Research Paper

Diversity Elements in the Workplace: A Study on Diversity Factors at Workplace in Hotels at Klang Valley Malaysia

Josiah Watson Eshgbe
Anglia Ruskin University UK
Watson_josiah@y7mail.com

Omkar Dastane
School of Accounting & Business Management,
FTMS College Malaysia.
omkar.dastane@gmail.com

Abstract

The objective of the research is to investigate diversity elements that are prominent at the workplace and its impact on employee satisfaction towards diversity at workplace in hotel industry. There are several diversity variables that influence the employees’ satisfaction such as gender, age, ethnicity and educational background. Therefore, the research tests relationships between these four variables and the employee satisfaction which can affect employee turnover rate in the hotel.

Tourism Malaysia’s aggressive promotional efforts and commitment from industry players have contributed to the continuous growth of the country’s tourism industry. In 2015, Malaysia is expected to see around 29.4 million tourists visiting the country and generating receipts up to 89 billion ringgit and resulting into increasing number of hotels. However, the employees’ turnover rate in hotel industry is declining year by year. Thus, it becomes relevant to investigate related issues, particularly, issues that affect the employees’ satisfaction. One of such issues is diversity at workplace.

In this study, self-administered questionnaires have been distributed to collect data from 150 employees of various hotels in the Klang valley using convenience sampling. The data was analyzed through SPSS and relationships between variables were tested by using Pearson Correlation Analysis and Multiple Regression Analysis.

The findings show that gender and ethnicity has a significant impact on employees’ satisfaction while age and education has no positive significance that affects employees’ satisfaction in hotel industry.

Key Words: Diversity, Employee Satisfaction, Hotel industry

1. Introduction

Workplace these days has become increasingly universal, there has been increasing awareness of how diversity could be management and this has extended beyond the demographic characteristics of race, gender, and age and education (Terrie et al., 2013). Countries around the world are gaining larger populations and becoming diverse. Diversity has enabled up-surging of creativity, innovation, and improved problem solving, which in turn boost the effectiveness of the organization (Konrad, 2003). Organization that has good diversity
workplace will generate an increase to their market share if they take care of their diverse customers (Konrad, 2003; Jyne and Dipboye, 2004). However, the fact remains that diversity on its own won’t improve business performance (Jyne and Dipboye, 2004).

Discrimination is becoming widespread in the workplace and is harmful to organization. Any modern business goals should always consist of abolishing all kinds of discrimination around their work environment and create a positive environment that cuddles diversity. It is vital to get a clear vision that discrimination in the workplace is not narrowed to just a selected group of individuals but rather it affect any person regardless of his or her race, religion, culture or sexual orientation. Therefore, all organizations have every reason to institute effective diversity management practice that yields the benefit of a diverse workforce. This study analyzes basic reasons why hotel companies should be interested in employing people who are different because their diversity will improve the workplace by introducing new talents, interest, and viewpoints (Simmons, 1996). Any organization that fails to welcome cultural diversity in its system and who did not take swift action in abolishing discrimination and injustice will horribly affect their employees and clients. Therefore, hotel thus has to redefine their missions, management practice, strategies, cultures, markets, customers and stakeholders (J. P. 1998). Eventually, the main strategy is to design, develop, and maintain diversity in the workplace and create a system that enables the employees get attached to the corporation (Farren and Nelson. 1999).

**Problem Statement**

In view of the rapid talent crisis, lots of countries at every corner of the world are searching for immigrants and certain group of minority to assist in occupying certain jobs descriptions and skills to cover the gap in the employment market. (Gordon, 2009; Guthridge et al., 2008; Human Resources and Skills Development Canada, 2007). The experiences in this workplace and its aftermaths shake most organizational commitment (OC) and career satisfactions (CS) according to (Greenhaus et al., 1990; Igbaria and Wormley, 1992; Mowday et al., 1979), that is directly connected to employee satisfaction, profitability, lower employee turnover, productivity and serious employee engagement and performance (Abbas and Hollman, 2000; Harter et al., 2002; Mathieu and Zajac, 1990; Morrison et al., 2007).

