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Addis Ababa University
College of Business and Economics
School of Commerce

**The Effect of Employee Empowerment Practice on Customers' Satisfaction in
The Hotel Industry: The Case of Radisson Blu Hotel, Addis Ababa**

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**A Thesis Submitted to Addis Ababa University, School of Commerce in Partial
fulfillment of the Requirements for the Degree of Master of Business
Leadership**

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DECLARATION

I, Semira Desalegn, hereby declare that this project entitled - **The Effect of Employee Empowerment Practice on Customers' Satisfaction in The Hotel Industry: The Case of Radisson Blu Hotel, Addis Ababa**. I carried out by myself and that it is my original work that has never been presented to any other university or institution for any academic award. Where other sources of individuals 'research work were used, acknowledgement has been duly given.

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STATEMENT OF CERTEFICATION

This is to certify that Semira Desalegn has carried out this project work on the topic “**The Effect of Employee Empowerment Practice on Customers’ Satisfaction in The Hotel Industry: The Case of Radisson Blu Hotel, Addis Ababa**” under my supervision. This work is original and suitable for the submission in partial fulfillment of the requirement for the award of degree of Masters in Business Leadership.

Dr. Bahran Asrat

Signature _____

Date _____

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List of Acronyms/ Abbreviations

ANOVA- Analysis of Variance

GDP- Gross Domestic Product

HR- Human Resource

UNWTO- United Nations World Tourism Organization.

WHO- World Health Organization

Abstract

Empowerment is the most popular concept among modern management and organization applications, which improves the decisional authorities of employees and supports their personal development. The hotel industry has been growing fast in Addis Ababa, Ethiopia in the past years. This is attributed to the fast economic growth and associated matters relate to conference tourism, increased flow of tourism and globalization. The permanence and success of hotel enterprises which give priority to customer satisfaction. Hence, the main objective of this research was to determine the effect of employee empowerment practice on customer satisfaction in the hotel industry particularly at Radisson Blu hotel in Addis Ababa; and the specific objectives was determining the role of employee participation, employee capacity development, team work practice, communication effectiveness and management support on customer satisfaction in the hotel/hospitality sector. The type of this research was adopted descriptive survey research design. The research was based on primary and secondary data. The primary data was collected from all employees and employees (managers) of the organization through questionnaires and interviews. The research approach was applied for this study are both qualitative and quantitative (mixed) type of research when descriptive analyses have been deployed. ANOVA Analysis was used to compare the effect of employee empowerment practices. Correlation and regression were also used to analyze the relationship and its effect between employee empowerment practices on customer satisfaction. Based on the analysis, there is positive and high degree correlation between employee empowerment practices and customer satisfaction. In multiple linear regression equation, employee participation has highest beta coefficient which is greatly influence on predicting customer satisfaction. The study recommends that involving the employees in decision making and maintaining their independency is very necessary to empower and build their capacity. In addition to this the company should also conduct customer satisfaction surveys from time to time & take corrective actions on areas that need improvement.

Keywords: Employee, Empowerment, Employee empowerment, customer's satisfaction, Leadership, Management

CHAPTER 1: INTRODUCTION

The research study looks into the effect of employee empowerment practice on customers' satisfaction in the hotel industry: the case of Radisson Blu Hotel, Addis Ababa. This chapter sets out the introduction of the study through a description of the background, statement of the problem, research objectives and questions, the significant of the study, scope and limitations of the study. It concludes by giving definitions of important terms in the study. The aim of the chapter is to give a background understanding of the research problem.

1.1. Background of The Study

The globalization of the world economy has intensified in recent decades, with the service sector accounting for more than one third of the total global services trade (UNWTO,2011). The hotel industry has become one of the popular industries to study service quality and customer satisfaction. With a greater level of uncertainty emanating from increasing demand by customers, there is need to employer hotel employees to go extra miles to meet customer expectation. Employee empowerment is one of the popular research programmed practiced by many hotels in developed countries. Its popularity being the case that employee empowerment leads to the gaining and sustaining of competitive advantage in service industry. Empowerment enhances employee's capacity to deliver quality services, and quality service delivery lead to customer satisfaction. Empowerment of hotel staff is important because it gives them the autonomy to deal effectively with visitors' concerns (Ayupp & Chung, 2010).

Employee empowerment encompasses several concepts and issues which cover benefits and goals such as discretion, autonomy, responsibility as well as commitment. As stated by report by UNWTO, (2011) the last three decades have witnessed the spread of employee empowerment practices throughout the public and private sectors. A growing body of evidence suggests that employee empowerment can be used to improve job satisfaction, customer satisfaction, organizational commitment, innovativeness, and performance. Nearly all previous empirical studies have analyzed the direct effects of employee empowerment on these outcome variables without taking into account the mediating role of employer and employee attitudes. This treatise contributes to the growing literature on employee empowerment by proposing and testing a causal

model that estimates the direct effect of employee empowerment on performance, as well as its indirect effects as mediated by job satisfaction and innovativeness. As we know that employee is the backbone of the organization because he/she is only person who directly touch with the customer on the time of dealing the service. This research focus on employee empowerment in order to increase the customer satisfaction on the other hand we can say that employee empowerment improves the quality of service which automatically improved the satisfaction level of the customer towards the service (Timothy & Abubakar, 2013). Abu Kasssim et al (2012) posits that if there was to be any progress on offering of quality service that could translate to customer satisfaction, it would come about because the hotel organization changed.

Customers who have interactive relationship with empowered and skilled employees of their service organizations are likely to be more loyal to the firm in their business transactions. Customer satisfaction in hotel industry is posited to be a function of service quality i.e. customer service, corporate image, price, innovativeness and convenience, among others. Odindo and Delvin (2010) noted that increase customer satisfaction has the potential to enhance organizational performance and as a result manager should have customer satisfaction as a key target. The management perspective on empowerment has a long history and offers a set of tangible practices that can pull to improve performance. Organizations are implementing employee empowerment practices with the hope of building employee's commitment, overcoming work dissatisfaction and reducing absenteeism, turnover, poor quality work, and sabotage and more giving employees' great autonomy in their work. There are various empowerment practices that organizations can employ to empower employees (Bello, M.B.,2017), They include; training, participation, decision-making, delegating, provision of resources, communication and team working amongst many others. While management has the obligation to create the environment that fosters employee empowerment, employees have the duty to accept the opportunity and demonstrate they are willing and capable of being empowered.

Now a day, customers have relatively good option to choose the service of one hotel form the other. Therefore, these different hotels have been forced to change their strategy of operation to win the heart of customers so as to skim the profit from the perfectly competitive industry. Taking into consideration a satisfied customer and employee are of important value to the organization, it therefore, becomes the responsibility of the management to put in place a system that would

ultimately generate either satisfaction, or dissatisfaction from their customers and employees. Since the employees have a major role to play in determining whether a customer would enjoy the experience or turn to their competitors for better solutions. This according to Baruch, cited on Silvia C. Peters & Elham Mazdarani (2008), (1998:82-87), forces organizations to re-think their strategy” because as Zeithaml et al (2006:106) points out, companies today recognize that they can compete more effectively by distinguishing themselves with respect to improved customer satisfaction.

The hotel industry involves functions due to direct or indirect interaction with guest. Thus, the industry recognizes the value and contribution of employee empowerment in increasing employee productivity and product/service quality in order to get customer satisfaction. The role of employee in service organizations is comparable to the role of the service itself (Zeithaml et al,2006). Employees are the service and the brand, and their importance to the firm is critical to both service delivery and service production. In services industry, it is all about the people (employees) because they appear more often to be the most tangible clue to the quality of the service offered. Without the empowerment employee not confident, not be creative and not enough knowledge therefore unable to provide better performance as per expectation. Employee will be successful if management provide them some authority and provide them systematic knowledge according to their work, which is known as the employee empowerment (Nikki et al., 2015).

The first Radisson hotel was built in 1909 in Minneapolis, Minnesota; the international hotel chain is now owned by the Carlson Rezidor Hotel Group, and operates a number of brands including Radisson Blu, Radisson Red and Park Inn by Radisson. In Kazanchis, or Cazanchise, district of Addis, Radisson Blu is near the United Nations compound and convenient for both tourists and Business travelers. The hotel has an organizational structure that services its customers most effectively. The number of staff may change in this hotel, typically, the structure remains the same, and the chain of command and the roles and responsibilities of each department are essential to maintaining a well-functioning organization. As per the information obtained from the hotel corporate HRM, there are about 682 total employees and out of which 37 are management employees and 24 are supervisors in different outlets of the Hotel. The remaining 621 employees are non-management employees consists of 90% total number of employees.

Keen to promote eco-tourism, Radisson Blu supports a charity in providing clean water in Africa. The hotel also offers leisure options in Addis and beyond, including hot air ballooning, hiking and running. The hotel is an ideal base for exploring the sights. Set within Haile Selassie's former palace, and surrounded by Addis Ababa University's beautiful gardens and fountains, is the enthralling Ethnological Museum. The vibrant exhibition gives great insight in to Ethiopian's rich cultures. Other notable buildings are St. George's Cathedral and massive, ornate Holy Trinity Cathedral, the final resting place of Emperor Haile Selassie and his wife. Their massive Aksumite-style granite tombs, complete with lions' feet, are a remarkable sight.

The vision of the Radisson Blu hotel is to sets new standards and marketing strategy for each property category, to becomes a widely recognized hospitality brand in hotels and also to builds links and network with developers, consultants and technology companies.

The Radisson Blu hotels' mission is to consistently deliver enduring memorable experience to their customers, job satisfaction to their associates and sustainable profit to the owners.

The research attempts to explore the level of employee engagement that managers use in decision making by asking the employees to participate in planning stage and by recompensing and supporting them with continuous sufficient training and idea generation which is expected to result in high customer satisfaction and loyalty. There for these research was giving an insight into the success or failure of implementing employee empowerment in the hotel and shed some light on the debate between those in favor of a more traditional management approach and those who believe in that decentralization and employee empowerment is not just a single change but total shift of everything about the way you do business and work together.

1.2. Statement of the problem

Despite the fact that hospitality industry is among the fast expanding industries and an important top foreign earners for Ethiopia, it has been characterized with many challenges ranging from number of accommodation facilities. With the increasing competitive business environment, customers' choices have widened and more than ever customers are less likely of forgiving for service failures (Roodurmun & Juwaheer, 2010). Since empowerment results from a management system that gives employees more power and autonomy to perform their jobs, it is logical to think that empowered employees could use this freedom to make customized and quick decisions to better serve their customers' needs. Because empowered employee feels more confident and try to give their best to their employers.

Empowerment is a very useful tool in manager's work. If they decide to implement empowerment in their strategy of being a leader it might bring only positive results. According to previous research, employees with high levels of employee empowerment practices influence the level of their customers' satisfaction and commitment to the firm (Kim & Ok, 2010). Therefore, the main role of employee empowerment is to help the organization achieve its mission and business goals, one of the organizations goal is getting customer satisfaction. In order to properly manage demands that meet customer satisfaction, a hotel needs to administer its capacity or ability to supply the demand made by its customers. Most of the time, in the service industry, supervisors seem to be interested to control the interaction of employees and customers by dictating the decision direction. However, supervisors cannot control the service delivery process too rigidly, because employees need to retain adequate flexibility to satisfy customers within their discretion.

Poor employee empowerment practices cause customer dissatisfaction with the employer which may lead to loss of customers and a spread of negative word of mouth (Kim, 2009). This would lead to the closure of hotels, loss of jobs and hence low Gross Domestic Product (GDP), which will lead the country failure to service recurrent expenditure, capital expenditures and internal and external depts. This will lower the country competitiveness which will lower the rate of innovation as a result of lower entrepreneurial orientation. Several studies have been done on the area of employee empowerment and customer satisfaction. (Komunda, 2012) investigated the effects of employee empowerment on customer satisfaction and loyalty in a commercial banking environment. (Lagat, Oderda and Mumbo,2012) conducted a study on the effects of distributive

justice complaints resolution strategies on customer satisfaction. This indicates that there are limited local empirical studies on the effect of employee empowerment on customer satisfaction in the hospitality industry. Therefore, this study was intended to fill in on this existing knowledge gap by identifying the effect of employee empowerment practice on customer satisfaction.

1.3. Research Questions

The research paper was intended to answer the following research question;

- What is the role of employee participation (in work related decisions) on customer satisfaction in the hotel/ hospitality sector particularly in Radisson Blu hotel?
- What is the role of employee capacity development (ongoing training) on customer satisfaction in the company?
- What is the role of team work practice (sharing sensitive information and other resources) on customer satisfaction in the company?
- What is the role of communication effectiveness (use social style testing) on customer satisfaction in the company?
- What is the role of management support (developing an organizational definition of empowerment) on customer satisfaction in the company?

1.4. Research Objectives

1.4.1. General Objective

The general objective of this research was to identify the effect of employee empowerment practices on customer satisfaction in the hotel industry particularly at Radisson Blu hotel in Addis Ababa;

1.4.2. Specific Objective

- ❖ To determine the role of employee participation (in work related decisions) on customer satisfaction in the hotel/ hospitality sector particularly in Radisson Blu hotel.
- ❖ To investigate the role of employee capacity development (ongoing training) on customer satisfaction in the company.
- ❖ To determine the role of team work practice (sharing sensitive information and other resources)) on customer satisfaction in the company.
- ❖ To examine the role of communication effectiveness (use social style testing) on customer satisfaction in the company.
- ❖ To examine the role of management support (developing an organizational definition of empowerment) on customer satisfaction in the company.

1.5. Significance of The study

The purpose of the study was to determine the effect of employee empowerment practice on customer satisfaction in Radisson Blu hotel. The results of the study, findings and recommendations to effectively measure, evaluate and implement employee empowerment practices in its corporate strategy. This study benefits hotel industries through providing clear information concerning employee expectation and perception to manage good employees' empowerment practices and has significant importance to Radisson Blu hotel and its management. The readers will be able to understand new relations between different variables and conceptual understanding of these variables. They will read new concepts in the context of hospitality industry e.g. organizational image, effectiveness and efficiency and building trust. This research was also targeted at the management of organizations with in the hotel industry, and industries producing highly intangible-dominant services, as suggestion regarding employee empowerment, which when practiced can enhance customer satisfaction and create a good customer- perceived service quality. Managers in other organizations will also find the study useful in enhancing their appreciation of the need to empower employees.

