens in the case of a service failure? Are there any procedures in

176   place for the front-line employees?

177   IP: I mean of course it always depends at what, * how bad the failure was but in general,

178   it is definitely something that you need to talk to the Lady or Gentleman. Ahm about

179   where you should also find out why this problem happened, to see what kind of addi-

180   tional training the person maybe needs or retraining. And ahm yeah, this would be the,

181   the first steps for basic failures, yeah for service failures.

182   I: Mhm. And front-line employees, are they told that they have to do anything that is

183   necessary to satisfy the guest again? So, are there any procedures for * how to satisfy

184   the guest?

185   IP: Ahm * no there are not. No. There are not really procedures.

186   I: Okay. So they are empowered to find a way that best meets the guests' satisfy- or

187   expectations?

188   IP: #Yes.# Yeah definitely. But like I also said in the beginning, of course, combined

189   to our core values, our culture, our, yeah, company related points that we have.

190   I: Okay, yeah. So in service delivery, let's take the example of front office, how do ahm

191   the supervisors act? Are they controlling and delegating what they have to do? I mean

192   you already said that they have some choice and- But how do supervisors- So which

193   role do they have? Is it more that they facilitate the work?

194   IP: Mhm. * The supervisors are basically the shift leaders from each shift in the depart-

195   ments. So of course- But they are also always very hands-on. So they are also within

196   the operations, doesn't matter if at the front office or here in food and beverage area for

197   example. But ahm- So they actually have both things, they need to be hands-on and

198   also run a smooth operation but, of course they also need to double-check on their La-

199   dies and Gentlemen to make sure that everything ah went well within the shift. Because

200   we're all human beings, it can always happen something. So just always need to have

201   an eye on that if everything goes well.

202   I: Okay, mhm. So, to summarize your opinion, you think that empowerment is very

203   beneficial for a hotel. Ahm do you think it can contribute- Or how can it contribute to

204   a hotel's success?

205   IP: ** Very good. I mean it does have a big impact in my opinion. **

206   I: Okay. Now empowerment and service quality, ahm how in general do you think

207   about service quality? So, which value does it have for a hotel?

208   IP: Service quality, I think ah * is pretty much the major topic. Because if you, for

209   example, talk particularly in our case where it is all about hotels, ahm I think to have a

210   new hotel, old hotel, a renovated hotel, whatever, that's not really what it is about and

211   that's not why a guest would come back. Ahm or it's about the service, why a guest

212   decides if he wants to stays at the hotel that he is staying. * Yeah.

213   I: Okay. Ahm which tools does Ritz-Carlton have to enhance the service quality or to

214   keep the service quality? ** Okay. (laugh)

215   IP: (laugh) Secret tools.

216   I: Ahm, so, what do you think what are the most important things that make an em-

217   ployee performing to high standards or * to the wished service quality?

218   IP: * If he believes in what he is doing, * ahm regarding to if he believes in his work,

219   if he believes in the brand that he is working for, if he believes in the product that he is

220   selling and the quality. I think these are also very important key things why you do

221   good, ah good service. And if you just have, * yeah, if you just have the right thing in

222   your mind and the right vision how you can ah satisfy a guest. * If you just do things

223   by a checklist or by a guideline that somebody gives you, you have to say hello, you

224   have to bring them the card, and all this kind of things, you will never be someone who

225   will do good service quality.

226   I: Mhm. Ahm, what would you say motivates employees to perform to the standards?

227   Is it also the same or would you say it is different?

228   IP: I would say it's pretty much the same. It comes together very close, yeah. Also, of

229   course, I mean these kind of things and personal things, if the people feels meaningful

230   at work, if the people ah can trust, if the people is treated with respect, ah if the Lady

231   or the Gentlemen has been listened to, and all these kind of things. I think that is some-

232   thing that motivates yourself to come to work every day, to make a good job, and also

233   to maybe go through some hard time because you know that you are getting benefits

234   for it.

235   I: Yeah. ** So, again related to empowerment, if employees perform the tasks that are

236   important to them personally, so the meaningfulness, how would you relate this to ser-

237   vice quality?

238   IP: If they-? **

239   I: If they feel that they perform meaningful tasks, that they are meaningful to them,

240   would this, or how would it relate to service quality?

241   IP: Yeah, it would- It would make service quality better. And ah they would ah deliver

242   better service and ahm they would feel more comfortable, they would just be happy at

243   their job, they would probably be proud at the place that they are working and they ah

244   would be proud of themselves if they see that guests are leaving the restaurant, hotel,

245   the room, the spa happy and satisfied. I think that's also a very good feeling.

246   I: Also with perceiving that they can make an impact on the organizational goal, how

247   can this relate to a better service quality?

248   IP: ** Also ahm, yeah, also very well. 'Cause if you- It's again also combined with

249   meaningful tasks. If you ahm have the feeling that you are important and that you have

250   an impact to achieve something, then of course you would ah- * I think that you then

251   automatically take everything some more serious. *

252   I: Okay. * Ahm also, if the employees get the chance to decide how they perform the

253   task, so that they have some ahm self-determination, how does this lead to increased

254   service quality?

255   IP: * Ahm, * yeah I think it also achieves, helps to achieve it, better service quality.

256   Because it's ahm, is also then more authentic. Yeah. *

257   I: Yeah. Ahm, for example, if we take this with ahm having some power about how to

258   achieve the goal, ahm with * failure recovery, would you say it helps to make the guests

259   satisfied again?

260   IP: Yeah, definitely. I mean, everyone is doing a failure I guess as we're human beings

261   and not everything goes hundred percent and one time it does, next time maybe not,

262   ahm but it is an ongoing process to definitely work on that, to work on the failures and

263   ah to also solve them.

264   I: Also, if the employees feel that they are competent in performing the task, how can

265   that relate to the service quality?