Bell, Connerley, and Cocchiara (2009) noted that “diversity among applicants, employees, and customers has positive or negative effects on every feature of management, which include organizational behavior, human resources, and strategy”. Further analysis will be discourse in details; A study on diversity factors at workplace in Hotels at Klang valley Malaysia and proficiencies of discrimination on why it so rampant within the workplace. As it stands, diversity management is a precarious encounter and the results of discrimination that is not addressed would have debilitating implications on those who are victims. The extensive meaning of diversity could comprise age, religion, lifestyle, ethnic culture, national origin, education, language, values, sexual orientation, beliefs, physical appearance, disability and economic status. Diversity entails a system of organizational beliefs whereby individual employee can pursue his or her career ambitions without being inhibited by race, nationality, gender, religion, or other issues that are extraneous to performance (Bryan, 1999).

All concepts of diversity denote to customs of human organization which clarify diversity as a collective construction that is vibrant and plural in standards which makes its meaning to be influence by its context (Zapata, 2009; Anne R and van Ewijk, 2011) Globalization is growing faster than ever and is increasing the importance of one understanding cultural difference and values and the implications it has on human resource management world globe (G. 1997; Trompenaars, 1998; Vladimir, Tichy, and Barrett 1992). Valuing diversity is the craving to encompass and employs the people from different groups as prospective employees, instead of excluding ideas of any probable employee because of any issue linked to diversity (McMahan; Bell; and Virick, 1998).

**Research Objectives / Questions**
The objective is to determine diversity elements and employee’s satisfaction; and those diversity challenges that can disturb the working climate and bring about conflicts between employees. To access the views and responses of innumerable groups of employees diversity in Klang Valley Malaysia; as in the categories of employees that has been serving the organization for a long time and have been in the job and also enjoying all it incentives than other categories of employees who are marginalized in the workplace such as minority, general, incapacitated and socially underprivileged. And employees affected by diversity value in Klang Valley with intentions of leaving their workplace (Cho, Johnson & Guchait, 2009; Tuzun & Kalemci, 2012).

- To investigate the diversity elements those are dominant in the workplace setting.
- To investigate the factors affecting employee satisfaction in hotel industries.

**The Research Questions**

1. What are the diversity elements that are dominant in the workplace setting in Klang Valley?
2. What are the diversity challenges and initiatives at workplace in Klang Valley Malaysia?
3. What are the factors affecting employee satisfaction in hotel industries in Klang valley?

**2. Literature Review**

The success of any organization is being influence by the effort of its employees because they are asset to the company. Several managers and researchers succumb that diversity is affirmative factor in organizations (von Bergen et al., 2005; Bakr et al., 2010). Hotel industries this days are interested in diversity as a way of being connected and growing their business proficiency (Diversity Inc., 2002), by enlightening their lowest line, acquisition of competitive advantage, structuring their skill to compete in global markets, refining business output, accomplishing advanced employee satisfaction, securing relationships in multi-cultural societies, enticing several talents and skills and preserving a workforce that reflects the consumer base (McCuiston et al., 2004; Bakr et al., 2010).

Previous research reviews theoretical Models of Gender Discrimination and Employee Productivity by Abbas & Hameed, (2010) who proposed three element of gender discrimination; discriminating gender in promotion, gender segregation in hiring and gender discrimination why providing goods and amenities. The study offered that if there are allocations for female representation in the organization; it was like figurehead were less or more defenseless. That is why in the international showground, there is a rising complaint that women should be allow in taking part in essential decision making and adapting equality of women in organization. According to Abbas et al., (2010 and Patrick Francois, 1998) clarifies that if gender discrimination remains in the system, it will have effects on employees who are in the labor market. The variance is continuous that it affected working hours of women since is being controlled, the result shows an evidence of wages discrimination against women according to Industries of work and human capital characteristic (IWHCC).

Another model used by previous researcher known as Social Identity and Self Categorization was cited by Kunze et al., (2009); Tajfel and Turner, (1986) in support of their study. Age diversity can be plagiarized from the idea of compositional demography, which pulls deeply on philosophies associated with social identity and self-categorization. The theory proposes that people decide to group themselves and others into specific groups for the reasons of creating proportions that is of use to them only. These proportions frequently comprise of demographic groupings as ethnicity, gender, age (Kunze et al., 2009; Tajfel and Turner, 1986).