1.6. Scope of The Study

Any study from the early beginning has its own scope to determine the level and extent of the study, similarly this research has also its own focus. The study was based on the employee empowerment and customer satisfaction on hospitality sector/ hotels in Addis Ababa. The conceptual scope of this study was in order to examine the effect of employee empowerment practice on customer satisfaction at Radisson Blu Hotel. Due to inadequacy of time the researcher geographical scope was bound to be concentrated only on single organization. Therefore, Employee empowerment practices in this study was focused on employees of this hotel in Addis Ababa. The dependent variable of this study was customer satisfaction. The independent variables are also limited to some employee empowerment practices like; employee participation, capacity development, team work, communication effectiveness and management support. The study was descriptive survey in nature and the research was applied the mixed research methods.

1.7. Limitations of the study

There are several limitations that faced the process of the study that are worth highlighting as these limitations would be the points to consider in future research of similar interest. It is delimited to the activities of one hotel only; this is consequent to the time constraint on the duration of this research, so that was fully investigating the effect of employee empowerment practice on customer satisfaction. Therefore, the research was focused solely on Radisson Blu Hotel employees, as the case study for the research. This research was further delimited to the extent of employee empowerment practice adopt in Radisson Blu hotel in Addis Ababa. No other comparison was had made with other hotels in the same area or industry.

1.8. Organization of The Study

This study was organized in five chapters. Chapter one presents the introduction of the study (background of the study, statement of the research problem, research objectives, Hypotheses of the study, research questions, significance of the study, scope of the study, limitation of the study and organization of the study). Chapter two presents conceptual definitions, theoretical and empirical literature review. It also provides the research gap and conceptual framework. Chapter three covers research method, research design, sample size and sampling design. In addition, the chapter presents sources of data, methods of data collection, data processing and analysis, and ethical issues. Chapter four makes result presentation and data interpretations of the findings. Chapter five also presents summary of findings, conclusions, and recommendations. Finally references and appendices also included.

1.9. Definition of Key Terms

The researcher sought to clarify technical terms or words by defining them as they are wished to be understood in this research as shown below:

Employee: An individual who works full-time or part-time under a contract of employment, whether oral or written, express or implied, and has recognized rights and duties.

Empowerment: is a positive use of power to create more power, which has a positive energizing effect on the organization (Vogt and Murrell, 2014). Empowerment in this study is means encouraging the employees to make decisions with least intervention from higher management, and as giving the power to employees to make decisions. It is a form of freedom in which employee takes decisions to ensure maximum satisfaction to customers.

Leadership: is the process of empowering, influencing and directing the subordinates or employees to achieve a common goal and vision.

Employee empowerment: According to this study employee empowerment means giving employee authority, skills and self-control to perform their tasks and a method of delegation which enables work decision to be taken as near as possible to the operating units and their customers.

Management: The organization and coordination of the activities of a business in order to achieve defined objectives. Management is often included as a factor of production along with machines, materials, and money.

Customer satisfaction: Is defined as a measurement that determines how happy customers are with a company's products, services, and capabilities. Customer satisfaction information, including surveys and ratings, can help a company determine how to best improve or changes its products and services.

CHAPTER 2: REVIEW OF RELATED LITERATURE

In this chapter, the study focuses on the review of related literature on what other authors studies and said about the effect of employee empowerment practice on customer satisfaction in the hotel industry. Its major thrust was to discuss the definition of employee empowerment, the benefits of employee empowerment, employee empowerment process, employee empowerment practices, development of employee empowerment, levels of employee empowerment, pros and cons of employee empowerment, the implication of employee empowerment, communication and employee empowerment, management support and employee empowerment, customer satisfaction and employee empowerment and history of hotel industry in Ethiopia. (Leedy 1980) has said about literature review, you can learn much from others, no one in on an island, around every researcher endeavors your own include is a vast sea of literate countless reports of what others have done.

2.1. Conceptual Review

The main objective of this study was to determine the effect of employee empowerment practices on customer satisfaction of Radisson Blu Hotel. Accordingly, the information was searched according to the scope of the project and literature was gathered to establish conceptual review. The concepts were built to find background about empowerment, employee empowerment practices and their link to the customer satisfaction.

2.1.1 Meaning or Concept of Employee Empowerment

Empowerment and its organizational effects both of the scholars and staff members get enough attention in the past decade (Ali, & Ali, 2018). Empowerment is a buzz term that we hear a lot about in leadership. (Joseph Jurah) one of the early quality gurus defined empowerment as conferring the right to make decisions and take action. A culture that embraces employee empowerment, understands the role workers have by taking care of the needs of the customers they serve. Empowerment is defined as the giving or delegation of power or authority; authorization; the giving of an ability; enablement or permission. (Patricia Lotich, 2019) Empowerment is based on the belief that employees have the ability and want to take on more responsibility, it is a way to give employees greater authority and responsibility to take care of the

needs of the customer and to provide employees with the means for making influential decisions. Everyone within an organization should be involved in managing customer expectations and improving quality.

Employee empowerment is the creating of a working environment where an employee is allowed to make his own decision. (Gazzoli et al 2010) define employee empowerment as a management practice of sharing information, rewards and power with employees so that they can take initiative and make decisions to solve problems and improve service performance. (Blanchard 2008) on the other hand, defines employee empowerment as increasing the spiritual, political, social, educational, gender and economic strength of individual and the community. This assertion shows that employee empowerment covers a vast landscape of meaning, interpretation, definition and discipline, ranging from psychology, philosophy to the highly commercialized self-help industry and motivational sciences. Meaning that there are many ways of empowering employees and that ways on how employees are empowered depend on what the company wants to achieve and on how the recipient (employee) value the level of employee empowerment being given by the company.

Empowerment seems to be a powerful management tool, which is used to exchange the shared vision that the organization expects to materialize into common goals. The reality is that empowerment could be utilized as an expression to explain diverse plans providing an expedient oratory, advocating that empowerment is hypothetically a fine object that fabricates a ‘win-win’ condition for workers and administrators (Raquib 2010). The concept behind employee empowerment is to involve everyone in the management of the entity by decentralizing duties and responsibilities to non-managerial staff members as a way of improving service quality and production. However, the thinking behind employee empowerment is to give employees power to make sound decisions without consulting mediate supervisors, thus making for happier employees in the organization. Burkholder (2007) asserts that employee empowerment involves determining and expanding the level of power and authority that employer is willing to take.

Employee empowerment is desirable management and organizational style that enables employees to practice autonomy and use their skills and abilities to benefit both the organization and employees (Susan 2007; James and McHugh 2011). Employee empowerment is to create a culture where employee have freedom to express themselves, to have liberty to make decision about how

they work and where there is always the opportunity to give constructive feedback, as well as where every employee is equal and approachable (Beaven 2009). Therefore, it can be concluded that employee empowerment implies give up central control to encourage speed, flexibility and determination of the employee. According to (Campbell 2009) an empowered employee gives up some aspect of control and in return giving up that control, managers would have more scope and time to look at the big picture and engage in strategic thinking. This illustrates that empowerment is depicted by its proponents as the common denominator for recent managerial techniques and activities that acknowledge the individual employee as an intelligent, accountable, a creative being, and a productive resource for the company. Klidas et al. (2007) view employee empowerment as receiving increased attention in service marketing and service management literature.

Empowerment as a demonstration of building, creating and expanding power by working with others, which is called "intuitive empowerment" and has the ability to influence their own behavior, Call "self-empowerment" (Barroso Castro, Villegas Perinan, & Casillas Bueno, 2008). An important aspect for any organization to empower employees is to seek a high level of employee involvement, flexibility, and market response (Aydogmus, Camgoz, Ergeneli, & Ekmekci, 2018). Empowerment and its organizational effects both of the scholars and staff members get enough attention in the past decade (Ali, & Ali, 2018). Psychological empowerment, is consider as "increased intrinsic task motivation", is shown to show people and to improve the performance of individual works (Hechanova, Regina, Alampay, & Franco, 2006).

The definition relates to how management facilitate and implement the employee empowerment culture, while the other definitions emphasize the importance of individual in the truly successful application of employee empowerment. Whatever the definition of employee empowerment used, the end goal is to develop the service quality and customer satisfaction and also potential of the individual as well as that of the organization.

2.1.2 Importance of Employee empowerment

Empowerment allows employees the added opportunity to build on their current skill set and enables them to use all the skills that they already possess as well as to gain new skills (<http://www.cutimes.com>). (Anthony 2012) states that a good lens to examine the employee and organizational benefits of employee empowerment is through the members of the institution and that it is a well Known fact that an institution which is truly successful in delivering exceptional service have several traits in common, one on which is employee empowerment. On the same thinking opinion, (Anthony 2012) mentions that there are now many companies that take employee empowerment as a selling point to prospective customers. (Anthony 2012) further, postulates that the employee empowerment allows employees Important capabilities, including the ability to respond intelligently to customer needs, and make critical decision on the spot.

The net further concluded that empowerment is a panacea for many organizations when implemented with care. According to the said literature, employee empowerment brings many positive result for the company like, quicker response to customer, communication and teamwork, employee satisfaction and increase their working value, reduce costs and economic profits, involvement, customer satisfaction, increased employee efficiency, customer loyalty and new innovative idea for the organization (Campbell 2009; Beaven 2009). Empowered employee is more productive, psychologically and physically healthy, proactive and innovative, persistent in the work place, trustworthy, interpersonally efficient, intrinsically motivated, and have higher morale and commitment then employee who are not empowered (Whitten 2007). In addition to that (Greasley 2008) argues that employee empowerment holds added benefits and one of the measures of success for any organization is the personal growth and development of its employees.

2.1.3 Structural Empowerment

The structural empowerment is also called Relational Empowerment. The structural empowerment concept can be defined as “management practices and policies that aimed to transfer power from management to employees” (Abu Kassim et al., 2012). Melhem (2004) also offers a more explicit definition of structural empowerment by defining it as “freeing someone from rigorous control by instructions, policies, and orders, and giving that person freedom to take responsibility for ideas that he/she provide for management, decisions, and actions that he/she made in the workplace context”. According to this approach, empowerment is considered to be a set of activities and practices that give power, control and authority to subordinates (Daft, 2001). According to this perspective, empowerment means giving employees the possibility of taking necessary actions in modifying the current work processes or employing a new process in order to simplify job-related tasks and decisions (Chebat and Kollias, 2000).

To conclude, structural empowerment focuses on policies and practices that are undertaken by management that aim to distribute power, decision-making authority, delegations and responsibility to lower levels of the organization.

2.1.4 Psychological Empowerment

Psychological empowerment is also called Motivational empowerment. The psychological empowerment concept can be defined as “a state of mind in which an employee experiences the feelings of control over how the job can be done, have enough aware to the work tasks that being performed, a great level of responsibility to both personal work outcome and overall organizational advancement, and the perceived justice in the rewards based on individual and collective performance” (Melhem, 2006). Spreitzer (1995) also offers a more traditional definition of this concept, defining it as “a motivational state that reflects an employee orientation toward work characteristics that rely on four determinants, that are competence, impact, meaning and self-determination” (Spreitzer, 1995, p: 1441). Also, Borghei et al. (2010) view the psychological perspective as subjective feelings and phenomena, meaning that this perspective is considered an internal motivational construct.

2.1.5 Empowerment process

Two authors Conger and Kanungo using motivational construct define empowerment as a process of enhancing feelings of self-efficacy among organizational members through the identifications that foster powerlessness and through their removal by both formal organizational practices and informal techniques of providing efficacy information (1988 p.474 cited in Lasheley, 2001, p.24). Lasheley analyses Conger and Kanungo's representation of five stages in the process of empowerment (2011).

Stage 1 'Conditions leading to a psychological state of powerlessness'. This stage lead to consider those aspects of organization and organizational operating system which make employees to feel disempowered. For instance, that might include: bureaucratic procedures, tall organization structure, command and control culture, supervisors who operate in an autocratic manner (Lasheley, 2001).

Stage 2 'The use of managerial strategies and techniques'. Managerial techniques are used to assist subordinates to enhance their feelings of efficacy. The techniques that are involved in that stage are for instance: setting goals, using adequate systems which provide feedback, competence reward system and supportive managements styles (Lasheley, 2001).

Stage 3 'To provide self-efficacy information to subordinates using four sources'. Personal efficacy information come from watching others, from employees own development, verbal feedback, and through a positive, emotional environment which support employees and builds their confidence (Lasheley, 2001).

Stage 4 'Results in empowering experience of subordinates'. This is stage where empowered employees strengthen their efforts and believe in personal efficacy.

Stage 5 'Leading to behavioral effects'. In another words that leads to achieving organizational goals (Lasheley, 2001).

2.1.5.1 Effective Factors in the process of Employees Empowerment

in viewpoint of some researchers such as William (2009) and David (2004) organizational conditions is an effective factor on employees' empowerment. In their researches these researchers indicate that organizational structure, function evaluation system and having organizational commission affect employees' empowerment. From the view point of them reward is in fact an instrument by which organization appreciates employees for their merit and encourage them to continue their job by appreciating and respecting them. Thrust and security is another effective important factor on empowerment that helps to employees' loyalty along with proper behavior with employees. Creating sense of security in employees and explaining criticisms in a responsible behavior by managers affects empowerment directly and today, regarding the increase of organizations customers' number and presenting the same services to customers' and having same level of equipment's in branches, employees don't involve depreciation and monotony and in several aspects are empowered (Mohagar & others, 2010).

Designing proper processes is another factor affecting empowerment levels. So, in this regard Applying the opinions and ideas of employees in decision and their cooperation in improve and promote of organization affairs, delegation of authority to staff at various levels, participation of employees in offering suggestions for affairs better and also communication and easy access employees to managers and supervisors, transparency and clarity work community of employees with managers and supervisors should be pointed. This is an organization public relations which can be increasingly influenced by customers' mind and view. And based on customer satisfaction, employees' satisfaction of presenting services is regarded too (Beard, 2010).

2.1.6 Employee Empowerment practices

Brown and Lawlers, (1995) and Caudron, (1995) identified the following as empowerment practices; sharing information about goals, training, helping management learn to empower others (coaching), empowering working teams gradually, and systematic, decision-making, providing access to job related knowledge and skills, granting discretion to change work process and provision of resources needed to make improvements. Effective management requires that empowerment be sincere, based on mutual trust, accompanied by relevant information for the employees to carry out their tasks.

