

# CHAPTER 1: INTRODUCTION

## 1.1 Research Background

Businesses in today's fast-paced economic growth are able to endure long-term difficulties and thrive in the face of intense worldwide competition. Therefore, the performance is now the benchmark for comparison. However, businesses that want to turn a profit must also enhance organizational performance management. Additionally, the work performance of every individual in the company has a direct impact on the organization's performance. There is a common belief that, in the context of global economic globalization, we should focus on the connections between enterprise comprehensive budget management and performance evaluation. Alongside this, continuously encourage the level of improvement of enterprise comprehensive budget management can help in performance improvement (Ding *et al.* 2022). Additionally, to enhance the fundamental competitiveness of businesses, it is better to organize and manage human resources, and enhance employees' emotional intelligence.

The Chinese hotel industry provides voluntary welfare among workers and transport, medical treatment, children schooling, free meals, are associated with the voluntary welfare practices in the country (Yuand Xue, 2023). Career development opportunities are gained by employees in China due to a safe working environment. Employees can improve their skills and knowledge based on employment opportunities in China. Financial support is provided by the industry in China among workers at a time. The overall working conditions of the industry are improved through the application of these opportunities and facilities in China. Labour market in the country is hampered due to the economic slowdown.

Therefore, the performance and expansion of businesses heavily depend on employee happiness and job investment. This thesis focuses on the role that job engagement and employee satisfaction have had in the growth of the hotel sector in

China. It will put particular emphasis on how to raise these factors in order to boost customer satisfaction, employee job performance, and company performance. This will enhance the Chinese hotel staff's quality of work life. The relation between employee welfare satisfaction and enterprise welfare is positively regulated by welfare communication. Therefore, more specifically, the positive impact increases with the depth of welfare communication between employers and employees. Alongside this, the greater the degree of flexible enterprise welfare's impact on workers' job engagement through employee welfare satisfaction. However, there are two main positive effects on job engagement that are associated with organizational support and job redesign. Recognition, rewards, and work engagement are significantly correlated (Ding *et al.* 2022). Employees who receive recognition will feel psychologically comforted and encouraged, which will improve their ability to express gratitude and use moving psychology.

Welfare is the direct advantage that employees receive under the compensation incentive system, and there is a strong correlation between welfare and work input. Therefore, allowing employees to experience both tangible and personal rewards will help them feel grateful and better able to focus on their task. However, reasonable and flexible science welfare environments can increase workers' job satisfaction and motivation. Additionally, businesses can increase worker welfare satisfaction and general job satisfaction by creating a flexible welfare system that is reasonable and scientific. Hence this can influence workers' work contributions and organizational commitment and, in the end, result in more competitive organizational performance. Moreover, it can be observed that the job satisfaction and employee engagement have a negative impact on turnover intention. Globally, the hotel business is expanding, particularly in emerging nations. There is no doubt that there is a significant need for hospitality personnel due to the rapid growth of star-rated hotels (Wang *et al.* 2020). However, to attract talent in the human resource market, hospitality organizations must compete with their counterparts in other industries (such as banking, telecommunications, and retailing).

Additionally, due to the small number of graduates in the hospitality and tourist area this competition is essential. Therefore, everyone agrees that businesses with superior human capital outperform competitors in terms of firm performance. That being stated, a vital component of talent acquisition and retention initiatives in the hospitality sector is professional identification. On the other hand, individuals' well-being is influenced by things like amenities, paid time off, sick leave, employment prospects, and travel reimbursements (Kim *et al.* 2023). It contributes to a productive and contented workforce. Through this well-being, employee morality, job happiness, and ethical behavior are all improved. However, for an industry to offer perks and services to workers, employee well-being is a prerequisite. Thus, staff wellness is a crucial component of employee retention. Besides that, a large wage plays a big role in employees' ability to keep their jobs.