Both social identity and the inter-group activities are in same pursuit that assess affirmative social identity; and through affirmative intergroup uniqueness, it will in-turn, be motivated by the purpose of affirmative self-esteem (Hogg and Terry, 2000; Abrams and Hogg, 1988). In connections to being inspired by self-enhancement, social identity practices are also encourage to reduce individuals attitudes, behaviors, feelings and finally, self-concept. Sprainer and Hunt (2000) elaborate on Ethnicity model which focuses on Relationship between race,
leadership and the self-perceived communication effectiveness of nursing care teams (NCT) of which he proposes that diversity plays major role in team building and achievable success in an organization.

Gender

According to Jehn and Werner, (1993) figure out that diversity had a noteworthy effect on group developments, but the landscape effect will determine if diversity was in gender. To be précised, it was noticed that gender diversity has always develop productive group processes. Lastly, diversity that is focused on Human Resource practices enriched the affirmative impact of gender-diversity on productive group processes (Kochan et. Al. 2002). Lee and Farh, (1999), in their research, it was indicated; for example, they didn't discover any effects on gender in Justice aftermath relationships; but rather point to contracting gender gaps and it also comparison of work values between male and female as a reason (Beldona and Namasivayam, 2006). Therefore, the studies show that diversity in gender in the organization did not or cannot affect the satisfaction of the employees. Consequently, in this research, hypotheses were created between genders and employees satisfaction.

H1: Gender has positive impact on employee satisfaction towards diversity at workplace.

Age

Winnie, (2008) stated that youngsters that get into their learning stages are more enthusiastic to discover new ideals and learn new things and even accept better ideas. It is obvious that older folks with longer life know-hows are matured and acquires quality problem resolving skills. Adding to this, the scholars also mention that the western's discoveries recommended old and young employees to come together and create rational and workable corporate culture. Adding to this, age heterogeneity naturally has negative effect personal productivity as research shows. That is why in the circumstance of monotonous responsibilities, there are no significant benefits from age heterogeneity that could equalize the cumulative costs that result from grander age heterogeneity. Therefore, inside the organization that has monotonous types of work, the upsurge age heterogeneity as a whole leads to drop in productivity of an individual (Gellner and Veen, 2009). Equally, Joshi and Jackson, 2008; certainly not specifying consequence of age diversity on employee reports in teams procedures.

H2: Age has positive impact on employee satisfaction towards diversity at workplace.

Ethnicity

The more an organization is getting diverse with ethnic settings, it is appropriate to see how these groups are diligently communicating with each other at work Pitts and Jarry, (2005). It is essential for organizations to always have the techniques of managing diverse workforce in a style that they will know how to go about managing their diverse workforce in a way that gives full merit of diversity and reduce its disadvantages (Opstal, 2009). We can discover practical instances of disadvantages as communication issues and conflict (Jackson and Joshi, 2004; Milliken and Martins, 1996; Benschop, 2001) discrimination (Ely and Thomas, 1996), and also a deficiency of socialization, and difficulties in reaching a compromise (van Knippenberg, et al., 2004). Opstal (2009) according to his research, he states that merit is for example leads to continuous creativity and invention (Milliken & Martins, 1996), a greater lake of assets that is made obtainable in the organization such as (abilities, knowledge and social networks) (van Knippenberg, et al., 2004), would consequently produce problem solving tools (Jackson et al., 2004). That is to say, racial diversity might have both advantages and disadvantages on their employee. Consequently, hypothesis is established as below:

H3: Ethnicity has positive impact on employee satisfaction towards diversity at workplace.
Educational background

Influential personal in various organization has made it compulsory considering educational diversity initiatives in a campaign efforts to inspire and reassure individual to relentlessly working together in an effective manner that goals set by organizations will be achieved (Gwendolyn, 2002). The backgrounds of education possess important capability, talents and knowledge. Therefore, the choices of a particular major taken academically will reflect on educational major, and may also show on the intellectual asset and personality of an individual (Holland, 1997). Cohen and Levinthal (2000) contested that organization will be well capacitated and increase in different knowledgeable factors if diverse educational majors is being implemented, Carpenter and Fredrickson (2001). Jackson and Whitney, (2005) exposed segregational grading in educational level as in (graduate against undergraduate) was connected with intention of turnover. A research done on Japan uppermost managing system, Wiersema and Bird (2003), shows that the variance in academic esteem led to reasonable turnover rate of the members and the more recent studies of Knight et al. (2009) found that the diversity in education has produce negative impact on decision making of top managers. That is to suggest that education background with diverse issues can have massive advantages on employees and also disadvantages. Therefore, hypotheses were developed as below:

H4: Education has positive impact on employee satisfaction towards diversity at workplace.