2.1.6.1 Employee participation in Decision Making Policy

The employer gives employees the opportunity to become involved in their work and organization performance of the work. (Armstrong 2006) defines employee involvement as a process initiated by the management to increase the information given to employees and to enhance their commitment. (Armstrong 2006) further states that to feel highly appreciated, employees need to be well involved in the operation and the decision making process of the organization. (Bitner and Gremler 2009) assert that it is a company's responsibility to give employees the tool needed to make decisions using their own common sense. In that in most cases they would not have to involve managers when dealing with everyday problems. (William 2009) postulates that by being able to make choices and participate on more responsible level, employees become more invested in their company. (Lawler 2006) further argues that, when employees are empowered, they experience more control or autonomy over their responsibilities and become more motivated and creative over their duties.

According to (Susan 2011) the traditional employee empowerment approach is shaped by two dimensions that is the empowerment climate created by the employer and time. (Susan 2011) further argues that traditional employee empowerment approach focuses on employers creating an empowerment climate facilitate empowering employees to higher levels of performance by removing the disincentive employee empowerment behavior. The employee involvement involves the manager delegating authority to subordinate employee. On the other hand, empowered employees make decisions based on predefined limits set by their manager. (Audra Bianca 2008)

postulate that if employees are informed and free to behave in less encumbered manner, they are enabled to carry out their job responsibilities more effective and efficient. Audra Bianca (2008) also stated that when employees understand the vision, mission and goals, are trained, are given decision making authority and are provided an environment climate relatively free of punitive consequences for making a mistake, they would demonstrate more responsibility, accountability, initiatives and risk taking.

Chen and Chen (2008) defines the concept of employee involvement as increased individual motivation at work through the delegation of authority to the lowest level in an organization where competent decision can be made. Furthermore (Wallach and Mueller 2006) found that employee participation in decision making was related to stronger feelings of psychological empowerment. (Lawler 2006) supported by saying that to achieve employee empowerment in organizations, managers must be sure that employees at the lowest hierarchical levels have the right mix of information, knowledge, power and rewards to work autonomously or independently of management's control and direction. Overall, this research concludes that empowerment is essential for companies that hope to venture into business.

2.1.6.2 Capacity building/ Training

Training is a systematic approach to improve employee's skills and performance. It is intended to foster and enhance learning amongst employees and in particularly directed at acquiring job skills. Rapid changes in technology and globalization of business have spurred the growth of training programs (Dubrim, 2009). In order to implement employee empowerment, the employees must be competent. People cannot be empowered if they are not competed at their job. They need to understand what they are doing, why and how it fits into the wider processes of the organization (Mullins 2002). The major objective of empowering employees is to make greater use of their knowledge, skills and abilities of the workforce and this can only be achieved through training. Therefore, the process of empowerment entails developing the social skills necessary to carry out tasks.

Training and development programs can boost employees' confidence to act in more empowered way (Covey 1999). Employee training is based on the belief that developing talents internally is a good investment. The best competitors who embrace empowerment use training and development practices to improve the ability of the workforce to implement their business strategy since improving competence of workforce is one way that creates a competitive advantage (Schuler and Werner, 2009).

2.1.6.3 Communication effectiveness

In successful empowerment, communication is a major factor. Communication has been described as the glue that holds organization together and it is an integral part of all managerial functions and unless managers communicate with others, they cannot accomplish their tasks. Effective communication is leaders most potent tool for inspiring workers to take responsibility for creating a better future (implementing vision) (Dubrin, 2009). Managers should take initiative and share sensitive information about the organization, like market share, growth opportunities and competitor's strategies Employees experience more empowerment in organizations where information and other resources is easily accessible (Meshena and Glinow,2008). According to Dwivedi (2009) employees offer a resistance in the course of carrying out their duties if they have no information. The organizations view on strategy, vision, future direction of organization and position of the competitors should be shared. This will allow the employees to know what is going on in the organization and the role individuals and groups are expected to achieve (Mullins, 2002). Increasing formal communications with employees reduces uncertainty by lessening role ambiguity and conflict. Many organizations are finding that effective communication is the key to their overall ability to compete. This is because the frequency with which changes occur makes it necessary to continually inform employees about what is going on and why (Hodgetts and Hegan, 2008).

2.1.6.4 Team-working

The trend today is to empower employees to form self-managed teams in which workers are trained to-do all or most of the jobs in the unit, they have no immediate supervisors, and they make decisions previously made by first line managers. Self-managed teams appear to be more productive, have better safety records and are more satisfying to members (Snell, 2002). The key element of the effective teamwork is commitment to common purpose and employees (teams) work hard at developing a common understanding of how they will work together to achieve their purpose. The best teams are the ones that have been given an important performance challenge by management and often come to a common understanding and appreciation of their purpose. They discuss and agree upon such thing as how tasks and roles will be allocated and how they will make decisions. The team should develop norms for examining their performance strategies and be amendable to changing when appropriate. (Snell, 2002).

Empowerment encourages team working in organizations so that employees can work closely together to pursue common objectives. The essence behind forming and empowering working teams is for the teams to share common element of people who possess a mix of skills, working together cooperatively and each team member learning a broad range of skills and switching job assignment periodically. To foster team work, management should not micromanage the teams and managers should show respect to the team (Dubrin, 2009). When management creates opportunities for employees to add value to the organization, through participation employees feel recognized and contribute adequately towards the achievement of set goal. Delegation is employee empowerment practice which Organizations must practice. A major role of delegation is transfer of responsibility as a means of increasing one's own productivity (Dubrin, 2009). Delegation of authority is an empowerment tool that can help employees develop new skills and grow as professionals. The notion underlying empowerment is that those closest to the tasks are best placed to make the decision provided that they have the required competencies. Empowerment means that employees, managers or teams at all levels in the organization are delegated power to make decisions without asking their supervisors for permission (Koontz et al, 2010). Top management of an organization decides an overall strategy but then delegates the decisions as to how that strategy will be to various operating divisions.

2.1.6.5 Management support

As with anything that is successful in business, management support of empowerment is critical to its success. (Patricia Lotich, 2017) concluded that top management needs to be committed to supporting an employee empowered culture. This includes developing an organizational definition of empowerment that may include well defined boundaries and management training on how to coach empowered employees. For instance, first time supervisors may need to be trained on how to support and empower employees to respond to customers and make them satisfied. Managers should also provide its workers the resources needed to work well. These kinds of resources could be tools, training, time or other, depending on the work tasks. By constant training management not only ensures that the staff is professional, but also helps the employees to seem more self-secure (Oksanen, 2010). Giving support is also a characteristic of a good manager. According to (Dignen, 2014) when facing challenges workers need support from their manager in order to succeed. This also helps the worker to gain good self-esteem, which in turn results to high customer satisfaction and better quality of work.

2.1.7 Employee development

Service organization depends on the employees who deliver the service for the success of the service processes. (Lashley et al 2001,249) argued that organizations need to recruit the right employees, train and develop employees in order to deliver quality service. However, it is research opinion that employees are required to exercise a high degree of discretion in both interpretation and delivering customer service needs. (Valaries et al 2009) stresses that in order for business organizations to ensure their growth it is their sole responsibility to ensure the training and development of their workforce so as to deliver quality and efficient service. Training and development are significant in ensuring the effective and beneficial performance of employees. Through training, employees acquire specific knowledge and skills to ensure that they perform their work more effectively (Valaries et al 2009). There is need to shift away from controlling to enabling in order for employees to contribute more to the effective production of the organization.

2.1.8 Employee Empowerment Levels

(Burkholder 2007) states that there are different levels, different applications and different times and different circumstances where there is need to use different levels of employee empowerment with people you are working with and that each level of empowerment is progressive in meaning. (Nick Golding 2006) states that measuring employee empowerment is a tricky business, but employers that successfully achieve this would have happier staff, lower rates of absence and an increased productivity. (Liu and Chin 2007) states that one would consider implementing employee empowerment programmed within the department and organization and notice how it increases the quality and performance of employees in an organization.

(Burkholder 2007) further argues that level one has the lowest amount of power whereas level six has the highest and gives the most amount of power. One of the six levels of empowerment is that it can be the basis of an employee development program (<http://WWW.Earthasylum.com>). The same net further states that when one looks at employee empowerment as an active plan and work to bring employees up the ladder and also bring one's willingness and trust up the same ladder, one can realize the importance of employee empowerment in an organization. (Burkholder 2007) also believes that a basic understanding of the levels of employee empowerment shows not a passive activity but an active and deliberate program that involves close monitoring and that it should be the manager's goal to bring each individual up to the next level of empowerment while it should be each employee's goal to achieve and accept each progressive level. (Peter Thompson 2009) concurs that genuinely empowered employees are happier at workplace.

2.1.9 Customer satisfaction and employee empowerment

In the past years the competition in hotel industry sector is increasing (Spetz, Butler, 2008). Customer satisfaction is the prime target of every business venture. Whatever strategies and policies that are developed are meant for customer satisfaction (Naeem and Saif, 2010). Customer satisfaction is the internal feelings of every individual which may be satisfaction or dissatisfaction resulting from the assessment of services provided to an individual in context to customer's anticipation by an organization service provides are continuously trying to improve the service just to satisfy their customer because higher customer satisfaction leads towards customer loyalty.

Tulay Guzel & Emrah Ozkul (2008) on their research concluded that empowerment applications in hotel enterprises are an important method to increase customer satisfaction, which make them feel esteemed by the management by including the employees in decisional activities by asking them to participate in the planning stage, and by recompensing and supporting them with continuous sufficient training. Empowered employees are expected to perform more effectively as compared to those working in traditional or authoritarian organizational cultures. Empowered employees are more motivated as compared to those who just follow the given lines. According to Peters and Mazdarani (2008), Employee empowerment creates sense of belongingness and ownership towards the parent organization. So empowered employee feels more confident and try to give their best to their employers, as a result, service quality improves. Improved product or service quality generally results into higher level of customer satisfaction.

The researchers concluded that various leadership styles and employee empowerment may be used as an effective strategy to create job satisfaction in employees because Satisfied employees would always play their major role in satisfying their customers. (Peters and Mazdarani, 2008) analyzed the effect of employee empowerment on service quality and customer satisfaction and concluded a positive relationship between the two variables. Studies conducted by (Soetanto and King, 2005); (Kazlauskaitė et al, 2006); (Greasley, 2005); (Hoare and Butcher, 2008); (Boudrias et al, 2009); (Colwell et al, 2009) and (Yang and Choi, 2009) concluded that employee empowerment can contribute a lot towards business growth and development. Business growth is largely dependent upon customer satisfaction and customer satisfaction is one of the end products of employee empowerment. In order to give maximum value to a customer, the service provider is required to develop a sound understanding of the customer expectations.

2.2 Review of Empirical Studies

As it is recent occurrences various empirical researches are conducted around the world. This section of literature review focused on previous studies. Diverse researchers have studied the effect of employee empowerment on customer satisfaction from different point of view in different environments using a number of variables of interest and diverse results were concluded by previous studies in relation to the relationship between employee empowerment and customer satisfaction.

Gazzoli et al. (2009), for instance investigate the impact of structural empowerment on enhancing employees' customer orientation, including, how restaurants can enhance their employees' attitudes toward their jobs. The findings of Gazzoli et al.'s study indicates a positive and direct effect of structural empowerment on the perceptions and attitudes in employee customer orientation.

Mehfuz Judeh (2011) An Examination of the Effect of Employee Involvement on Teamwork Effectiveness. The researcher has conducted a study on the effect of employee empowerment on Teamwork effectiveness in Jordanian glass and ceramic industries listed in Amman Stock Exchange. The findings of the study reveal that there is a significant effect of employee involvement on teamwork effectiveness. It is also felt that the study has created an awareness among the Middle East countries on the effectiveness of employee involvement in the organization.

Lee et al. (2006) conducted another study in the context of Korean hotel industry to explore if structural empowerment predicts customer satisfaction. The findings indicated that structural empowerment strong prediction on customer satisfaction. In view of these findings the present study hypothesized that structural empowerment of the hotel front office staff has a strong and positive prediction on customer satisfaction.

Dr. S. Raghunatha Reddy, (2012): Effect of Empowerment. The authors have evaluated training and development in power Grid Corporation of India with a view to emphasize that it is obligatory on the part of organizations to enhance skills and capabilities of the employees by providing training and development and empowering the employees.

The empowerment provided by the management enable the employees to develop their intrinsic capability, and self-determination, hence, enable them to deliver on the organizational mandate of providing quality service (QS) (Tsaur, Chang, & Wu, 2004) that impact positively on customer's satisfaction. In view of these findings the present study proposed that psychological dimension of employee's empowerment among the hotel front office staff has a strong and positive prediction on customer satisfaction.

Maslina Mohammed Shaed et al. (2015): Employees' Participation in Decision Making (PDM): A literature survey. The article discusses employees' participation in decision making. It highlights that Organizational decision making process has a positive correlation with various factors such as gender, education level, job experiences, leadership, training, trust, motivation and productivity. Therefore, these factors need to be addressed on a priority basis by any organization.

Adnan Celik et al. (2014): The Effects of Employee Empowerment applications in organizational creativity and Innovativeness in Enterprises. The authors conducted the study on the effects of employee empowerment applications on organizational creativity in Konya Organized Industrial Zone, Turkey. The study reveals that the organizations have to change themselves and adapt themselves to changing conditions and encourage innovative ideas to come up from its employees through empowerment.

Hasnain Raja et al. (2015): The effects of employee empowerment on achievement motivation and the contextual performance of employees. The authors have endeavored to bring to light impact of employee empowerment on job satisfaction of employees in corporate banking sector in Pakistan. The study finds significant positive impact of psychological empowerment in job satisfaction of employees. Empowering the employees, the banks can certainly enjoy employee's loyalty along with job satisfaction.

Dia Zeglat et al. (2014): Understating the Impact of Employee Empowerment on Customer-Oriented Behavior. The study has been conducted to understand the impact of employee empowerment on customer oriented behavior in Jordanian commercial banks. The study found that three dimensions of empowerment namely meaning, competency and impact have a positive and significant influence on customer behavior.

Study conducted by Yang & Choi (2009) concluded that employee empowerment can contribute a lot towards business growth and development. Business growth is largely dependent upon customer satisfaction and customer satisfaction is one of the end products of employee empowerment. In view of the above the researcher proposed that there is a positive and significant relationship between employee's empowerment and customer's satisfaction.