266   IP: Also very well, yeah. ** Because then, it also means that they have been trained

267   very well.

268   I: So it enhances the performance, would you say that?

269   IP: Mhm. Yes, I would say so. *

270   I: So all in all, you think that empowerment can really enhance service quality? Or how

271   would you relate service quality and empowerment overall?

272   IP: Yeah. Yes, I would ah- I would say so. That empowerment is a big key to increase

273   the service quality. * Of course, with guidance, with supervision, ahm there is no doubt

274   about that. But still, empowerment is a very big and very important key.

275   I: Okay. So now coming to empowerment and job satisfaction, ahm what do you gen-

276   erally think about job satisfaction? So is it important for a hotel?

277   IP: Yeah, definitely. Definitely. People need to- Our Ladies and Gentlemen need to be

278   satisfied with their job, ah satisfied with their work place, with, ah with how they have

279   been treated. Ahm, yeah, because if they are happy, they will make the guest happy.

280   (laugh)

281   I: Okay. Ahm, how would you think do employees get satisfied with their job? So what

282   makes them satisfied?

283   IP: Well, like I also said, a little bit earlier, different aspects. Of course, you need to

284   like the property that you are working for, but that's only a small thing. You need to

285   like ah the team, the working with each other, ahm how you have been treated, ahm the

286   circumstances under those you are working, ah of course, you need to get enough

287   money (laugh) to live because we also all have private life. Ahm, yes you need to have

288   the feeling that you are meaningful, that you have an impact on this whole operation

289   and ahm yeah, I think these are some of the aspects that make people happy.

290   I: Okay.

291   IP: That your voice is also heard. That's why we for example also have ahm an engage-

292   ment survey for our ladies and gentlemen. *

293   I: Again, how would you relate the meaningful tasks to job satisfaction? ** That they-

294   That the tasks that they perform are meaningful to themselves, so that they are person-

295   ally ahm attached to the task. How would this relate to job satisfaction?

296   IP: Yeah as well. I mean you need to ah- Also again, it doesn't matter in which area

297   you are, if you're working as a manager, if you're working in front office, if you're

298   working in stewarding, if you decide to work for whatever job, you would get a contract

299   for, you need to * to like the task that you are doing to be successful, to be happy, and

300   ah yeah to do a good job. That's definitely what I believe.

301   I: Yeah. Ahm also with the impact, you already mentioned it, ahm how does this relate

302   to, or how does it lead to job satisfaction? That you can make an impact on the goal of

303   the organization * with your job.

304   IP: Yeah, as well. I mean it all ah comes together, it all pretty much- **

305   I: So, * again with the self-determination, so that they can choose how to complete the

306   job, ahm how does this freedom actually lead to job satisfaction?

307   IP: ** Ahm, I think it also leads to job satisfaction because it also shows that * the

308   Ladies and Gentlemen are able to develop with- Of course it is also an impact that they

309   need to give but ah if they know that they have the freedom to decide things, to give an

310   impact to something, then there is also definitely a room for development. ** And I

311   think that's also a very important case, that if you ahm- I mean we all pretty much know

312   it basically ahm from ourselves, if we know that there is always a room for more, a

313   room for higher, then that's also something ah * that you are automatically also take it

314   more serious.

315   I: Yeah. Ahm, with- If employees believe that they are competent in performing their

316   tasks, ahm yeah if they are self-confident, how does this lead to job satisfaction?

317   IP: * Yeah, as well. I think this also leads ah * leads to it, definitely. **

318   I: So you would just say when there are trainings, ahm that this increases job satisfac-

319   tion of employees?

320   IP: I think so, yeah. If they say- Or if Ladies and Gentlemen see that there are also ahm

321   yeah, again combined with development, again combined with to see ok they are also

322   giving me something, they are investing in me as a person, in my career, that should

323   lead to it.

324   I: Okay. * Ahm, what are things that are likely to contribute to job dissatisfaction? *

325   What would you say?

326   IP: Ahm, if you lose the trust in something, if you * yeah, ba- pretty much the things

327   that I said ah earlier, if they just do not happen anymore. If ahm there is * no develop-

328   ment opportunities for you, if ah you do, you not have the feeling as something is mov-

329   ing, moving on anymore, that could be things that ah would probably make you pretty

330   dissatisfied.

331   I: Okay. So to sum up job satisfaction and empowerment, you would say that empow-

332   erment can contribute to an increased job satisfaction, right?

333   IP: Yes, I would say so.

334   I: And to which extent can it influence? Do you think that empowerment is really cru-

335   cial for job satisfaction or what would you say?

336   IP: * It is a big impact, I would say. It is a big impact for job satisfaction, for ah the

337   quality of the service. Yes, I would say so.

338   I: Okay.

339   IP: I would not say that it's like the main topic but it is an important impact.

340   I: Okay. Ahm, and then combining all these concepts, empowerment, job satisfaction,

341   and service quality, how would you say those are interlinked?

342   IP: Well, I think at the end, if I ah just see it from our side in the case of a hotel, of a

343   hotel operation, I think these are all * big points, the main points that at the end come

344   to a goal that the guest is happy and satisfied. 'Cause like I also said at the beginning,

345   if you are not empowered, if you are not self-confident, and not know what you can do

346   and have to always ask people how to make the guest satisfied, then ah the guest will

347   leave. If you are not happy at your job, you will not care to make our guests happy. So

348   this is all pretty much ah combined and very important to get ahm to the goal that every

349   hotel has – to fill it with satisfied guests.

350 I: So, you would say ahm that empowerment can lead to increased job satisfaction, and

351 therefore also to increased service quality?

352 IP: Yes, yeah.

353 I: Yeah, so actually that was everything. Thank you very much.

354 IP: Thank you.