Employee welfare initiatives can provide a person's or a family's basic requirements. Individual security and dignity are protected by these wellness initiatives. Alongside this, there are two categories of employee welfare: voluntary and statutory. Organizations give voluntary welfare to individuals (Soelton *et al.* 2021). It covers healthcare, transportation, kid-friendly schools, free meals, sports, and entertainment. Therefore, the government implemented statutory service, which aids in preserving the bare minimum of worker safety and wellbeing. Moreover, it covers safety, sanitation, hygiene, and working conditions (Oza *et al.* 2022). Both employers and employees need to prioritize employee welfare. Workers believe they are mentally and physically capable of continuing to function. These people are able to share more duties and raise their standard of living. However, in the hotel industry, this term stands for giving employees the flexibility of choosing their working schedule based on their situations. Workplace flexibility suggests that the employees in this sector can happily choose their working time at their convenience and no strict timings or hours for the staff.

Similarly, skill building includes different aspects in the hospitality sector such as time management, budget handling, strategic management, and performing daily

operations. Moreover, the advancement of professional and personal qualities along with overcoming negative attitudes and learning new methods of professional thinking are the parts of the skill-building process. In addition to that, through maintaining the proper employee policies in the workplace the employee job satisfaction can be maintained (Blanchard *et al.* 2020). Moreover, employee policies are referred to as the descriptions of how all employees are expected to conduct themselves regardless of their job title and description. Furthermore, employee welfare means providing some services regarding the improvement and comfort to the employees. By applying employee welfare approaches organizations can value their employees and their well-being. Thus, a positive contribution has been made by the employees towards the organizational culture.

Moreover, employee welfare involves the monitoring of working conditions, fostering industrial relations, and creating harmony among the workforce. However, in the hotel industry mental health refers to emotional, social, and psychological well-being altogether. Mental health therefore is an important factor that can allow employees to contribute positively to the workforce of an organization. In the hospitality business, mental health is important to manage the constant pressure and the fast pace of this industry (Kalargyrou *et al.* 20223). Mental health includes a multi-dimensional construct of satisfaction with life, emotional health, and an individual's happiness. Therefore, maintaining mental health can help to increase work productivity.

## **1.2 Problem Identification**

Employee welfare programs and employment opportunities are required for employees to develop satisfaction and opportunities in the Chinese hotel industry. Fundamental and basic needs of employees are fulfilled with the help of employment opportunities and welfare programs (Kim *et al.* 2020). The dignity and security of workers are boosted through these programs and opportunities in China. Employee welfare are two types such as statutory, and voluntary. These are valuable to motivate



and inspire employees effectively. The Chinese hotel industry provides voluntary welfare among workers and transport, medical treatment, children schooling, free meals, and are associated with the voluntary welfare practices in the country (Kokkodis *et al.* 2020). Statutory service is implemented by the Chinese government among employees to manage minimum well-being and safety of workers.