2.2.1. History of Hotel industry in Ethiopia

History has proved that, the development of hotel industry is connected with travelling. Similarly, the development of hotels in Ethiopia is also associated with the increasing number of travelers both indigenous and foreigners. Developments in Ethiopia's foreign relations, particularly during the reign of Menelik II had, relatively speaking, an impressive impact in the country, by implanting the seeds of modernization through the importation of European technology and institutions among which "hotel" is one subject. Therefore, its appearance is Communication Responsiveness Customer Satisfaction Tangibles Reliability Confidence 36 related with the opening of the society in to the western world.

Development of modern hotels in Ethiopia traces back to the 19th century. Itegue Taitu Hotel, which was built in 1898 (E.C.) at the center of the city (piazza), is the first hotel in Ethiopia. This hotel is currently half burned due to unspecified reasons and lacks original works of the past. Taitu Betul (1851-1918), an Ethiopian empress and the wife of emperor Menelik II, establish this hotel to provide guests a place to rest and dine. From this time up to the Derg regime, the country had owned for about 50 hotels at a national level and out of these only 19 hotels were to be star rated hotels, according to the report of Tourism Commission in 1994. Currently, with the emergence of new and modern hotels in the country, the number has grown considerably and there were 500 star rated hotels in Ethiopia. And out of these 116 hotels are found in Addis Ababa, 78 are star rated hotels in Addis Ababa out of these 7 of them are luxury or 5 star hotels. According to Ministry of culture and tourism (2010), out of these 5 star rated hotels, the international chain hotels are four in number. These are Marriot, Sheraton Addis, and Radisson Blu and Golden Tulip. (G/egziabher, 2015)

2.3 Conceptual Framework of the Study

This section describes the conceptual framework that guides the research paper clarifies relevant concepts After examining extensive literatures in an effect of employee empowerment and customer satisfaction. Through this the study was develop a conceptual model that guides the researcher in designing data collection instruments, data analysis and interpretation. It was presented in order to understand the whole process in a concisely. Accordingly, the conceptual model has been depicted in Figure 2.1. More specifically, this framework indicates dependent and independent variables; employee empowerment practices (independent variables) such as employee participation, capacity building, team work, communication effectiveness and management support that have effect on the outcome variable namely customer satisfaction (dependent variable).

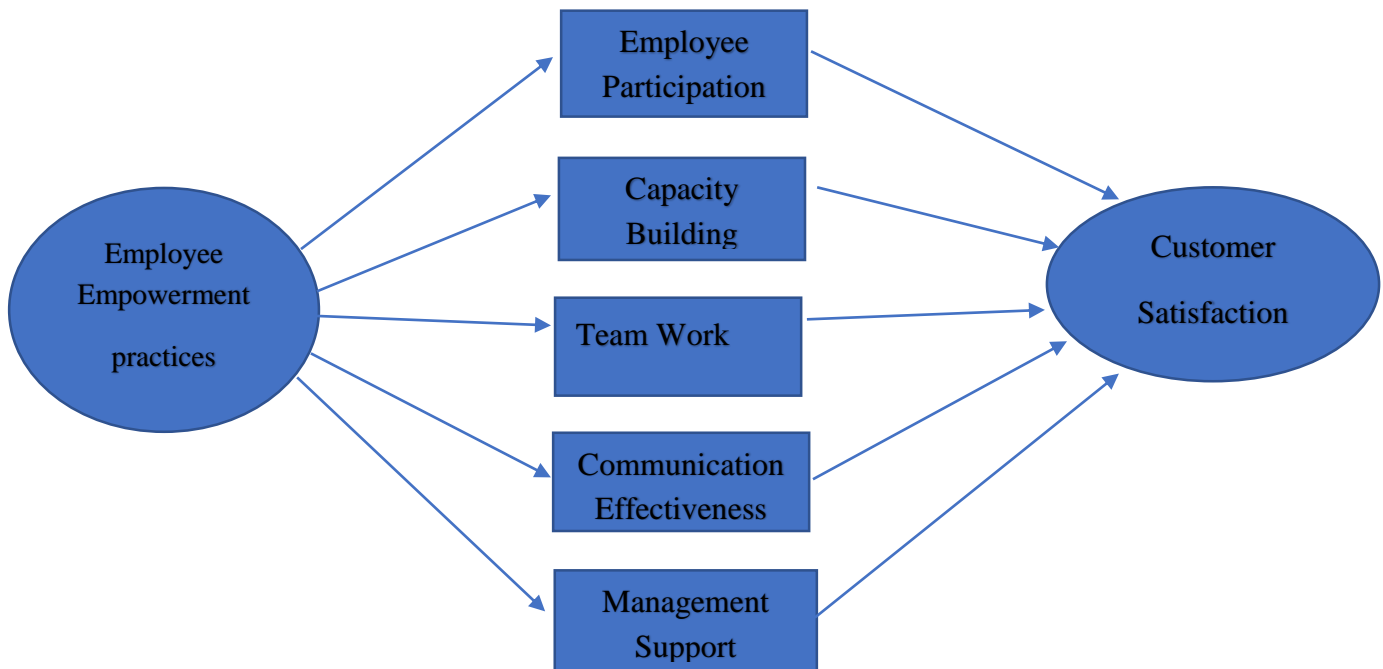


Figure 2.1: Conceptual model of the Study. Extracted from review of related literature

2.4. Research Hypothesis

Based on this theories and concepts we can make the following research hypothesis. Therefore, in order to answer the research questions and achieve the objectives of the study, the following hypothesis is developed and will be tested in this research to verify the under listed hypotheses.

- **Hypothesis 1:** There is positive relationship between Employee Participation and Customer Satisfaction.
- **Hypothesis 2:** There is positive relationship between Capacity Building/ Training and Customer Satisfaction.
- **Hypothesis 3:** There is positive relationship between Team Work and Customer Satisfaction.
- **Hypothesis 4:** There is positive relationship between Communication Effectiveness and Customer Satisfaction.
- **Hypothesis 5:** There is positive relationship between Management Support and Customer Satisfaction.

CHAPTER 3: RESEARCH METHODOLOGIES

Schwardt (2007) defines research methodology as a theory of how an inquiry should proceed. It involves analysis of the assumptions, principles and procedure in a particular approach to inquiry. This chapter describes the research design and methodology; discusses the processes and techniques used in carrying out the study. It also provides an outline of research design and the instruments for data collection. which includes the type of the research, the population and sampling techniques, used sources of data, data collection tools, and method of data analysis and presentation.

3.1. Research design

The research design basically outlines the activities that are necessary to execute the research. According to Cooper (2006), the research design provides an operational frame within which facts will be placed, processed through analyzing procedures and valuable research output is produced. This research designs to get data through both sourced primary and secondary sources and through the responses to the questionnaires and interview to conducted. The researcher was also used descriptive survey design to conduct this research. A descriptive survey typically seeks to ascertain respondent's perspectives or experiences on a specified subject. A descriptive survey is the best research design to fulfill the objectives of the study because the descriptive method of research design helped to the study clearly describes relevant aspects of the phenomenon of interest about a particular individual, group, or situation. Therefore, the study structure of this research was survey. Furthermore, with its descriptive dimension, the study deals with describing the directional relationship between employee empowerment practices and customer satisfaction. In this regards, cross-sectional study will be employed i.e. both qualitative and quantitative (mixed) research approach will be applied under the descriptive approach.

3.2. Description of study variables

The variables those are used in measuring the effect of employee empowerment on customer satisfaction is considered separately as independent variable which is employee empowerment practices and dependent variable which is customer satisfaction. On the other hand, five separate measures of employee empowerment practices are used as independent variables. These measures are employee participation, capacity building, team work, communication effectiveness and management support. The Data collection tools for both variables that is employee empowerment practices (independent) and customer satisfaction (dependent) were adopted from the body of knowledge and used for data collection.

3.3. Description of study area and target population

Since the purpose of this study was to explore the effect of employee empowerment practice on customer satisfaction by surveying employees from Radisson Blu Hotel, the target population included the management and non-management staffs of the hotel located at Addis Ababa city. As per the information obtained from the hotel corporate HRM, there are about 682 total employees and out of which 37 are management employees and 24 are supervisors in different outlets of the Hotel. The remaining 621 employees are non-management employees consists of 90% total number of employees. The target populations of this study were employees of Radisson Blu Hotel including the management and supervisors or the hotel in various departments. Moreover, non-permanent employees were excluded from this study. The study conducted excluding the non-permanent employees who are working less than one year as a reason of they are not familiar with the working environment and helps to minimize the sampling group in time and resource constraints.

As far as the researchers' experience since there were little previous researches done on the same topic and related areas in Ethiopia and the researcher is interested to conduct a research work on this topic. The sample size will have determined based on factors such as: time available, budget and proportionality to total population. The prerequisite for employee's participation is that the employee must have worked one year and above with the current leader. Then proportional number of samples will be allocated to each employee working in the hotel have been randomly included

in the sample. To sum up a purposive sampling were being used to select samples. This is to insure that target groups within a population are adequately represented in the sample, and to improve efficiency by gaining greater control on the composition of the sample. Purposive sampling was employed on the research because the researcher has to narrow the focus area by purposively including permanent employees and excluding non-permanent employees, taking in to consideration the experienced leadership skills of supervisors and longer experiences of staffs.

3.4. Sampling technique/methods and sample size

Leedy (2010) has defined a sample as a representative subsection of a precisely defined population. It is selected in order to make inferences about the whole population. A representative sample is one that contains the characteristics of the population as closely as possible. A sample would be a small subset of the population and it is the one from which the research extracted information from which to make conclusions about the population. Leedy (2010) further asserts that a sample is part of a larger population usually selected to be representative of that study population. This implies that a sample is a representative group drawn from a specified population used to draw conclusions about the characteristic of the population.

Therefore, researcher selected purposively main departments of Radisson Blu hotel employees for this study; namely: Food & Beverage Service, Food Production, Guest Service & IT, Security, and Housekeeping & Laundry. The main reasons for the selection of these main departments are due to time constraints and those departments are directly contact with customers & they are the major section of the hotel. Total employees of the main departments of this hotel are 518 employees.

Sample size determination

Time and resource constraints can be avoided through appropriate selection of sampling. For this purpose, for employees the researcher was conducted an appropriate sample size to get a good representative of data by using Slovin formula.

$$n = \frac{N}{1+N(e)^2} = \frac{518}{1+518(0.05)^2} = 225.71 \approx 226$$

Where; 'n' = is sample size (for employees)

'N'= is the population size (total employees)

'e'= is the level of perception (margin error)

Accordingly, the researcher used confidence interval of 95%, which is the level of certainty whether the response for each question is the true answer or not. 5% margin of error which is the amount of error from difference in the responses the researcher can tolerate when drawing a conclusion from the data. Hence, 226 employees were selected by using this systematic random sampling technique (Slovin formula). Questionnaires was distributed to 226 Radisson Blu hotel employees proportionately with respect to their job category and position composition. The below table shows proportionate sampling, how the representative sample size (226 employee) will distributes across the various departments of the hotel.

Table 3.1 Population Distribution for employees

No	Sample Department	Population of Employees	Distribution	Sample size of employees
1	Food & Beverage Service	227	44%	226*44%=99
2	Food Production	84	16%	226*16%=37
3	Guest Service & IT	48	9%	226*9%=21
4	Security	63	12%	226*12%=27
5	Housekeeping & Laundry	96	19%	226*19%=42
	Total	518	100%	226

Source: - own survey of Radisson Blu Hotel, 2020

Furthermore, three respondents for key informant interview (phone) with management of the hotel on major issues. Therefore, the total sample size that are accepted as a representative of the target population from questionnaires and interview was 226 and 3 respondents respectively.

3.5. Data collection

In due to the study, various characteristics of research data from primary and secondary sources of information were used. A combination of primary and secondary data sources was used so as to capture important and relevant information to support the validity of the generalizations and conclusion of the study result. Primary data was collected from employees of the organization through the use of questionnaires and interviews. Questionnaire is a technique of collecting data designed to elicit responses from a certain subject in written form. In order to collect the necessary information, closed ended questioners for employees and customers was used, then questioners handed over to employees. The questionnaire method was selected among the various types of survey methods to gather primary data because of its simplicity, reliability and also because people respond more freely with a questionnaire. An interview (phone) was conducted between the researcher and respondents (managers) who are engaged directly with employee and customers.

The questionnaire was developed to answer research questions and meet the research objectives. The questionnaire contained two sections. The first section consists of questions about demographic characteristics that covers questions on general background of the respondents that constitutes their gender, age, experience and level of their education. Section II consisting of questions based on the objectives of the study, research questions and research variables that are used for this study which are employee participation, capacity building, team work, communication effectiveness and management support and also customer satisfaction contains 41 items of questionnaires. The questionnaire was contained closed-ended questions, which are designed using a five-point Likert-scale used to determine the level of agreement, using the following rating scales as Strongly disagree (1), Disagree (2), Neutral (3) Agree (4) and Strongly Agree (5). This approach was used since closed-ended questions are easy to code and analyze. Close-ended questions were used for this study in which respondents select a single response that they select were most appropriate from a selection of choices are used in the survey and also Close-ended questions were chosen in consideration of the fact that respondents are usually busy and this

method enables the researcher to obtain responses promptly and improve consistency of responses. For interview the researcher was used 8 questions on major issues.

The content analysis was used as a secondary source of data collection to generate data for this study from Radisson Blu Hotel existing records, various books, journals, previously done thesis and articles relate to employee empowerment practice. which helps to increase the knowledge of the researcher on the topic being studied. Secondary data of this research is also covers an intensive desk review of contemporary theories, literatures, published and unpublished documents, reports and internet services on employee empowerments which have relevance to this specific research project and also a descriptive survey was implemented.

3.6. Data analysis

After conduct of the data collection, were process and analysis all collected data and information. The researcher used appropriate techniques and tools for the analysis and presentation of findings obtained from the primary and secondary sources stated before. Data processing is an activity involves editing and classifying data in to make it suitable for further analysis. In analyzing the data obtained from primary and secondary sources, both qualitative and quantitative techniques was applied. The qualitative data gather through interview was analyzed thematically and presented in the form of narration and used as supportive data to the main questionnaires whereas quantitative data generated from the questionnaires the data is first edit for completeness, consistency and legibility; next a numerical source or other character and symbol are identifying and assigning for coding the data. A descriptive statistic such as frequencies and percentage were used to analyze the demographic related information of respondents.