Diversity challenges and initiatives at workplace

The diversity challenges involve the following; communications, Resistance, Implementation of Diversity in the Workplace policy, Successful Management of Diversity in the Workplace:

i. Communication – for diversity programs to achieve success organizations must realize that perception, culture and language barriers have to be overcome. (Pelled & Adler, 1994; Cox, 1991; Josh, G. 2004)

ii. Resistance to change – There are employees who do not accept the fact cultural and social area of the workplace is changing who wants things to be done in their own ways (Josh, G. (2004). This is a barrier to organizational diversity and done harm morale and work efficiency (Esty, et al., 1995; 2008).

iii. Implementation of diversity in the workplace policies must be followed and that is why is consider as prevailing challenge to all diversity campaigners. Therefore, its essential to build and employ a modified approach to maximize the special-effects of diversity in the workplace (Josh, G. (2004).

iii. Successful Management of Diversity in the Workplace – for the organization to carry out diversity training on its own; would not be sufficient for the organization’s diversity management plan. The intended scheme must be created and applied to generate a culture of diversity that infiltrates every department and function of the organization (Josh, G. (2004).

The factors affecting employee satisfaction

Employee satisfaction is define with a different scenario to portray employees that earns happiness, who is contented and fulfilling their working desires and need. Ritchie and O’Malley (2009) indicate that supervisors taking the leads play an important role on employee's satisfaction. It is of great significant to know the methods at which supervisors may influence the view of an employees and the organization. Based on the easy and transparent flow of communication between the two, that can help the employee to be more motivated with his or her jobs and also do better. Silva (2006). Moreover, a working environment that has diverse job tasks and kind co-workers with nice conducive working environment has been seen to be bases of motivation and satisfactory factors to employees (Bjerker, Ind and Paolli, 2007). At such,
people accepted the fact that a satisfying environment do contribute in the formation of positive feelings (Bjerker et al., 2007).

**Conceptual Framework**

From previous papers, scholars acknowledge that the four variables of workforce diversity are very essential in influencing employee Satisfaction and diversity in the workplace. That is why this framework was chosen further down.

![Conceptual Framework](source: EUGENE, et al. (2011)

**Figure 1: Conceptual Framework for this Research**

### 3. Research Design, Methodology

<table>
<thead>
<tr>
<th>Description</th>
<th>Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research Design</td>
<td>Descriptive</td>
</tr>
<tr>
<td>Research Approach</td>
<td>Quantitative</td>
</tr>
<tr>
<td>Research Strategy</td>
<td>Survey</td>
</tr>
<tr>
<td>Sample Selection</td>
<td>Convenience Sampling</td>
</tr>
<tr>
<td>Data Collection</td>
<td>Self-administered questionnaires to respondents at Uptown Hotel in the Klang Valley, namely Mid Valley, Sunway, 1-Utama and Pavilion.</td>
</tr>
<tr>
<td>Data Analysis</td>
<td>Statistical Analysis</td>
</tr>
</tbody>
</table>

*Table 1: Research Design Blueprint*

Empirical data was collected through the target respondents i.e. hotel employees located in Klang Valley, Malaysia. Previous researchers in related area of study use sample size from 242 to 640. In the study, sample size is reduced to a more appropriate number of 150 which is justified by Hair, (2010) stating a sample should rather be more than 100 for factor analysis to advance.

Questionnaires were distributed in hotels at the Klang Valley to front desk employees and internal employees to participate in this survey. In total, 47 questions were adopted and some were modified of which question 1 to 6 comprises of respondents demographic information which consist of gender, age, occupation, monthly income and ethnicity. Questions 7 to 40 uses the five point Likert measures to regulate the pact of respondents on employees’ satisfaction toward diversity at the workplace 1 for ‘Strongly Disagree (SD)’; 2 for ‘Disagree (D)’; 3 for ‘Neutral (N)’; 4 for ‘Agree (A)’; and 5 for ‘Strongly Agree (SA)’.

SPSS is used to test relationship that lies between the independent variables and dependent variable by utilizing the Pearson Correlation analysis and the Multiple Regression analysis.