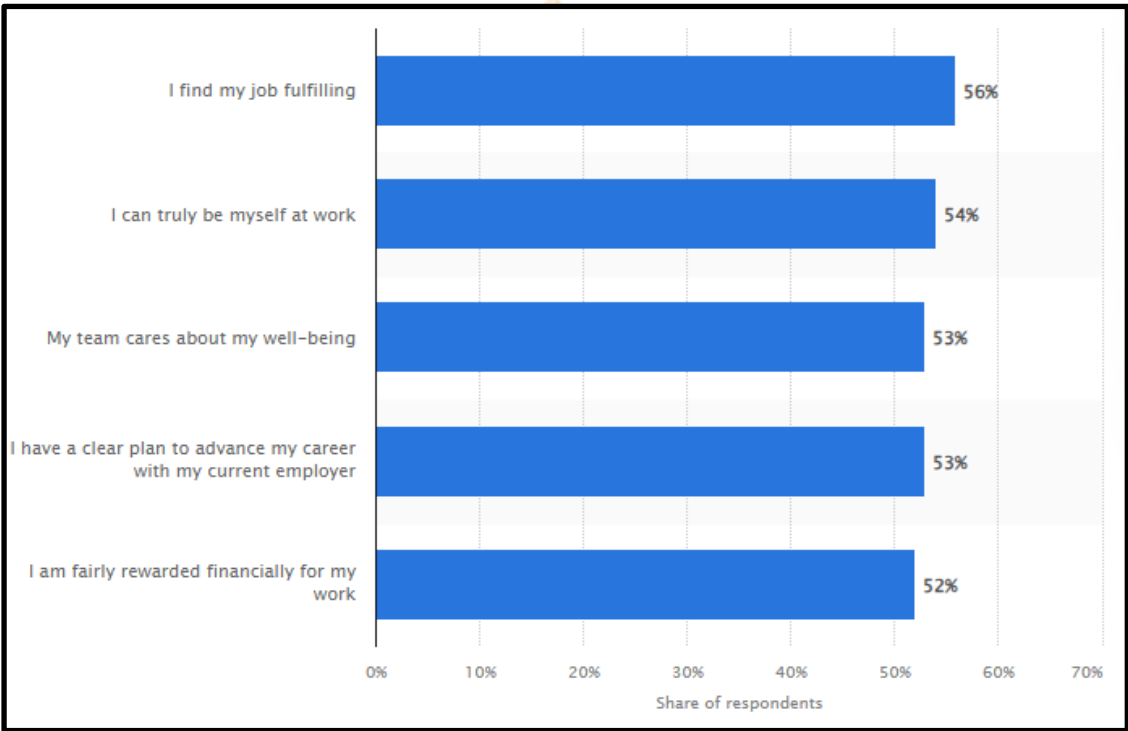
### **1.3 Problem Limitations**

The study is based on primary quantitative analysis to understand the relationship between employee welfare and job satisfaction in the Chinese hotel industry. A survey is conducted in the study by the researcher to collect responses based on job satisfaction and employee welfare. The future researcher will use primary qualitative analysis to conduct an interview among employees of the Chinese hotel industry. Their experiences and feelings are known to management of the hotel industry and it helps to improve job satisfaction among workers. Company management should focus on physical and mental conditions of employees during working and it helps to develop employee retention rate and reduce employee turnover rate in the hotel industry. Secondary qualitative analysis will be done by the researcher as several information about the hotel industry are available in several websites and google scholar articles. Lack of usage of primary and secondary qualitative analysis is the limitation of the study.

### **1.4 Problem statements**

Safety, hygiene, sanitisation, and working environments are included in Statutory services in China. Employees' health and well-being are managed by the industry through these services. Mental and physical health of people is improved by job satisfaction and employment opportunities in China (Niebuhr *et al.* 2022). Industrial relations are required for individuals to understand their working processes and strategies significantly. Industrial status and employment opportunities are developed with the help of several welfare services in China. It is valuable for the

industry to earn high profits and make a strong financial base among its competitors throughout the globe. Financial growth and stability of the industry are improved through the engagement of skilled and motivated employees (Houssein *et al.* 2020). The industry provides better opportunities and facilities among its workers to motivate and influence them. These individuals provide better performance in the workplace as per the requirements of the industry. It helps to improve a strong position of the Chinese hotel industry in the global market.