Regression analysis was also carried out to determine effect of employee empowerment practices on customer satisfaction. The study focused on the following dimensions of independent variables, employee empowerment practices (Employee Participation, Capacity building/ Training, Team work, Communication effectiveness and Management support) and the customer satisfaction which is a dependent variable which are measured by a five point Likert scale.

The relationship between the dependent variable and the independent variables are expressed as a linear combination of the independent variables plus an error term. The multiple linear regression models are specified as follows:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + e$$

Where Y= Customer Satisfaction

X1= Employee Participation X3= Team Work X5= Management Support

X2= Capacity Building/ Training X4= Communication Effectiveness

Where the β s are coefficients of independent variables, Xs are column vectors for the independent variables in this case; employee participation, capacity building/ training, team work, communication effectiveness and management support oriented employee empowerment practices; while e is a vector of errors of prediction. The results were presented by using tables to bring easy and clear understanding on the findings. Then the researcher was tabulated the data by hand tabulation. As the analysis phase needs figures and percentages is used. Finally, all possible suggestions, comments and conclusion will be summarize based on the research findings and also the final report was prepared and communicated accordingly.

3.7. Reliability and validity analysis

To confirm the validity and reliability of the data gathered and to achieve the aim of study the researcher gave due care to this issue. Validity and reliability are qualities that are essential to the dependable results of any data. Validity refers the researcher's conclusion is true or correct with corresponds to the actual state of the world. Whereas, reliability indicates the accuracy or precision of the measuring instrument (Ghose, 2014). To test the reliability of the questionnaire the researcher was used Cronbach's alpha. Cronbach's alpha measures the consistency of the participants' response to all the items in a questionnaire indicating the degree to which items that are independent measures of the same concept are correlated with each other (Ali, 2013). The overall reliability of paragraphs related to employee empowerment practices equals 0.8335 which is very close to 1.00, and Thereby having high reliability and considered as stable and consistent instrument. (Hailu, 2016)

For this study the Alpha coefficient for the dimensions and the overall scale calculated as a reliability indicator was presented in the following tables. As described by (Ali, 2013) Reliability scale is measure using Cronbach's Alpha and the best value set has 0.7. and also the values of Cronbach's Alpha more than 0.7 is good Andy (2006). Therefore, the alpha values in this study are greater than 0.7 and had very good reliability for the questioners.

Table 3.2 Reliability test for employee questionnaire

Study variable	No of items in the scale	Cronbach's Alpha result
Employee participation	7	0.886
Capacity building/ training	7	0.875
Team work	7	0.882
Communication effectiveness	7	0.738
Management support	8	0.726
Customer satisfaction	5	0.894

Source own survey 2020

CHAPTER 4

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

This chapter presents the analysis and interpretation of the data which have been collected about the effect of employee empowerment practice on customer satisfaction at Radisson Blu hotel and analyzed using tables and figure for its interpretation and discussion in relation to the research questions and interviews conducted. Also the chapter describes the demographic and social economic characteristics of the respondents in terms of gender, age, level of education, work position and years in service. That information helps the researcher to know the reliability of the respondent for the study. The demographic analysis was conducted using frequencies and percentages. Descriptive analysis was conducted to examine the independent and dependent variables. Regression and correlation analysis was also used to explain how much the selected employee empowerment practices had an effect on the dependent variable customer satisfaction.

4.1. Respondents' Information and Response Rate

A total number of 226 questionnaires were distributed to the employees of Radisson Blu Hotel in Addis Ababa for the major departments of the hotel; such as Food & Beverage Service, Food Production, Guest Service & IT, Security, and Housekeeping and Laundry. And were in-depth interviews conducted to management of the hotel. From distributed questionnaires 194 were filled and returned back to the researcher but from filled questionnaires 8 questionnaires were not filled with fully information so the researcher not used this questionnaires because of reliability/quality of the study and were as 32 questionnaires was not returned. Therefore, 186 (82%) respondents were filled and returned with full information and the researcher also conducted with one manager of the hotel through interview by using phone therefore the total of 187 respondents were reached and served as data for analysis to present the findings and draw conclusion from questionnaires and interview. The response rate of these 186 questionnaires was representing 82% of the total distributed questionnaires. According to Mugenda and Mugenda (1999) stipulation that a response rate of 50% is adequate for analysis and reporting; a rate of 60% is good and a response rate of 70% and above is excellent, this response was considered excellent for analysis and reporting.

4.2. Demographic and Social Economic Characteristics of the Respondents

The frequencies and percentages of the demographic variables of the study are presented and analyzed in the following tables.

Table 4.1: Demographic data of respondents

ITEMS	Respondents	Frequency	Percent
Gender of respondents	Male	97	52.2%
	Female	89	47.8%
	Total	186	100%
Age of Respondents	18-28	39	21.0%
	29-39	118	63.4%
	40-50	23	12.4%
	Over 50	6	3.2%
	Total	186	100%
Educational level of the Respondents	Primary	21	11.3%
	Secondary	28	15.1%
	Certificate	46	24.7%
	Diploma	33	17.7%
	First degree	53	28.5%
	Second degree & above	5	2.7%
	Total	186	100%
Working period in Radisson Blu Hotel	Less than 1 year	15	8.1%
	1 – 5 years	84	45.2%
	6 – 10 years	66	35.5%
	More than 10 years	21	11.3%
	Total	186	100%

Working period in hotel and hospitality industry	Less than 1 year	5	2.7%
	1 – 5 years	126	67.7%
	6 – 10 years	37	19.9%
	More than 10 years	18	9.7%
	Total	186	100%
Position of Respondents	Food & beverage division	94	50.5%
	Room division	63	33.9%
	Other	29	15.6%
	Total	186	100%

Source: own survey 2020

Table 4.1 presents the demographic characteristics of the respondents. The study was interested to use gender for the purpose of knowing whether both sexes have equal opportunity of being employed in this hotel. Regarding gender of the respondents, the table shows that; 52.2% employees were Male while the rest 47.8% of employees were females.

The study was also interested on knowing the age of respondents because age has influence on ability to work and experience. As far as from the table 4.1; the age of the respondents is concerned, (21%) of employees were within 18 to 28 years range. (63.4%) of employees falls on the 29-39 years range. Of the total respondents, 12.4% of employees were between 40-50 years. The rest 3.2% employees were greater than 50 years old.

The researcher was interested with the level of education because education/ training are part and parcel of ability, quality, experience, motivation, empowerment and qualification of employees at work towards performance measurement. From the findings the above table presented that 11.3% of employees were completed primary education. 15.1% of employees were with secondary level of education, while 24.7% of the employees have certificate and also there were diploma holders with 17.7% of employees. Majority of the respondents of employees 28.5% said completed first degree. 2.7% respondents hold second degree and above. According to these findings it shows that decision makers were few and majority of workers were order receivers.

According to the study the above table 4.1 revealed that, the respondent years of working in Radisson Blu Hotel for less than 1 year were 8.1% of employees. 1-5 years' experience were 45.2% of employee, while 6-10 years was 35.5% of employees, but more than 10 years were 11.3% of employees out of all respondents served in Radisson Blu hotel.

Concerning the hotel and hospitality industry experience of employees, 2.7% of employees have been working with in the hotel for less than 1 year. Within 1 to 5 years of range, 67.7% employees have been working. 19.9% of employees' said that they have worked with in the hotel from 6 to 10 years range. 19.7% of employees has work experience for more than 10 years out of all respondents.

The study was interested to use the position data of the respondents for the purpose of knowing whether the departments were being researched in this hotel. Therefore, from the above table 4.1 revealed that 50.5% out of 186 respondents were food and beverage division, 33.9% of respondents were room division and while the remains 15.6% were working on others departments.

4.3. Descriptive Analysis of variables and Interpretation

The analysis of the findings was conducted using mean and standard deviation on the selected five practices of employee empowerment (employee participation, capacity building, team work, communication effectiveness and management support) and on customer satisfaction to identify which employee empowerment practice and level of customer satisfaction is more dominant in Radisson Blu hotel. Respondents were asked to indicate their level of agreement with the questions relating to the selected five practices of employee empowerment and customer satisfaction using Likert scale which ranged from strongly agree to strongly disagree. In the analysis of the descriptive statistics (Zaidatol 2009) comparison bases of mean score for five point Likert scale instrument is used to compare the mean value as shown in the following tables.

The main objective of this study was to examine the effects of employee empowerment practices in Radisson Blu Hotel in Addis Ababa. Empowerment of employees in service organizations is a necessity in view of the nature of service itself. Without empowerment in the delivery of intangible-dominant services like hotel, employees would be bounded, lacking confidence, creativity which could lead to under-performance during service encounters.

4.3.1. Analysis of Employee Empowerment Practices from Questionnaire

This section sought to identify the role of employee empowerment practices on customer satisfaction in Radisson Blu Hotel. The respondents were asked to indicate to what extent they agreed with the statements as was listed in the questionnaire. The statements represented the employee empowerment practices and customer satisfaction. The findings are presented using mean and standard deviation.

4.3.1.1. Role of Employee Participation in Employee Empowerment Practices

The respondents were asked to indicate whether the employees are allowed to participate in goal setting and decision making, if there is extensive delegation, individual responsibility and autonomy in making decisions, whether employees are motivated by autonomy in decision-making and being assigned challenging work, while the employees have autonomy on their areas of responsibility, if they are in control over those aspects of their job for which they are accountable and if they are involving in joint decision activities with the management and also whether they can deal with work problems & decide without referring to the administration. The purpose to establish the role of employee participation in employee empowerment practices.

Table 4.2: Role of employee participation in employee's empowerment practices

No	Questions	Mean	Std. Dev
1	Employees are allowed to participate in organizational goal setting and decision-making process.	3.44	.7742
2	There is extensive delegation, individual responsibility and autonomy in making decisions.	3.37	.722
3	Employees are motivated by autonomy in decision-making and being assigned challenging work.	3.66	1.143
4	Employees have autonomy on their areas of responsibility.	3.94	.7463
5	Am in control over those aspects of my job for which I am accountable.	3.42	1.298
6	Employees are involving in joint decision activities with the management.	3.74	.6676
7	Employees can deal with work problems & decide without referring to the administration	3.45	.9644

Table 4.2 indicates that the respondents was agreed with the mean score of 3.44 on the subject that Employees are allowed to participate in organizational goal setting and decision-making process. On the other hand, with 3.37 mean score the respondents was agreed on the theme that there is extensive delegation, individual responsibility and autonomy in making decisions. This implies that the majority of employees in Radisson Blu hotel are positive on those ideas.

Having a look at the third topic on this variable, with 3.66 mean score the employees was agreed that on they are motivated by autonomy in decision-making and being assigned challenging work. According to the largest response of 3.94 mean score were agreed on the theme that Employees have autonomy on their areas of responsibility. When they were examined about whether they are in control over those aspects of their job for which they are accountable smallest level of mean 3.42 respondents was agreed.

Employees were asked if they are involving in joint decision activities with the management. Accordingly, 3.74 level of mean score of employees' response was positive. They were also questioned about whether they can deal with work problems & decide without referring to the administration with 3.45 mean score, the respondent was agreed.

From the above analysis employees were certain that employee participation as an empowerment practice was encouraged. To sum up the mean score amount of this variable is 3.57(SD=.9021) which shows that employee participation had a high effect on employee empowerment practice. This indicates the overall employee participation practice in Radisson Blu hotel is strong.

4.3.1.2. Role of Capacity Building(Training) in Employee Empowerment Practices

The respondents were asked to indicate whether training enhanced their performance and that organization constantly trained employees to develop and enhance skills, whether employees are trained to take quick action to improve service quality or to correct quality problems in their jobs, if their leaders believe that training is a developing talent and a good investment, while employee's morale is boosted in different capacity building trainings, if they believe that training is a developing talent and a good investment, and whether training is given to employees in the hotel based on need assessment. The purpose was to establish the role of training in employee empowerment practice.

Table 4.3: Role of capacity building (training) in employee’s empowerment practices

No	Questions	Mean	Std. Dev
1	Training enhances my work performance and enables me to meet my set targets.	3.45	.9644
2	Employees of the hotel are constantly trained to develop and enhance their knowledge and skill.	3.01	1.239
3	Employee are trained to take quick action to improve service quality or to correct quality problems in their jobs.	3.41	.92
4	My Manger/supervisor/leader believe that training is a developing talent and a good investment.	3.25	.97
5	Employees Morale is boosted in different capacity building trainings and developmental mechanisms.	3.44	.7742
6	I believe that training is a developing talent and a good investment.	3.74	1.039
7	Training is given to employees in the hotel based on need assessment.	3.51	1.188

From the analysis in Table 4.3 respondents agreed that training enhanced their ability to perform their tasks with mean score of 3.45 respondents. On the other hand, the respondent was asked whether organizations constantly train employees to develop and enhance their knowledge and skills. Accordingly, with 3.01 level of mean score the employees’ response was positive. This implies that employees in Radisson Blu hotel accepted training as empowerment practice enhanced their ability to perform their tasks. However, they were in doubt on constant organizational training as empowerment practice to develop and enhance employee’s knowledge and skills.

Whether employees are trained to take quick action to improve service quality or to correct quality problems in their jobs was also assessed, Employees with mean score 3.41 was agreed. And employees were also asked if their manger believe that training is a developing talent and a good investment. Accordingly, the employees were agreed with the level of 3.25 mean score. They were also questioned about whether their morale is boosted in different capacity building trainings and developmental mechanisms, with 3.44 mean score of respondents was agreed.

They were questioned about whether they believe that training is a developing talent and a good investment, majority respondents or with 3.74 mean score respondents was agreed. In this regard also employees in Radisson Blu believe that training is a developing talent and a good investment. When asked whether Training is given to employees in the hotel based on need assessment, Majority respondents of 3.51 mean score agreed. This implies that the training that given to employees in the hotel is weak.

The overall mean score of capacity building/training is 3.40(SD=1.0134) this shows that employee empowerment practice moderately affected by capacity building. This implies majority of the employees accepted training as empowerment practice; hence, this area doesn't require development.