### 4. Results and Discussion
### Table 2: Demographic Analysis in Tables

<table>
<thead>
<tr>
<th>Variable</th>
<th>Values</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>Male</td>
<td>77</td>
<td>51.3</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>73</td>
<td>48.7</td>
</tr>
<tr>
<td>Age</td>
<td>20-30 years old</td>
<td>58</td>
<td>38.7</td>
</tr>
<tr>
<td></td>
<td>30-40 years old</td>
<td>27</td>
<td>18.0</td>
</tr>
<tr>
<td></td>
<td>40-50 years old</td>
<td>40</td>
<td>26.7</td>
</tr>
<tr>
<td></td>
<td>50 years old and above</td>
<td>25</td>
<td>16.7</td>
</tr>
<tr>
<td>Ethnicity</td>
<td>Chinese</td>
<td>40</td>
<td>26.7</td>
</tr>
<tr>
<td></td>
<td>Malay</td>
<td>31</td>
<td>20.7</td>
</tr>
<tr>
<td></td>
<td>Indian</td>
<td>40</td>
<td>26.0</td>
</tr>
<tr>
<td></td>
<td>Others</td>
<td>39</td>
<td>26.0</td>
</tr>
<tr>
<td>Educational level</td>
<td>High School</td>
<td>16</td>
<td>10.7</td>
</tr>
<tr>
<td></td>
<td>Diploma</td>
<td>22</td>
<td>14.7</td>
</tr>
<tr>
<td></td>
<td>Undergraduate</td>
<td>41</td>
<td>27.3</td>
</tr>
<tr>
<td></td>
<td>Post Graduate</td>
<td>30</td>
<td>20.0</td>
</tr>
<tr>
<td></td>
<td>Doctorate</td>
<td>19</td>
<td>12.7</td>
</tr>
<tr>
<td></td>
<td>Professional qualification</td>
<td>14</td>
<td>9.3</td>
</tr>
<tr>
<td></td>
<td>Others</td>
<td>8</td>
<td>5.3</td>
</tr>
<tr>
<td>Work experience</td>
<td>0-5 years</td>
<td>42</td>
<td>28.0</td>
</tr>
<tr>
<td></td>
<td>5-10 years</td>
<td>36</td>
<td>24.0</td>
</tr>
<tr>
<td></td>
<td>10-15 years</td>
<td>39</td>
<td>26.0</td>
</tr>
<tr>
<td></td>
<td>15 and above years</td>
<td>33</td>
<td>22.0</td>
</tr>
<tr>
<td>Position in the organization</td>
<td>Senior Manager</td>
<td>18</td>
<td>12.0</td>
</tr>
<tr>
<td></td>
<td>Manager</td>
<td>27</td>
<td>18.0</td>
</tr>
<tr>
<td></td>
<td>Senior Executive</td>
<td>31</td>
<td>20.7</td>
</tr>
<tr>
<td></td>
<td>Executive</td>
<td>36</td>
<td>24.0</td>
</tr>
<tr>
<td></td>
<td>Entry Level</td>
<td>38</td>
<td>25.3</td>
</tr>
</tbody>
</table>

### Independent Variables

A total of 4 independent variables were used in this study. They include (1) gender (2) age (3) ethnicity, and (4) education background. Since each of them was measured using individual items, factor analysis was conducted for each of the items in order to test their reliability. Following is the presentation of the results of the factor analysis for each of the independent variables.

<table>
<thead>
<tr>
<th>Cronbach’s Alpha</th>
<th>Cronbach’s Alpha Based on Standardized Items</th>
<th>No of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.766</td>
<td>0.766</td>
<td>4</td>
</tr>
</tbody>
</table>

**KMO and Bartlett’s test (sig. = 0.000)**

<table>
<thead>
<tr>
<th>Correlation Matrix (&gt;0.25)</th>
<th>MSA (&gt;0.6)</th>
<th>Communalities (&gt;0.5)</th>
<th>Component matrix Items (&gt;0.4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>The organization does a good job of attracting and hiring male and women.</td>
<td>.460</td>
<td>.803</td>
<td>.536</td>
</tr>
<tr>
<td>Fair treatment is given to all employees, whether they are male or female.</td>
<td>.526</td>
<td>.744</td>
<td>.654</td>
</tr>
<tr>
<td>Opportunities for growth and advancement exist for male and women in our organization</td>
<td>.435</td>
<td>.767</td>
<td>.596</td>
</tr>
<tr>
<td>The organization’s training and development program is developed to meet the criteria/requirement of the male and female</td>
<td>.413</td>
<td>.797</td>
<td>.565</td>
</tr>
</tbody>
</table>