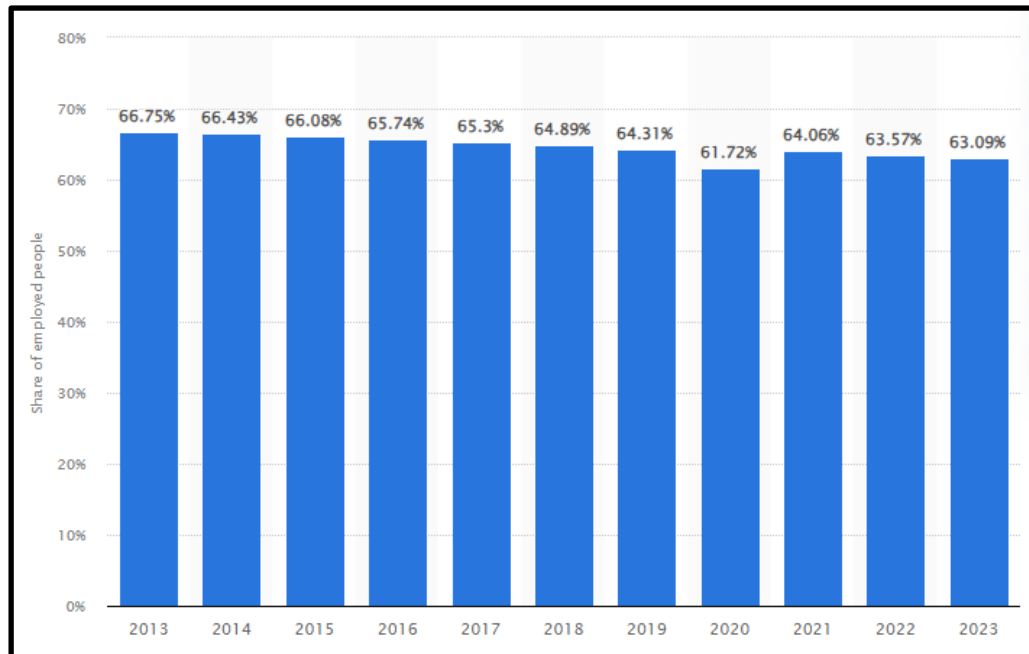
**Figure 1.2.1: Job satisfaction among employees in China**

(Source: Textor, 2022)

Current work environment in China is satisfied and safe for employees and these workers are influenced and happy with their working responsibility. Mental and physical health of individuals is improved through employment status and responsibility in China. The above graph indicates the current satisfied working environment of China for several industries. More than 56% of employees are happy with their job responsibilities and duties in China. These people can provide their best

performance and efforts in the workplace happily. About 54% of workers are available for work during working hours (Textor, 2022). These individuals can maintain their working responsibilities happily as these people get a safe and happy working environment in China. Teamwork is beneficial for workers to gain better achievement from the hotel industry. More than 53% of managers are fulfilled by their team members and co-workers in China as these people can assign duties among workers based on their skills and knowledge.

Career development opportunities are gained by employees in China due to a safe working environment. Employees can improve their skills and knowledge based on employment opportunities in China. Financial support is provided by the industry in China among workers at a time. Hence, employees can get their remuneration within a given deadline which is provided by the company. It helps to eradicate employee turnover rate and improve employee retention in the Chinese Hotel Industry. Job satisfaction is gained by Chinese employees in the global market effectively as these people can fulfil their daily basic requirements. These people can encourage other individuals to join the industry to earn high remuneration. The engagement of employees helps to improve productivity and profitability of the companies successfully (Ghlichlee and Bayat, 2021). Lack of skilled and experienced employees is a major issue for employees and in China industry gets talented employees as per its requirements.



**Figure 1.2.2: Employment status of China**

(Source: Textor, 2024)

Employment status of China is higher than other countries as the country provides better-quality employment opportunities to inspire these people. Employees provide their efforts to foster productivity and profitability of an industry. An effective compensation system, appropriate training programs, job enlargement and enrichment are required for employees to motivate them. The Chinese hotel industry should provide appropriate training programs, job enlargement and enrichment, and a compensation system among employees. Employment rate in China was 64.31% in the year 2019 and the value decreased to 61.72% in 2020 (Textor, 2024). The employment rate of the Chinese industry has been different for several years. The latest employment rate in China was 63.09% in the year 2023. It helps to improve performance and growth of the industry in China effectively. The world's most populous country is China and the country provides better opportunities and facilities among workers to achieve better outcomes. It helps to improve rapid economic



development in the global market through its job satisfaction and employment welfare programs.

The overall working conditions of the industry is improved through the application of these opportunities and facilities in China. Labour market in the country is hampered due to the economic slowdown. The GDP growth rate of China has declined due to economic slowdown throughout the globe. It can hamper financial stability and growth in the country (Textor, 2024). Employment status and opportunities are provided by the Chinese government among employees to gain better outcomes from them. Proper and high remuneration is provided by the industry in China to reduce employee turnover rate successfully. Employment opportunities and facilities of the country are essential to maintain happy and safe working conditions in the global market.