4.3.1.3. Role of Team-Working in Employee Empowerment Practices

The respondents were asked to indicate whether they believe that team working increases ownership in decision making, whether management encouraged team building, and if it was easier to accomplished assignment and achieve set targets through team work rather than working individual and that employees contributed work related ideas through teams, while team working increases ownership in decision making and enables employees fully participate in work process, whether Self-Managed Team is one way of the hotels' empowerment Mechanism and also if high degree of trust is highly encouraged and maintained between managers and employees and amongst employees. The purpose was to establish the role of team working in employee empowerment practices.

Table 4.4: Role of team work in employee's empowerment practices

No	Questions	Mean	Std. Dev
1	Team working increases ownership in decision making and enables employees fully participate in work process.	3.69	1.037
2	The management encourages team building (working teams).	3.58	1.133
3	It is easier to accomplished assignment and achieve set targets through team work rather than working individual.	3.78	1.04
4	The employees contributed work related ideas through teams.	3.29	1.132
5	Team working encourages employees to develop creativity and innovative ideas.	3.50	1.034
6	Self-managed Team is one way of the hotels' empowerment Mechanism.	3.38	.7223
7	High degree of trust is highly encouraged and maintained between managers and employees and among employees.	3.11	1.229

A table 4.4 show that the respondents was probed whether team working increases ownership in decision making and enables employees fully participate in work process, the respondents with mean score 3.69 was agreed. This shows that the majority of Radisson Blu hotel employees were interested on team work. on the other question employees were also asked if the management encourages team building or working teams. According to the mean score of 3.58 employee was agreed.

The majority of respondents agreed with 3.78 mean score to the questions that it was easier to accomplish assignments through team rather than working individually. In addition, they also agreed the employees contributed work related ideas through teams with 3.29 mean score. As to whether Team working encourages employees to develop creativity and innovative ideas. Majority of respondents were agreeing with 3.50 mean score.

According to the response of minority respondents were agreed on the theme that Self-Managed Team is one way of the hotels' empowerment Mechanism with mean score of 3.38. They were also questioned that high degree of trust is highly encouraged and maintained between managers and employees and among employees, with 3.11 mean score respondents was agreed. It can be interpreted as employees were not sure trust was encouraged and maintained between managers and amongst employees and there was no consensus on the role of team building as an employee empowerment practices in Radisson Blu hotel.

From the above analysis employees in Radisson Blu hotel concord that team building as an empowerment practice made it easier for them to accomplish assignments through team work and in addition, employees accepted that team work improved ownership in decision making and enabled employees to participate fully in work progress. However, employees were not convinced on to whether management encouraged team building as an empowerment practice. The overall mean score of team work were 3.46(SD=1.04671) this indicates that it is moderately affected with the employee empowerment practice.

4.3.1.4. Role of Communication Effectiveness in Employee Empowerment Practices

The respondents were asked to indicate whether high degree of trust is highly encouraged and maintained among employees, if working environment is healthy in terms of Management-Employee relationship and if there is formal communication with employees, while employee are encouraged to take quick action to improve service quality, whether employees are encouraged to contribute work related ideas, and if effective communication can shape their perception and decreasing formal communication with employees reduces uncertainty. The purpose was to establish the role of communication in employee's empowerment practices.

Table 4.5: Role of communication effectiveness in employee's empowerment practices

No	Questions	Mean	Std. Dev
1	High degree of trust is highly encouraged and maintained between managers and employees and among employees.	3.38	.7223
2	The working environment is healthy in terms of Management-Employee relationship.	3.33	1.138
3	There is formal communication with employees reduces uncertainty by lessening role ambiguity and conflict.	2.98	1.328
4	Employee are encouraged to take quick action to improve service quality or to correct quality problems in their jobs.	3.26	.97
5	Employees are encouraged to contribute work related ideas through formal suggestions programs or quality cycles.	3.17	1.248
6	Effective communication can shape my perception.	3.35	.89
7	Decreasing formal Communication with employees reduces uncertainty.	3.24	1.254

From the analysis in Table 4.5 respondents were agreed when they were asked to indicate whether high degree of trust is highly encouraged and maintained between managers and employees and among employees with 3.38 mean score. On to whether the working environment is healthy in terms of Management-Employee relationship, respondents agreed with 3.33 mean score. On the other hand, minority of the respondents are agreed that there is formal communication with employees reduces uncertainty by lessening role ambiguity and conflict with 2.98 mean score. On the same way, 3.26 mean score of respondents were agreed on the employee are encouraged to take quick action to improve service quality or to correct quality problems in their jobs.

with 3.17 mean score the respondents are agreed with the question that employees are encouraged to contribute work related ideas through formal suggestions programs or quality cycles. On the issues of effective communication can shape the perception with mean score of 3.35, respondents were agreed. finally, with 3.24 mean score respondents was agreed with the managers' encouragers' regular communication with their employees in Radisson Blu hotel.

According to the complete percentage of the above analysis, majority of the employees accepted effective communication as empowerment practice in the hotel; hence, this area does require encouragement. The mean of all questions under communication effectiveness is 3.24(1.07857), which is less than (3.39) based on Zaidation (2009) mean score measurement comparison bases it declines to lower level that shows as respondents level of agreement is low.

4.3.1.5. Role of management support in employee's empowerment practices

The respondents were asked to indicate whether award/recognition is given for the best achievement and if management encourages employees to develop innovative ideas, whether the managers encouraged to take quick action to improve service quality or to correct quality problems in their jobs, while necessary information is readily availed to all concerned employees in good time, and whether supervisors delegated authority and managers' encourage regular communication with their employees, if the managers share to employee's sensitive information about the organization and if managers' encourage employees to contribute work related ideas through formal suggestions programs or quality cycles. The purpose was to establish the role management support in employee empowerment practices.

Table 4.6: Role of management support in employee's empowerment practices

No	Questions	Mean	Std. Dev
1	Award/recognition is always given for the best achievement.	2.23	.426
2	Management encourages employees to develop creativity and innovative ideas.	2.42	.608
3	Employees are encouraged to take quick action to improve service quality or to correct quality problems in their jobs.	2.50	.886
4	Necessary information is readily availed to all concerned employees in good time.	2.46	.727
5	My supervisor delegates authority to me.	2.42	.906
6	Managers' encourage regular communication with their employees so that employees are aware of what is taking place in the Organization.	2.62	.582
7	The Mangers take initiative and share to employee's sensitive information about the organization.	2.46	.727
8	Managers' encourage employees to contribute work related ideas through formal suggestions programs or quality cycles.	2.24	.822

The analysis in Table 4.6 shows that respondents were in disagreement for the question that there was award/recognition that given for the best achievement with the level of 2.23 mean score. On the same way, respondents were not agreeing with the question that was the managers encourage employees to develop creativity and innovative ideas with mean score of 2.42. From the analysis employees encouraged to take quick action to improve service quality or to correct quality problems in their jobs, with 2.50 mean score respondents were disagreed. Respondents were asked whether necessary information is readily availed to all concerned employees in good time. In this regard with 2.46 mean score the respondents were disagreed.

Respondents were also asked to give their opinion whether the supervisor delegates authority to them. In this regard with the mean score of 2.42 respondents were disagreed. Similarly, 2.62 mean score of respondents disagreed on the issue that managers encourage regular communication with their employees so that employees are aware of what is taking place in the Organization. The respondents were asked whether the managers take initiative and share to employee's sensitive information about the organization accordingly with 2.46 mean score the respondents were disagreed. On the same way with 2.24 mean score the respondent was gives negative response for the last topic that managers encourage employees to contribute work related ideas through formal suggestions programs or quality cycles.

From the above analysis the mean of the variable (management support) questions is 2.41(.7105) which mean most of respondents disagreed with the question of this variable, only few employees agreed. It should be noted there was no consensus on the role of management support employee empowerment practice in Radisson Blu hotel.

4.3.1.6. Role of Employee Empowerment practices on customer satisfaction

The respondents were asked to indicate whether Empowerment has direct effect and impact on customer satisfaction, and if necessary information is readily availed to all concerned customers in good time to make them satisfied, while they are empowered enough to control their own job and meet customers need from various angle, and whether they use technical skills and knowledge to accomplish the customers need and they cooperate with other co-workers to perform various tasks that make the customers satisfied. The purpose was to establish the role employee empowerment practices on customer satisfaction.

Table 4.7: Role of Employee Empowerment practices on customer satisfaction

No	Questions	Mean	Std. Dev
1	Empowerment has direct effect and impact on customer satisfaction.	4.14	.911
2	Necessary information is readily availed to all concerned customers in good time to make them satisfied.	3.79	1.109
3	I can say I am empowered enough to control my own job and meet customers need from various angle.	3.69	.877
4	I use my technical skills and knowledge to accomplish the customers need.	4.27	.82
5	I always cooperate with other co-workers to perform various tasks that make the customers satisfied.	3.81	1.045

Results from Table 4.7; employees were asked if empowerment has direct effect and impact on customer satisfaction, the majority of respondents were agreed with the mean value of 4.14. Employees were also asked if necessary information is readily availed to all concerned customers in good time to make them satisfied, the respondents agreed with 3.79 mean score. When they asked whether they can say they are empowered enough to control their own job and meet customers need from various angle with 3.69 mean score the respondents were agreed. Employees were also asked if they use their technical skills and knowledge to accomplish the customers need. Accordingly, most respondent with 4.27 mean score were agree. 3.81 mean score of respondents feel like they always cooperate with other co-workers to perform various tasks that make the customers satisfied.

The overall percentage for the above analysis was calculated. The result shows that majority of the hotel leaders are strong in empowering. The mean of the variable (customer satisfaction) is 3.94(.9524). The interpretation of the mean shows that most of respondents were agreed on the question that found under customer satisfaction. Which shows that employee empowerment practices had a high effect on customer satisfaction.

With the mean score of 3.72 the customers believe that the services they receive, exactly as the hotel promised. On the other hand, the respondents agreed on the theme that the hotel gives services to the customers without discrimination with the mean score of 3.64. At the other topic, with 3.68 mean score customers agreed that the hotel staffs are willing to give a best services and to help them. They were surveyed that whether they fill valued in their relationship with the employees, the respondents with 3.85 mean score agreed. According to the response of majority with 3.94 mean score the respondents were agreed.

The overall average for the above analysis was calculated. The result shows that most respondents are satisfied with the hotel service and recommend the hotel to other person. To sum up the mean score amount of this variable is 3.85(SD=.56470) which shows that ethics & reliability had a high effect on customer satisfaction.

4.3.2. Summary of mean and Std. Deviation of variables

Table 4.10: Summary of mean and Std. Deviation of variables

Variables	Items	N	Mean	Std. Deviation
Employee empowerment practice	Employee participation	186	3.5725	.9021
	Capacity building/ training	186	3.4000	1.0134
	Team work	186	3.4620	1.0467
	Communication effectiveness	186	3.2445	1.0786
	Management support	186	2.4086	.7105
Customer satisfaction	Customer satisfaction	186	3.9400	.9524

Source: own survey 2020

From the above table 4.10 it observed that Employee participation had the highest mean score of 3.57(SD=.68175) than the others employee empowerment practices; so that it is safe to say that majority of employees were agreed that leaders moderately incline to Employee participation in Radisson Blu Hotel. The mean score value for Communication effectiveness is in 3.24 (SD=.68122) which is less than (3.39) based on Zaidation (2009) mean score measurement

comparison bases it declines to lower level that shows as respondents level of agreement is low. The mean value for Capacity building/ training and Team work is 3.40(SD=.66987) and 3.46(SD=.58138) respectively when the mean value is compared to the comparison bases of Zaidation (2009), it is in moderate ranges and employees believed that Capacity building/ training and Team work has been exercised by their manager in moderate level. While, their level of agreement with the Management support was found out to be very low with mean value of 2.41(.27395) which indicate Radisson Blu employees are less satisfied internally with their Management support.

From the above table we can infer the respondent's response regarding the customer satisfaction which demonstrates that the mean score value of 3.94(SD=.74630) this shows that based on Zaidation (2009) mean score measurement comparison employees agreed they were performed well in overall customer satisfaction.

4.3.3. Analysis of Employee Empowerment Practices from Interviews

All interviews were prefaced with short explanation of empowerment and then questions were asked. As it was mentioned before this chapter called "sample", three respondents for key informant interview (phone) with management of the hotel on major issues as a sample size. From this three KII only one Manager of the hotel was interviewed.

Findings of the study was presents the opinion of interviewed general manager about empowerment. Manager was familiar with this phenomenon of empowerment and knew that is important when it comes to managing people. Manager stated that empowerment is helpful in dealing with front line staff and he was aware of advantages which outcome of implementing empowerment and importance of this phenomenon.

The manager empowers subordinates but not completely. He knows what to do in all situations and do not need to ask him about permission to some actions. He stated that he uses empowerment but during the interviewed specific questions and answers showed that there are some situations where employee needs to consult decision or action with manager. Summing up, awareness of empowerment is big among interviewed manager. Findings shows that manager is familiar with phenomenon and everybody should use that in daily work. Then he confirmed that after assessing

the specific type of training needs, the hotel offers on job and off site training that ranges from local training to abroad.

As the opinion of interviewed, empowered employees perform better than not empowered ones. He said that he had noticed big difference between empowered employees and ones who are not empowered. Usually not empowered are those who just started work at their place and they are not sure how to deal with complains of guests or they do not know what decision to make on their own. They need to ask always manager or more experienced staff. Empowered employees feel more important and responsible for work place. They are more committed to work and perform better.

Manager said that he is delegate authority to employees and that makes his work easier so he can focus on other managerial tasks. Important question was also about dealing with complaining customers as well in hotels and restaurants that is good situation to check if manager empowers his or her staff and how staff behave and act in this stressful situation. Dealing with complaining customers is everyday life for hospitality organizations so manager was asked to describe process of dealing with complains of customers. He was accordant that complaining customers make employees stressed and that is exam for them if the empowerment works. In all places staff is allowed to provide extra treatments or free meals if something went wrong or customer is right and he or she is unhappy.

As per the interviewed manager opinion on how the management monitors the hotel's customer satisfaction level, it is a combination of customer satisfaction survey done semiannually and though gathering of information from the suggestion box. Finally, the respondent when he is being asked if he believe that employee empowerment is directly related to customer satisfaction, he confirmed that employee empowerment is directly related to employee performance so this will be directly related to customer satisfaction.