*Table 3: Independent Variable 1 – Gender - Reliability Statistics*
From table 4.2 above, all the items used to measure the gender variables were reliable. Therefore based on the component matrix results, these items were used to measure gender. All the items are highly correlated with each other. The reliability analysis is reliable as overall Cronbach’s Alpha is 0.766 which is higher than the accepted value of 0.7. The overall Measure of Sampling Adequacy (MSA) is 0.775, individual MSA is greater than 0.6, Communalities is more than 0.5 and the component matrix is more than 0.4. This means all these three items are highly reliable in measuring brand image and consequently should be accepted.

<table>
<thead>
<tr>
<th>Cronbach’s Alpha</th>
<th>Cronbach’s Alpha Based on Standardized Items</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.766</td>
<td>0.737</td>
<td>3</td>
</tr>
</tbody>
</table>

**KMO and Bartlett’s test (sig. = 0.000)**

Overall MSA = 0.663

<table>
<thead>
<tr>
<th>Correlation Matrix (&gt;0.25)</th>
<th>MSA (&gt;0.6)</th>
<th>Communalities (&gt;0.5)</th>
<th>Component matrix Items (&gt;0.4)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>The age differences in work group might cause conflict</td>
<td>0.541</td>
<td>0.681</td>
<td>0.630</td>
<td>0.793</td>
</tr>
<tr>
<td>At work, I experience lack of bonding with people of different age group</td>
<td>0.516</td>
<td>0.623</td>
<td>0.734</td>
<td>0.857</td>
</tr>
<tr>
<td>I am positive about age diversity in this workplace</td>
<td>0.393</td>
<td>0.702</td>
<td>0.605</td>
<td>0.778</td>
</tr>
</tbody>
</table>

**Table 4: Independent Variable 2 – Age - Reliability Statistics**

The table above shows the results of the items used to measure age. Four items were used to measure age. One item my team leaders include all members at different ages in problem solving and decision making was deleted because the communalities was less than 0.5. Based on the component matrix results, the remaining three items used to measure age is significant. All the items are reliable. The reliability analysis is consistent as overall Cronbach’s Alpha is 0.736, Correlation Matrix is significant and greater than 0.3, the overall MSA is 0.663, Individual MSA is greater than 0.6 and Communalities is more than 0.5. What this means is that the items are reliable in measuring the influence between country of origin and customer loyalty, therefore should be accepted.

<table>
<thead>
<tr>
<th>Cronbach’s Alpha</th>
<th>Cronbach’s Alpha Based on Standardized Items</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.721</td>
<td>0.722</td>
<td>4</td>
</tr>
</tbody>
</table>

**KMO and Bartlett’s test (sig. = 0.000)**

Overall MSA = 0.726

<table>
<thead>
<tr>
<th>Correlation Matrix (&gt;0.25)</th>
<th>MSA (&gt;0.6)</th>
<th>Communalities (&gt;0.5)</th>
<th>Component matrix Items (&gt;0.4)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>The organization does a good job of attracting and hiring minorities</td>
<td>0.417</td>
<td>0.734</td>
<td>0.531</td>
<td>0.729</td>
</tr>
<tr>
<td>The organization concerns about the employee’s customs, cultures, and values</td>
<td>0.412</td>
<td>0.737</td>
<td>0.525</td>
<td>0.725</td>
</tr>
<tr>
<td>The team leader includes all members at different ethnicity in problem solving and decision making</td>
<td>0.458</td>
<td>0.718</td>
<td>0.558</td>
<td>0.747</td>
</tr>
<tr>
<td>Different languages that are used to communicate do not create problem among employees</td>
<td>0.333</td>
<td>0.715</td>
<td>0.566</td>
<td>0.752</td>
</tr>
</tbody>
</table>

**Table 5: Independent Variable 3 – Ethnicity - Reliability Statistics**
The table above shows the measurement of all the items used to test the ethnicity variable. Four items were tested in order to find out if they could be grouped together. The data in the table above shows the items are reliable. The reliability analysis is consistent as overall Cronbach’s Alpha is 0.721, which is higher than the accepted value of 0.7. No item is removed because all the items met the criteria where the overall Measure of Sampling Adequacy (MSA) is 0.653, which is more than 0.6, Correlation Matrix is significant and greater than 0.3, individual MSA is greater than 0.6, Communalities is more than 0.5 and the component matrix is more than 0.4. Therefore, these items should be accepted because they are reliable.