### **1.5 Research Objectives**

1. To analysis the relationship between job satisfaction and employee welfare in the Chinese Hotel industry
2. To evaluate the correlation among flexible work environment, skill building, promotion and motivation with job satisfaction in the Chinese hotel industry
3. To discuss the challenges for the Chinese hotel industry in implementing welfare programs among employees
4. To investigate the strategies undertaken by employees to eradicate the challenges of wellness programs in the Chinese hotel industry

### **1.6 Research Benefits**

Research process can provide a transparent idea regarding to a specific topic as the research individuals can imply the theories in the specific context to gain prominent knowledge related to topic. Welfare programmes in the Chinese hotels can evaluate the business in a prominent manner. Individuals engaged in the study can highlight the shortcomings and the strategies to expand the business in a proper

manner. Analysing the vivid shortcomings in the business operation the business professionals can improve the productivity rates of the Chinese hotels (Wang *et al.* 2022). Encouraging the employees for the career development segment can increase the productivity rate to a wider extent.

Individuals of the future generation can gain the utmost benefits to by identifying the limitations in the specific business operation in a wider context. The business professionals related to the Chinese hotel can intensify the business operation in a constructive manner. Providing the flexible work environment, career opportunities of the employees and providing proper financial aids the business professionals can retain a massive revenue rate in the Chinese context. The advantage of the research process is to get a proper assessment related to the context.

## **1.7 Operational Definitions**

### **1.7.1 Independent variables (IVs)**

#### ***Promotion***

Job promotion is essential for the employees to gain positive outcomes in the industry. Ethnic minorities play a significant role in improving the workforce of the companies. It helps to improve Diversity, Equity & Inclusion (DE&I) during working hours. Satisfied and motivated employees can provide better efforts and performance among employees to develop a strong employee base and customer base. Customer satisfaction is another essential element of the hotel industry and employees should provide services and foods based on their requirements in the hotels. Promotional activities of companies are developed with the help of satisfaction and motivation factors. Health and well-being of workers are fostered through promotion and other employment opportunities (Platts *et al.* 2024). Health inequalities among workers are improved with the help of promotional activities and high workforce in the international market. Companies should provide promotion and employment opportunities among employees to gain better outcomes. Job

promotion and employee performance are two respective sides of a coin and these are correlated with each other. These factors are essential for individuals to develop human resource practices in the workplace. Job promotion is applied in administration policies on the performance of workers.

### ***Motivation***

Work environment is required for employees to improve their motivation factor successfully. Safe and happy working environment is needed for motivated workers throughout the globe. Organisational commitment and objectives are gained by the industry through motivation of employees in the workplace (Aldabbaset *al.* 2023). Career development of employees is improved and individuals gain several ideas and thoughts related to the working processes in the Chinese hotel industry. These workers can apply these skills and knowledge based on the requirements of the hotel industry. Customer satisfaction is another essential element of the hotel industry and employees should provide services and foods based on their requirements in the hotels. Satisfied and motivated employees can provide better efforts and performance among employees to develop a strong employee base and customer base successively. Perceived organisational support (POS), work engagement (WE) are included in the motivational factor of the industry and it helps to boost intrinsic motivation (IM) on employee creativity (EC) successfully.

Motivation is one type of significant strategy to engage employees and improve employee commitment successfully. One of the key fundamentals is motivation that helps to improve organisational success and profitability. Rate of production and improvement of working strategies are valuable for the industry to motivate employees significantly. Globalised working environment is improved among workers according to their motivation and satisfaction factors in the global market. Employees provide their efforts to foster productivity and profitability of an industry. An effective compensation system, appropriate training programs, job

enlargement and enrichment are required for employees to motivate them effectively (Tumi *et al.* 2022). These factors are one type of influencing factors among employees to motivate these people. A significant relationship is available between these factors and employee motivation in the workplace. It helps to develop employment opportunities and strategies during working hours. Job enlargement and enrichment factors are valuable for employees to develop organisational success and profitability.