4.4. The relationship between employee empowerment and customer satisfaction

In order to evaluate the relationship between employee empowerment and customer satisfaction, a Pearson Product Movement Correlation Coefficient is conducted with the result shown in the matrix below. A correlation is a statistic device that measures the strength or degree of a supposed linear association between two or more independent and dependent variables or it's a test used to measure the interdependency of the variables. According to Kothari (2004), positive values of r indicate positive correlation between the two variables (i.e., changes in both variables take place in the same direction), whereas negative values of r indicate negative correlation i.e., changes in the two variables taking place in the opposite directions. A zero value of r indicates that there is no association between the two variables. When $r = (+) 1$, it indicates perfect positive correlation and when it is $(-) 1$, it indicates perfect negative correlation and if $r=0$, there is no relation between the variables.

4.4.1. Pearson Correlation Analysis

Pearson correlation analysis was used to provide evidence of convergent validity. Pearson correlation coefficients reveal magnitude and direction of relationships (either positive or negative) and the intensity of the relationship (-1.0 + 1.0). For this study the correlation computed by the independent variables which are employee participation, capacity building (training), team work, communication effectiveness and management support with the dependent variable customer satisfaction is shown in the below tables that presents the results of Pearson correlation on the relationship.

Table 4.11: correlation between Customer satisfaction and Employee participation

		Employee participation	Customer satisfaction
Employee participation	Pearson correlation	1	.862**
	Sig. (2-tailed)		.000
	N	186	186
Customer satisfaction	Pearson correlation	.862**	1
	Sig. (2-tailed)	.000	
	N	186	186

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

As illustrated in the above table, there is the highest positive correlation between the Employee participation and Customer satisfaction with ($r=0.862$, $n=186$, $p=.000$). This implies that Employee participation has a strongly positive relation with Customer satisfaction.

Table 4.12: correlation between Customer satisfaction and Capacity building/training

		Capacity building	Customer satisfaction
Capacity building	Pearson correlation	1	.654**
	Sig. (2-tailed)		.000
	N	186	186
Customer satisfaction	Pearson correlation	.654**	1
	Sig. (2-tailed)	.000	
	N	186	186

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

The correlation between Capacity building/training and Customer satisfaction as given in table 4.12 Shows ($r=0.654$, $n=186$, $p=0.000$) which is the correlation implies that there is positive relation between Capacity building and Customer satisfaction.

Table 4.13: correlation between Customer satisfaction and Team work

		Team work	Customer satisfaction
Team work	Pearson correlation	1	.549**
	Sig. (2-tailed)		.000
	N	186	186
Customer satisfaction	Pearson correlation	.549**	1
	Sig. (2-tailed)	.000	
	N	186	186

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

Statistical results of the correlation between Team work and Customer satisfaction as given in table 4.18 Shows ($r=0.549$, $n=186$, $p=0.000$) which is the correlation implies that there is positive relation between Team work and Customer satisfaction.

Table 4.14: correlation between Customer satisfaction and Communication effectiveness

		Communication effectiveness	Customer satisfaction
Communication effectiveness	Pearson correlation	1	.534**
	Sig. (2-tailed)		.000
	N	186	186
Customer satisfaction	Pearson correlation	.534**	1
	Sig. (2-tailed)	.000	
	N	186	186

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

As illustrated in the above table, there is the positive correlation between the Communication effectiveness and Customer satisfaction with ($r=.534$, $n=186$, $p=.000$). This implies that Communication effectiveness has a positive relation with Customer satisfaction.

Table 4.15: Correlation between Customer satisfaction and Management support

		Management support	Customer satisfaction
Management support	Pearson correlation	1	.432**
	Sig. (2-tailed)		.000
	N	186	186
Customer satisfaction	Pearson correlation	.432**	1
	Sig. (2-tailed)	.000	
	N	186	186

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

As illustrated in the above table the correlation between the Management support and Customer satisfaction is described with ($r=0.432$, $n=186$, $p=0.000$). The relation between the two variables are moderately weak positive relations compare to the other four variables it implies that Management support has no more importance for Customer satisfaction.

In conclusion we can deduce that there is a strong relationship between employee empowerment and customer satisfaction as witnessed in all five employee empowerment practices. This indicates that employee participation is more likely to attain the highest level of practice from the employees.

4.5. Regression analysis

Normality and Multi-Co linearity test

Before estimating any model, it is a must to check the validity of the model properly. Hence, as necessary, tests for normality and multi-co linearity were made. Normality test was carried out by using Skewness and Kurtosis of the data sets. For medium-sized samples ($50 < n < 300$) with 95% confidence interval of population, skewness and kurtosis, data distribution within the range of [-2, 2] for skewness score and [-3, 3] for Kurtosis score approximately considered as normal distributed (George and Mallery, 2010). Positive skewness indicates a distribution with an asymmetric tail extending towards more positive values and negative skewness indicates a distribution with an asymmetric tail extending towards more negative values" (Microsoft, 1996).

Table 4.16: Skewness and kurtosis result

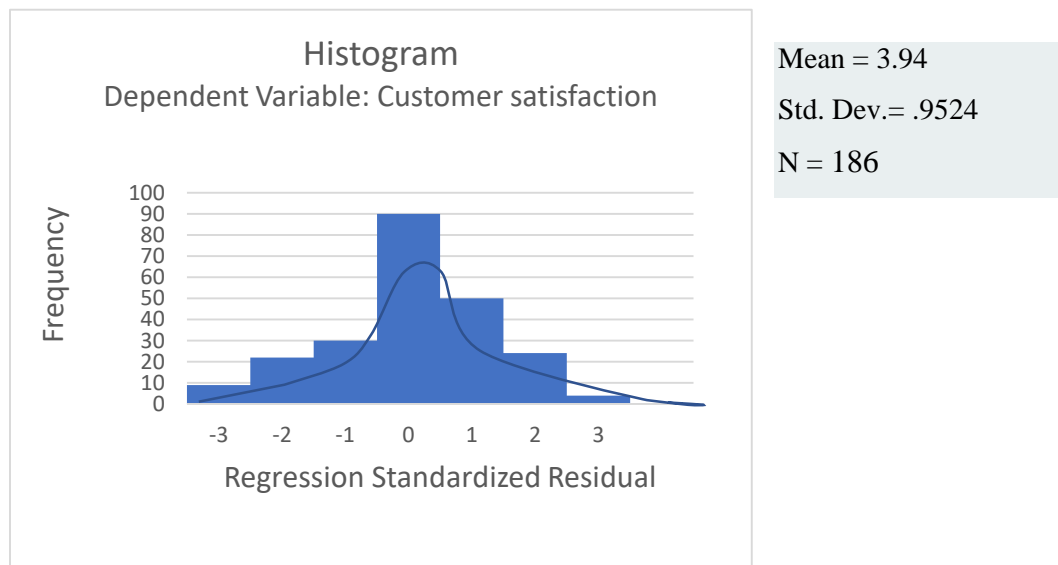
Statistics

	Customer Satisfaction	Employee Participation	Capacity Building	Team Work	Communication Effectiveness	Management Support
N	186	186	186	186	186	186
Mean	3.9400	3.5725	3.4000	3.462	3.2445	2.4086
Skewness	-.161	.044	-.054	.028	.034	-.180
Std. Error of Skewness	.259	.259	.259	.259	.259	.259
Kurtosis	.054	-.710	-.502	-.691	-.824	.073
Std. Error of kurtosis	.604	.604	.604	.604	.604	.604

Source: own survey 2020

The researcher uses histogram to show skewness and kurtosis. Histogram is the most effective graphical technique of displaying the shape of a group of data. It is constructed from a frequency distribution, where choices on the number of bins and bin width have been made. Therefore, these choices can drastically affect the shape of the histogram. The ideal shape to look for the case of normality is a bell-shaped distribution. By visual analysis of the graph (fig 4.1). So, the distribution of the research data is seeming to normal distribution.

Figure 4.1: Histogram for normality test



Tests for multi- co linearity is done using variance inflation factor (VIF) and Tolerance. Andy (2006) suggests that a tolerance value less than 0.1 almost certainly indicates a serious co linearity problem. As a rule of thumb suggested by Liu (2010) if the VIF of a variable exceeds 10, there is a serious multi-co linearity problem. The VIF indicates whether a predictor has a strong linear relationship with the other predictor(s). In this study all of the predictors were found to have a tolerance of more than 0.1 and a VIF value of less than 10. Therefore, the test for multi-co linearity of regression model presented in Tables 4.17

Table 4.17: Result of Multi co- linearity Test

Model	Co linearity Statistics	
	Tolerance	VIF
Employee participation	.119	8.419
Capacity building	.657	1.522
Team work	.207	4.825
Communication effectiveness	.550	1.817
Management support	.669	1.494

Dependent variable: customer satisfaction

Source: own survey 2020

As showed in the above table 4.17 preliminary analysis was conducted to identify if there are any violations in the assumptions of multi co linearity. In evaluation of the tolerance from the test the value shows that in the range between 0.119 and 0.669 which is not less than 0.1 that indicates as there are no violations for the assumptions. In the value of Variance inflation factor (VIF) the study shows not more than 10 which indicates that multi co linearity is not an issue in this study and Since the result of all variables meet the criteria, it can be concluded that the variable is highly correlated.

The multiple regression analysis was carried out to estimate the effect of employee empowerment practices (independent variables) on customer satisfaction (dependent variable). The regression results are shown in table below R square is the square of the multiple correlation coefficients; it indicates the proportion of the variance of the dependent variable explained by the independent variables. The closer R square near to 1, the better the regression model is, whereas the coefficient

indicates the number of units of increase in the dependent variable caused by an increase of one unit in the independent variable. Results are presented in Tables 4.18-4.20.

Table 4.18: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.866 ^a	.734	.737	.38199

a. Dependent Variable: Customer Satisfaction

b. Predicators: (constant), Employee participation, Capacity building, Team work, Communication effectiveness, Management support

Table 4.18 presents a summary of the model, Model summary is used to determine how much the variance is measure the dependent variable (customer satisfaction) and it is also used to know how well the regression model fits the data. In this survey the amount of variation explained by independent variables (Employee participation, Capacity building, Team work, Communication effectiveness, Management support) on the dependent variable (customer satisfaction) R square shows its 0.734 or 73.4 % which indicates that the variation in customers' satisfaction is explained by the selected five practices of employee empowerment the Study and $p=.000$ which indicates a highly significant regression model. So this survey is good to decide the combination of this five employee empowerment practices can change the customer' satisfaction in 73.4 %.

Table 4.19 ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	72.123	5	14.4246	152.043	.000 ^b
	Residual	23.451	181	.129		
	Total	95.574	186			

a. Dependent Variable: Customer Satisfaction

b. Predicators: (constant), Employee participation, Capacity building, Team work, Communication effectiveness, Management support

Table 4.19 presents the analysis of variance (ANOVA) results. It is also known as model fit results. According to (Mugenda, 2013), ANOVA is a data analysis procedure that is used to determine whether there are significant differences between two or more groups or samples at a selected

probability level. An independent variable is said to be a significant predictor of the dependent variable if the absolute t-value of the regression coefficient associated with that independent variable is greater than the absolute critical t-value. In this study, the significance value is .000 which is less than 0.05 thus the model is statistically significant in influencing the customers' satisfaction with employee empowerment practices.

The F-ratio in the ANOVA table tests whether the overall regression model is a good fit for the data. In the above table the results for ANOVA reveals that F is 152.043 with a p value of 0.000 implying that there is a significant influence of value-based employee empowerment on customers' satisfaction. The ANOVA table shows the overall significance/acceptability of the model from a statistical perspective. As the significance value of F statistics shows a value (.000), which is less than $p < 0.05$, the model is significant. This indicates that the variation explained by the model is not due to chance. Therefore, suggest that the model has power to predict customers' satisfaction significantly from the employee empowerment practices scores.

Table 4.20 Result of Multiple Regression Analysis

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig
	B	Std. Error	Beta		
1 (constant)	1.500	.302		4.966	.000
Employee participation	.463	.102	.500	4.544	.000
Capacity building	.111	.083	.137	1.335	.185
Team work	.223	.119	.249	1.878	.013
Communication effectiveness	.092	.144	.084	.638	.525
Management support	-.185	.137	-.180	-1.353	.017

Table 4.20 presents the results on the coefficients of the regression model. The coefficients result show that employee participation; practice have a positive relationship to customer's satisfaction with Beta = 0.463, at 95% confidence level ($p > 0.05$). However, the beta value (0.463) shows as one-unit increase in employee participation there will be 46.3% increase on customer's satisfaction. Therefore, the researcher accepts the hypothesis, this indicates that employee participation has a positive impact on customer's satisfaction of Radisson Blu hotel. The significant level of employee participation shows $p = .000$ which means it's significant because p value is < 0.05 .

Capacity building have a positive relationship to customer's satisfaction with Beta = 0.111, at 95% confidence level ($p > 0.05$). However, the beta value (0.111) shows as one-unit increase in capacity building there will be 11.1% increase on customer's satisfaction. Therefore, the researcher accepts the hypothesis, this indicates that capacity building has a positive impact on customer's satisfaction of Radisson Blu hotel. The significant level of capacity building shows $p = .185$ which means it's insignificant because p value is > 0.05 .

Team work have a positive relationship to customer's satisfaction with Beta = 0.223, at 95% confidence level ($p > 0.05$). However, the beta value (0.223) shows as one-unit increase in team work there will be 22.3% increase on customer's satisfaction. Therefore, the researcher accepts the hypothesis, this indicates that team work has a positive impact on customer's satisfaction of Radisson Blu hotel. The significant level of team work shows $p = .013$ which means it's significant because p value is < 0.05 .

Communication effectiveness have a positive relationship to customer's satisfaction with Beta = 0.092, at 95% confidence level ($p > 0.05$). However, the beta value (0.092) shows as one-unit increase in communication effectiveness there will be 9.2% increase on customer's satisfaction. Therefore, the researcher accepts the hypothesis, this indicates that communication effectiveness has a positive impact on customer's satisfaction of Radisson Blu hotel. The significant level of communication effectiveness shows $p = .525$ which means it's insignificant because p value is > 0.05 .

Finally, Management support has a negative and significant relationship to customer's satisfaction with Beta = -0.185, at 95% confidence level ($p < 0.05$). the beta value (-0.185) shows as one-unit increase in management support there will be 18.5% decrease on customer's satisfaction.

Therefore, the researcher may reject the hypothesis, this indicates that involvement has a negative and significant influential relationship to customer's satisfaction of Radisson Blu hotel. The significant level of management support shows $p=.017$ which means it's significant because p value is < 0.05 .