<table>
<thead>
<tr>
<th>Cronbach’s Alpha</th>
<th>Cronbach’s Alpha Based on Standardized Items</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.701</td>
<td>0.722</td>
<td>3</td>
</tr>
</tbody>
</table>

Table 6: Independent Variable 4 – Education background - Reliability Statistics

Table 4.5 shows that the 3 items used to measure education background were reliable. From the results, these items met all the criteria and would be used to measure education background. All the items are highly correlated with each other. The reliability analysis is dependable as overall Cronbach’s Alpha is 0.701, overall Measure of Sampling Adequacy (MSA) is 0.656, individual MSA is greater than 0.6, Communalities is more than 0.5 and the component matrix is more than 0.4. This means all these three items are highly reliable in measuring service quality and consequently should be accepted.

Dependent Variable

<table>
<thead>
<tr>
<th>Cronbach’s Alpha</th>
<th>Cronbach’s Alpha Based on Standardized Items</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.710</td>
<td>0.713</td>
<td>4</td>
</tr>
</tbody>
</table>

Table 7: Employee Satisfaction - Reliability Statistics
The table above shows the measurement of all the items used to test the employee satisfaction variable. A total of 4 items were tested in order to find out if the items could be grouped together. The data in the table above was the result of the test. One item, ‘If I do good work, I can count on being promoted’ did not meet all the assumptions because of its communality of 0.498. Therefore, that particular item was discarded. The other three items that met all the assumptions of factor analysis were used to measure the dependent variable. The assumptions of factor analysis state that the variables must all be highly correlated with each other. The reliability analysis is consistent as overall Cronbach’s Alpha is 0.710 which is higher than the accepted value of 0.7 and the overall Measure of Sampling Adequacy (MSA) is 0.0663 which is more than the acceptable 0.6. The remaining three item fulfilled the criteria where the Correlation Matrix is significant and greater than 0.25, individual MSA is greater than 0.6, Communalities is more than 0.5 and the component matrix is more than 0.4. This means all these three items are highly reliable in measuring customer loyalty and therefore should be accepted.

### Multiple Regressions

Multiple regressions was carried out to evaluate the relationship between the dependent, and the independent variables. The aim is to find out the strength and direction between the independent variables (gender, age, ethnicity and educational background) and dependent variable (employee satisfaction).

<table>
<thead>
<tr>
<th>Model ($R^2=0.555$)</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>1.939</td>
<td>.356</td>
<td>5.448</td>
<td>.000</td>
</tr>
<tr>
<td>Gender</td>
<td>.303</td>
<td>.062</td>
<td>.355</td>
<td>4.864</td>
</tr>
<tr>
<td>Age</td>
<td>.075</td>
<td>.039</td>
<td>.134</td>
<td>1.927</td>
</tr>
<tr>
<td>Ethnicity</td>
<td>.463</td>
<td>.117</td>
<td>.289</td>
<td>3.972</td>
</tr>
<tr>
<td>Educational background</td>
<td>.052</td>
<td>.056</td>
<td>.065</td>
<td>.927</td>
</tr>
</tbody>
</table>

(Note: The dependent variable is employee satisfaction where $R^2=0.0555$, $F=16.143$, sig=0.000).

Table 8: Results of Multiple Regression Analysis

F test of 16.143 shows that the overall regression is significant. The $R^2$ of 0.555 is explained by the regression. It shows that the regression has a reasonable fit. t value 5.448 shows that the independent variables have a positive influence on employee satisfaction. For multicollinearity, the VIFs for each of the variables is less than 10 (refer to Appendix). This means that there is no multicollinearity and as a result, it will not be hard to determine the separate influence of each independent variable on the dependent variable. As a rule of thumb, if the VIF of a variable exceeds 10, shows that the variable is highly correlated with other variables (Hair et al, 2010).