### **Flexible work environment**

The idea of performing work productively regardless of the place and time is known as workplace flexibility. Workplace flexibility can help employees to focus on work regardless of the environment and schedule. Therefore, with a flexible work environment, employees can make themselves free from a rigid workplace environment. For supporting employee well-being and better work-life balance flexible work environment helps a lot. On the other hand, a flexible work environment refers to the existence of specific opportunities at a job (Ray and Pana-Cryan, 2021). Employees therefore can choose their working hours instead of working in the traditional schedule of 9 to 5 trimmings. This opportunity helps the employees to customize their schedules based on their priorities. However, in the hotel industry, this term stands for giving employees the flexibility of choosing their working schedule based on their situations. Workplace flexibility suggests that the employees in this sector can happily choose their working time at their convenience and no strict timings or hours for the staff (Ray and Pana-Cryan, 2021). Moreover, workplace flexibility acknowledges individual requirements for a better work-life balance. A large degree of choices and freedom is included in the flexible work environment which is also characterized by some practices and policies. Thus, it enables employees to maintain the productivity in their work to meet organizational goals.



### **Skill building**

Skill building is a process for helping employees in an organization to acquire skills. Gaining skills can help to gain competitive advantage and strategic objectives of the organizations. Through this process employees can improve some specific skills. Skills are the ability of completing a task with proper knowledge. Therefore, the process of improving specific skills is the part of skill building. Sometimes it can be referred as upskilling which is about improving the skills of an employees based on their current job role. On the other hand, cross skilling is another skill-building aspect that helps employees to learn new skills for the current job role. Through skill building complex scenarios can be understood easily by employees (Jerman *et al.* 2020). Thus, some complicated workplace situations can be handled by employees efficiently by building skills in them. On the other hand, skill building refers to understanding the skill gap to achieve goals and execute better plans. Thus, employee performance can be increased and the desired outcomes of the organizations can be achieved (Riyanto *et al.* 2021). The skill development can be done through training activities and systematic development of a specific skill. Skill-building activities that are work-related can be developed through effective training and vocational education. Skill building includes different aspects in the hospitality sector such as time management, budget handling, strategic management, and performing daily operations. Moreover, the advancement of professional and personal qualities along with overcoming negative attitudes and learning new methods of professional thinking are the parts of the skill-building process.

### **Employee policy**

Employee policy refers to some set of guidelines that explain the idle behavior of employees at a workplace. These rules or guidelines help to define the best practices and appropriate conduct in a professional setting. Employee policies therefore are used to address the role of the employees. However, according to these



policies, the level of the responsibilities along with the overreaching goals of the employees can be defined. Employee policy includes several aspects like health, safety, hiring, and peer-customer interactions. Often financial protection has been given by employee policies. Due to the application of these policies in workplace employees are bound to maintain a professional manner and respect all the co-workers. Through the help of employee policy, some kinds of discriminatory harassment and sexual harassment can be stopped in a workplace environment (Heymann *et al.* 2023). Moreover, in employee policies, some guidelines help provide a safe working environment.

On the other hand, this code of conduct points out the suitable behavior of the employees for a healthy working environment. The definition of employee policy outlines the regulatory nature of it which is a clear standard for the behavior, performance, and interactions within an organization. A wide range of topics has been included in the employee policies. The several aspects that are included in it are performance expectations, safety protocols, attendance, leave, code of conduct, benefits, and disciplinary procedures. Through maintaining the proper employee policies in the workplace, the employee job satisfaction can be maintained. Moreover, employee policies are referred to as the descriptions of how all employees are expected to conduct themselves regardless of their job title and description.