In regression analysis, this study investigated the relationship between customer's satisfaction and employee empowerment practices. To this end, the effects of each employee empowerment practices (Employee participation, Capacity building, Team work, Communication effectiveness, Management support) on each dimensions of satisfaction have been regressed using multiple linear regression models. Then, the effects of employee empowerment practices (independent variables) have been regressed by using the weighted values of aggregate level of customers' satisfaction as dependent variable. This provided regression coefficient (beta value) which indicated the effects, direction and degree of contribution made by each independent variable to the dependent variable. R- square (coefficient of determination tells that how much variation is taking place in the dependent variable (customer satisfaction) due to the variation in the independent variable (employee empowerment practices). The p -value indicates the statistical significance of the relationship between the dependent and independent variables. The model adequacy and fitness were checked before running the regression analysis. multiple linear regression models are specified as follows:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5$$

Where $Y =$ Customer Satisfaction (CS)

$X_1 =$ Employee Participation (EP)

$X_3 =$ Team Work (TW)

$X_2 =$ Capacity Building/ Training (CB)

$X_4 =$ Communication Effectiveness (CE)

$X_5 =$ Management Support (MS)

Substituting the regression coefficients, we can specify the model as;

$$CS = 1.500 + 0.463 EP + 0.111 CP + 0.223 TW + 0.092 CE - 0.185 MS$$

In general, the result of the regression analysis shows that the five employee empowerment practices were important factors to improve and develop customer satisfaction when it was implicated collectively within Radisson Blu hotel.

4.6. Hypothesis testing

Hypothesis 1: There is significant relationship between Employee Participation and Customer Satisfaction.

As per the result of multiple regression analysis table above the result indicates that employee participation and customer satisfaction are positively related and significantly affects customers' satisfaction.

Hypothesis 2: There is insignificant relationship between Capacity Building/ Training and Customer Satisfaction.

As per the result of multiple regression analysis table above the result indicates that capacity building/ training and customer satisfaction are positively related and insignificantly affects customers' satisfaction.

Hypothesis 3: There is significant relationship between Team Work and Customer Satisfaction.

As per the result of multiple regression analysis table above the result indicates that team work and customer satisfaction are positively related and significantly affects customers' satisfaction.

Hypothesis 4: There is insignificant relationship between Communication Effectiveness and Customer Satisfaction.

As per the result of multiple regression analysis table above the result indicates that communication effectiveness and customer satisfaction are positively related and insignificantly affects customers' satisfaction.

Hypothesis 5: There is significant relationship between Management Support and Customer Satisfaction.

As per the result of multiple regression analysis table above the result indicates that management support and customer satisfaction are negatively related and significantly affects customers' satisfaction.

CHAPTER 5

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

This chapter presents a summary of the findings of the study as well as conclusion gathered from the analysis of the data. The conclusion and the recommendations are guided by the objectives of the study.

5.1. SUMMARY OF FINDINGS

The purpose of this paper is to identify the effect of employee empowerment practices on customer satisfaction in the hotel industry the case of Radisson Blu hotel by using questionnaire and interview that gathered from the respondents. On the demographic profile of the respondents, the study found that female is less than male in their counterparts in employment but they are not difference as much and it is not significant. All major departments were represented and majority of employees were found to be from food and beverage service and housekeeping departments and this can be generalized for hotel as a whole. On the education level majority of employees had degree and above and could easily understand concepts of empowerment practices and were the right people for the study and only minority of employees had certificate and secondary education and below.

The results of descriptive statistics analysis reveals that from the selected five employee empowerment practices, the most dominant type of employee empowerment practices currently in Radisson Blu hotel is employee participation practice.

The relationship between variables which is their correlation was conducted and the result shows that Employee participation has a strong significance and positive relation with customer satisfaction. Capacity building, team work and communication effectiveness has significance and positive relation with customer satisfaction. But management support has moderately weak positive relations with customer satisfaction compare to the other four variables.

Multiple linear regression analysis was also conducted to check if the selected five practices of employee empowerment affect customers' satisfaction. The results obtained reveals that adjusted $R^2 = .734$ which indicates that 73.4 % of the variation in customers' satisfaction is explained by the five selected employee empowerment practices (employee participation, capacity building, team work, communication effectiveness and management support) with $p = 0.000$ which indicates a high significant regression model.

The result of multiple regression analysis reveals that employee participation and team work has a direct significant effect with customers' satisfaction. While management support has negatively significant effect with customers' satisfaction. The remaining employee empowerment practices which are capacity building and communication effectiveness are exhibited to be insignificantly related to customers' satisfaction.

5.2. CONCLUSIONS

Based on the research finding the conclusion answers the research question stated in chapter one. The study assessed on employee empowerment practices, the study found that training enhanced employee ability to perform their tasks. Team working has effect on customer satisfaction by improved ownership in decision making. Furthermore, in Radisson Blu Hotel there was delegation of authority and that employees were accountable of their work.

Employee participation is dominantly exhibited in Radisson Blu hotel but it can be concluding that the hotels' majority of customers' satisfaction does not depend on employee participation practice. As the regression analysis shows that the employee empowerment practice that has direct effect or impact and significant for the customers' satisfaction are employee participation and team work practices.

When we see management support practice, Radisson Blu hotel employees are dissatisfied with such practice because some managers are focused only on strict rules and regulations that could affect the performance of employees to meet the customers' needs. Because, they are more task oriented rather than employee relation oriented. So it can be concluding that the employees seek more friendly working area than the one which is tightened toward the accomplishment of the customer satisfaction.

The study established that responses to the questions related to the effects of the dimensions of employee empowerment practices namely; employee participation, capacity building, team work, communication effectiveness and management support over the customer satisfaction dimensions namely; speed & efficiency and ethics & reliability showed that employee empowerment affects customer satisfaction through the selected five practices of dimensions. Therefore, employee empowerment can be used to articulate customer satisfaction to improve tremendously. In essence it can be concluded that empowering employees results into beliefs of feeling powerless to believing strongly in personal effectiveness. The result is that people take more initiative and persevere in achieving their goals even in the face of obstacles.

5.3. RECOMMENDATIONS

Based on the based the findings and conclusions of the study, the following recommendations are suggested:

The study recommends that employee empowerment practices should be supported by management in the Radisson Blu hotel as this will enable employees to adequately perform their tasks. The management has obligation to create environment that fosters employee empowerment. There is no doubt that performance improvement is only achievable where there is effective process of continuous development. In today's global competitiveness there is a greater desire on the part of employees to play an active role in organization activities and as such every effort should be made to accommodate customer views. We cannot say an employee's reward system is complete without involving them in participative decision management style. Employees who take part on decision making will be encouraged to decide the right decision as results of sense of belongingness and responsibility issue. Therefore, management has to work on creating such kind of leadership style so as maximizing on delivery of quality service to customers.

Training should be given to employees based on training need assessment. The employee participation should be communicated to every employee in order to have common goal and objectives. There is should have opportunity of open communication to reduce uncertainty, to enhance new idea generation, and to increase employees' performance and customers' satisfaction.

Involving the employees in decision making and let them independency are very necessary to empower and build their capacity. It enhances the accountability and responsibility of employees. Managers/ Supervisors better to take short term Leadership training especially regarding to empowerment activities, and by their turn, they can coach their subordinates accordingly. As to the importance of training, employees need to be updated to be knowledgeable and resource full to give full-fledged service to the customers they are rendering service.

A good customer compliant handling system benefits the hotel to track down areas where there is a service loophole and also the hotel, through a good customer complaint handling system, can identify whether it attained its predetermined customer service quality and its objective. The main solution to having a good customer compliant system is to instill it on the development of feedback system that will give a best responsive to the customers' needs, wants and expectation. As self-determination is one dimension of empowerment, the hotel has to give a certain level of autonomy to the employees to decide on the service they are rendering. This help the employee to give prompt service to the customer by solving their problem.

The study further recommends that to increase customers' satisfaction in the Radisson Blu hotel there is needs to incorporate employee empowerment practices. Employee empowerment programs must be fully supported by both top and middle level management. Therefore, management must focus on removing barriers that keep employees from exercising their talents fully and this can only be achieved by embracing on empowerment programs which will give employees autonomy in their work.

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**APPENDIX I. QUESTIONNAIRES DISTRIBUTED FOR EMPLOYEES OF
RADISSON BLU HOTEL**

**ADDIS ABABA UNIVERSITY SCHOOL OF COMMERCE GRADUATE
PROGRAM MASTERS OF ARTS IN BUSINESS LEADERSHIP (MBL)**

Dear my Respondent,

I am a graduate student in Master of Business Leadership program at Addis Ababa University School of Commerce. Currently, I am undertaking a Project under the title “**The Effect of Employee Empowerment Practice on Customers’ Satisfaction in The Hotel Industry: The Case of Radisson Blu Hotel, Addis Ababa**”. You are one of the respondents selected to participate in this study. Thus, I would kindly request you to answer these questions. Your honesty and kindness would be of great help in many aspects. The information that you will share will be kept confidential and will only be used for the academic purpose. And thus, I would like to thank you in advance for your kind cooperation.

For any of your inquiries or in need of additional information I can be reached via email or telephone at:

Email; smrdesalegn@gmail.com or Tel; + 251-913-199991

Thank you, for your support!!

N.B.

- ✓ There is no need of writing your name.
- ✓ Make a tick mark (✓) in the box which you think an appropriate response.
- ✓ Employees of the organization should fill this questionnaire.

Section I: Demographic profile of respondents

1. Gender:

Male Female

2. Age:

18-28 29-39 40-50 over 50

3. What is your education level?

- Primary Secondary Certificate
 Diploma First Degree Second Degree & above

4. Position:

- Food & Beverage Division Room Division Other

5. How long have you worked in the hotel & hospitality industry?

- Less than 1 year 1-5 yrs 6-10yrs More than 10 yrs

6. How long have you worked in the Radisson Blu Hotel?

- Less than 1 year 1-5 yrs 6-10yrs More than 10 yrs

Section II: Perception about the effect of employee empowerment practice on customer satisfaction

The table below indicates the statements related with the variables of the study. You can use the following rating scales as Strongly disagree (1), Disagree (2), Neutral (3) Agree (4) and Strongly Agree (5) and the scales are shown in the table.

No.	Employee Participation	Degree Assessment/Measurement				
		1	2	3	4	5
1	Employees are allowed to participate in organizational goal setting and decision-making process.					
2	There is extensive delegation, individual responsibility and autonomy in making decisions.					
3	Employees are motivated by autonomy in decision-making and being assigned challenging work.					
4	Employees have autonomy on their areas of responsibility.					
5	Am in control over those aspects of my job for which I am accountable.					
6	Employees are involving in joint decision activities with the management.					

7	Employees can deal with work problems & decide without referring to the administration.					
No.	Capacity building/ Training	Degree Assessment/Measurement				
		1	2	3	4	5
1	Training enhances my work performance and enables me to meet my set targets.					
2	Employees of the hotel are constantly trained to develop and enhance their knowledge and skill.					
3	Employee are trained to take quick action to improve service quality or to correct quality problems in their jobs.					
4	My Manger/supervisor/leader believe that training is a developing talent and a good investment					
5	Employees Morale is boosted in different capacity building trainings and developmental mechanisms.					
6	I believe that training is a developing talent and a good investment.					
7	Training is given to employees in the hotel based on need assessment.					
No.	Team Work	Degree Assessment/Measurement				
		1	2	3	4	5
1	The management encourages team building (working teams).					
2	It is easier to accomplished assignment and achieve set targets through team work rather than working individual.					
3	Team working increases ownership in decision making and enables employees fully participate in work process.					
4	The employees contributed work related ideas through teams.					
5	Self-managed Team is one way of the hotels' empowerment Mechanism.					

6	Team working encourages employees to develop creativity and innovative ideas.					
7	High degree of trust is highly encouraged and maintained between managers and employees and among employees.					
No.	Communication Effectiveness	Degree Assessment/Measurement				
		1	2	3	4	5
1	High degree of trust is highly encouraged and maintained between managers and employees and among employees.					
2	The working environment is healthy in terms of Management-Employee relationship.					
3	There is formal communication with employees reduces uncertainty by lessening role ambiguity and conflict.					
4	Employee are encouraged to take quick action to improve service quality or to correct quality problems in their jobs.					
5	Employees are encouraged to contribute work related ideas through formal suggestions programs or quality cycles.					
6	Effective communication can shape my perception.					
7	Decreasing formal Communication with employees reduces uncertainty.					
No.	Management Support	Degree Assessment/Measurement				
		1	2	3	4	5
1	Award/recognition is always given for the best achievement.					
2	Management encourages employees to develop creativity and innovative ideas.					
3	Employees are encouraged to take quick action to improve service quality or to correct quality problems in their jobs.					
4	Necessary information is readily availed to all concerned employees in good time.					
5	My supervisor delegates authority to me.					

6	Managers' encourage regular communication with their employees so that employees are aware of what is taking place in the Organization.					
7	The Mangers take initiative and share to employee's sensitive information about the organization.					
8	Managers' encourage employees to contribute work related ideas through formal suggestions programs or quality cycles.					
No.	Customer Satisfaction	Degree Assessment/Measurement				
		1	2	3	4	5
1	Empowerment has direct effect and impact on customer satisfaction.					
2	Necessary information is readily availed to all concerned customers in good time to make them satisfied.					
3	I can say I am empowered enough to control my own job and meet customers need from various angle.					
4	I use my technical skills and knowledge to accomplish the customers need.					
5	I always cooperate with other co-workers to perform various tasks that make the customers satisfied.					

THANK YOU FOR YOUR VALUBLE TIME!

APPENDIX II: Interview

Interview with management of the Hotel on major issues.

Probe Questions for In-depth Interview (phone)

1. What does empowerment mean to you and your opinion about it?
2. Do you empower your subordinates? How do you empower it?
3. What kind of action plan the hotel has concerning employee empowerment to improve customer satisfaction?
4. Do you see any difference between employees who are empowered and not?
5. Do you think is it important to delegate more responsibilities to employees to make them feel more important?
6. Dealing with complains is a frequent feature of empowerment in service operations. Do your employees need to deal with customers complains and how does it affect their attitude to work?
7. How does the management monitor the hotel's customer satisfaction level?
8. Does the management believe that employee empowerment is directly related to customer satisfaction?