The results in table 4.7 shows that gender is a significant factor influencing employee satisfaction in the hotel industry in Malaysia ($t=4.864$ and sig=0.000). The significance level of 0.1% reveals that gender positively influences the satisfaction of employees. The result differs with Beldona and Namasivayam, (2006) who stated that diversity in gender in the organization did not or cannot affect the satisfaction of the employees. While this may be true in other countries, the same cannot be said of Malaysian employees, especially those in the hotel industry. There is therefore the need for managers’ to be aware of gender variances in the workplace. In line with the study of
Hack and Lammers (2008), managers’ might suggest different communication schemes in doing things with male and female employees’ in order to generate the best environment for fairness.

Age is not a significant factor influencing employee satisfaction in the hotel industry (t= 1.927 and sig= 0.056). This result is consistent with Joshi and Jackson (2008) who see no specific consequence of age diversity on employee reports in teams’ processes. Ethnicity on the other hand, is another significant factor influencing employee satisfaction in the hotel industry with results (t=−3.972 and sig=0 .000). The findings support Pitts and Jarry (2005) who anticipated that effort should be made to manage the diversity in the workplace because it grow rapidly and its importance and effects will bring about work related aftermaths upsurge.

Educational background is not a significant factor influencing employee satisfaction and loyalty in the hotel industry in Malaysia with results of the regression showing no significance (t=.927 and sig=.355). Even though educational background may have positive influence on employee satisfaction in other countries, the same is not true of Malaysian employees. The result differs with Knight et al. (2009) who found that the diversity in education will produce negative impact on decision making of top managers. The authors were of the opinion that diverse educational backgrounds will increase the level of discomfort and struggle that sometimes lead to decrease in members not socializing among team mates.

In conclusion, some independent variables have significant positive relationship on the dependent variable (employee satisfaction) as could be seen from the regression test results. Therefore, it could be said that gender, age, ethnicity and educational background are some of the diversity factors in the workplace which leads to employee satisfaction in the hotel industry in Malaysia, especially those in the Klang Valley.

**Summary of Hypotheses Testing**

The table below shows the summary of the hypotheses result. The results reveal that H1, and H3 were accepted. This means that these two factors, gender and ethnicity have positive effects on employee satisfaction in the hotel industry. However, H2 and H4 were not accepted because age and education showed no positive significance in affecting employee satisfaction.

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1: Gender has positive impact on employee satisfaction towards diversity at workplace.</td>
<td>Accepted</td>
</tr>
<tr>
<td>H2: Age has positive impact on employee satisfaction towards diversity at workplace.</td>
<td>Rejected</td>
</tr>
<tr>
<td>H3: Ethnicity has positive impact on employee satisfaction towards diversity at workplace.</td>
<td>Accepted</td>
</tr>
<tr>
<td>H4: Education has positive impact on employee satisfaction towards diversity at workplace.</td>
<td>Rejected</td>
</tr>
</tbody>
</table>

Table 9: Summary of Hypotheses Testing

5. **Discursion and Conclusion**

The finding of the regression analysis shows that gender and ethnicity has a significance impact on employee satisfaction toward diversity at workplace. It was discovered also that age and education has no positive significance that affects employee satisfaction.

This study result ties with Erasmus (2007) findings whereby he addresses both gender to have the equal perspective and communication channels in order to
implement their activities successfully in the workplace. The findings of this research is in same fashion, Gobler (2002) add a remark that educate employees on diversity management is important to productive of the job and it will help employees develop additional skills and self-confidence. One more time, Richard (2000) discovers an affirmative relationship amid ethnic diversity and well-founded performance in organizations that is interested in chasing a progressive strategy. This was supported by Cox (2004) stating ethnic diverse workforces present several opportunities to organizations going into new markets. This study also shed light on Richard (2000) research also sustained that diversity has affirmative influence on employee’s satisfaction.

Limitation and future study

This study is limited to hotels at Klang valley Malaysia, which means the result, can only be used for further research study at Klang Valley at different levels. Since this study is based on gender, age, ethnicity and education and its effect on employee’s satisfaction, therefore, it is recommended that future researchers should go a little bottomless in this region.

Reference


[96] HWWI Research Programme „Migration Research Group“


Performance: Large Sample Evidence from the Mutual Fund Industry. *Centre for Financial Research, University of Cologne*.


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