### **Employee welfare**

The services that have been offered to the employees for their well-being by the employers are referred to as employee welfare. These services are beneficial for the employees thus these are also known as staff welfare. These services include physical to mental health aspects among the employees. Employee welfare helps to create an efficient workforce who are satisfied with their work. A safe and healthy environment is required to promote the employee welfare. Furthermore, employee welfare means providing some services regarding the improvement and comfort to

the employees. By applying employee welfare approaches organizations can value their employees and their well-being. Moreover, employee welfare involves the monitoring of working conditions, fostering industrial relations, and creating harmony among the workforce (Singla *et al.* 2023). Thus, a positive contribution has been made by the employees towards the organizational culture.

Overall employee job satisfaction and work productivity can be enhanced through the help of employee welfare approaches. However, a wide range of practices and initiatives are included in employee welfare which can be implemented by organizations to promote the mental and physical well-being of employees. Therefore, employee welfare stands for some approaches for enhancing the overall quality of life at work. Thus, the economic, social, and intellectual growth of employees can be achieved through providing services regarding employee welfare. On the other hand, employee welfare is applied to the workplace is safe and enjoyable for everyone. Organizations can use employee welfare to make employees feel valued and build a sense of loyalty among them.

### **Mental health**

Mental health is an important factor in the workforce of an organization. Mental health is a state of well-being that allows people to manage the stress of their work life. However, in the hotel industry mental health refers to emotional, social, and psychological well-being altogether. Mental health therefore is an important factor that can allow employees to contribute positively to the workforce of an organization. In the hospitality business, mental health is important to manage the constant pressure and the fast pace of this industry. Mental health includes a multi-dimensional construct of satisfaction with life, emotional health, and an individual's happiness. Therefore, maintaining mental health can help to increase work productivity. Based on the mental health employee job satisfaction can be impacted (Hennekamet *al.* 2020). A supportive work environment can impact mental health positively. Mental health is associated with employee wellbeing in the workplace.

The process of handling stress can be determined through the condition of mental health. On the other hand, employee behaviour and performance also have been affected due to the different mental health conditions of the employees.

### **1.7.2 Dependent variable (DV)**

#### ***Job satisfaction***

Performance of employees depends on job satisfaction and employment opportunities during working hours. The type of occupation among employees is correlated with job satisfaction and employability among workers. Satisfied and motivated employees provide their best performance in comparison with dissatisfied workers (Inayat *et al.* 2021). It helps to uplift organisational commitment among its competitors. Economic, social, political, and environmental conditions of the industry are improved with the help of job satisfaction of employees around the globe. The industry should focus on job satisfaction and performance of employees to improve productivity and profitability effectively. Job is an important element of people's life and their social and living life depend on job responsibility. The companies should provide facilities among employees to develop dependency. It helps to develop job satisfaction among workers to reduce employee turnover and improve employee retention rate in the workplace. Satisfied workforce is required for the industry to develop a strong employee base and customer base successfully. Private sector and public sector are essential for employees to make a strong base around the globe.

Job satisfaction creates a positive and big impact on employee performance in an industry. Employee perception and job safety are essential factors which are associated with satisfaction and motivation among employees. A satisfied employee can devote himself or herself to work, perform happily according to the job

responsibility, and an employee feels safe in the enterprise. Satisfaction indexes are developed among employees through several factors such as workplace safety, working conditions, and motivation (Dziuba *et al.* 2020). Work performance of employees is boosted with the help of job satisfaction and a safe working environment. Organisational aim, mission, and vision are aligned with the performance and motivation of employees. These individuals provide their best performance and efforts through a satisfaction element. Employees can improve their skills and knowledge by job satisfaction. Job satisfaction is associated with life satisfaction, productivity, work performance, and motivation. The company should focus on job satisfaction of individuals successfully.

### **1.8 Publication Planning**

This study will be published in academic journals within the realm of consumer behavior; marketing; and emerging markets. The Journal of Economic and Business is accessible at [Eqien - Jurnal Ekonomi dan Bisnis](#). Established in 2012, the journal has been publishing scholarly articles for over decades, focusing on economic, marketing and business within the Asia Pacific region.

