

## **Job Satisfaction in Kathmandu's Hospitality Industry: Exploring Work Environment, Compensation, and Employee Retention**

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### **Abstract**

The paper discusses the job satisfaction of employees in the hospitality industry, relating to star-rated hotels and high-quality restaurants in Kathmandu. In this sector, which faces long hours of work, high labor turnover, and heavy workloads, the present research study has tried to assess the satisfaction of the employees concerning the work environment, compensation, workload, benefits, job security, and professional development opportunities. Data for this descriptive quantitative research design were obtained from 144 employees from various departments, mainly food and beverage service and food production. The findings showed that workers were satisfied with their remuneration and work-life balance, as well as working conditions in general: 87.5% were adequately compensated, and more than 90% considered work in a positive light. However, a few respondents were not satisfied with how workload is managed and adequate benefits. The study concludes by stating that job satisfaction has a pivotal role in minimizing turnover of workers, improving productivity, and increasing commitment among workers, which thus gives the management a legitimate reason to make it a priority in the industry.

**Keywords:** Job satisfaction, Hospitality industry, Employee turnover, Work environment, Compensation and benefits

## Introduction

The hospitality industry is one of the wide range of businesses including hotels, restaurants, event planning and tourism which rely on the quality of service provided for the employees. Job satisfaction in the hospitality industry is crucial due to the unique challenges and dynamics faced by the employees in this sector (Ariza-Montes, Hernández-Perlines, Han, & Law, 2019; Kunwar, Tiwari, & Khadka, 2024). Job satisfaction is essential for organizations to attract and retain talented individuals, maintain high productivity levels, and deliver exceptional customer experiences (Rana & Singh, 2024).

Job satisfaction is a large and complex concept, which means different things to different people. It covers a broad area of scientific research and many definitions have been given for the specific term. Job satisfaction is a positive emotional state that arises when an individual perceives their job as fulfilling or helping to fulfill their personal job-related values, particularly within the hospitality industry. (Heimerl, Haid, Benedikt, & Scholl-Grissmann, 2020). Job satisfaction and organizational performance are strongly correlated with the environmental background of a business. When employees are enjoying their jobs, they are likely to be more effective in handling the daily stressors (Awoeyo, 2021; Sujata Pantha, 2024). When employees are more satisfied with their jobs, they are more likely to work harder, complain less, show up on time, and treat customers and coworkers with respect.

Increasing job satisfaction among employees and reducing employees' dissatisfaction is of great interest to hospitality academics and practitioners, who are involved in the tourism industry (Hakuduwal, 2021). Job satisfaction is the positive emotional reactions and attitudes of individuals towards their job. Job satisfaction is defined as all characteristics of the job itself and the work environment that employees find rewarding, fulfilling and satisfying their job (Dziuba, Ingaldi, & Zhuravskaya, 2020).

The hospitality industry faces significant challenges in employee turnover which is caused by dissatisfaction with their job. (Holston-Okae & Mushi, 2018).. Employee commitment is essential to increase the productivity. If the job satisfaction increases, it will increase the employees' commitment, further, it will lead to increase the productivity (K.Princy & E.Rebeka, 2019; Neupane, Food choice motives of guardians of Trilok Academy Kathmandu with reference to gender, 2018). The management of people in hotels and restaurants service has traditionally been regarded as poor with considerable evidence of low employee discretion with no consultation, long hours of work, poorly rewarded work, low social acceptance, high workload, poor management relations, etc., and also a high turnover of the employees (Zopiatis, Constanti, & Theocharous, 2014).

The study of job satisfaction is a topic of wide interest to people who work in organizations and those who study them. If the employees' job satisfaction is high, they will become more

committed to their organizations and provide better service. If the employees are satisfied with their job then they have a positive effect towards their jobs. Job satisfaction has a significant impact on employees’ organizational commitment, turnover, accidents, and grievances (W.T & Bhaumik, 2022; Ghimire & Neupane, 2022). When the employee is satisfied they will perform well in their workplace..

While several studies have examined the link between job satisfaction and employee performance, there is limited research specifically focusing on the hospitality sector in Kathmandu. Most existing studies address job satisfaction in general, but few highlight the unique challenges faced by hospitality workers, such as long hours, heavy workloads, and poor management relations (Neupane, 2019). Despite the known importance of job satisfaction in reducing turnover and boosting productivity, there is little research on the specific needs of hospitality employees in this region. Furthermore, the direct impact of job satisfaction on employee commitment and performance within Kathmandu’s hospitality sector remains underexplored. This study aims to assess job satisfaction among employees in Kathmandu’s hospitality industry, focusing on the factors influencing their commitment, productivity, and overall job performance.

**Research Methods**

This study employs a descriptive research design using quantitative methods to explore job satisfaction in the hospitality industry (Mahat, Neupane, & Shrestha, 2024). Data collection was conducted through surveys, with the target population consisting of 144 employees working in star-rated hotels and high-quality restaurants. The study primarily focused on two key departments: food and beverage service and food production, though participants from other departments were also included. A convenient sampling method was used to select participants. This approach allowed for an efficient collection of data from employees working across different types of hospitality settings, providing insights into their levels of job satisfaction.

**Results**

**Demographic analysis**

This section explores the demographic status of the respondents.

*Table 1: Demographic status by gender*

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	89	61.8	61.8	61.8
	Female	55	38.2	38.2	100.0
	Total	144	100.0	100.0	

(Field survey, 2024)

Table 1 shows the demographic status of the respondents. It compared the proportion of males and females in different hospitality industries. The comparison revealed that there are 38.2% were female and 61.8% were male respondents. The data shows that there is a majority of female workers in the hospitality industry.

**Response analysis**

The following section of this article explores the respondents’ beliefs, attitudes, and satisfaction with hospitality industries,

*Table 2: Satisfaction with current job*

How are you with your current job in hospitality industry?		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very Dissatisfied	2	1.4	1.4	1.4
	Dissatisfied	4	2.8	2.8	4.2
	Neutral	18	12.5	12.5	16.7
	Satisfied	58	40.3	40.3	56.9
	Very Satisfied	62	43.1	43.1	100.0
	Total	144	100.0	100.0	

(Field survey, 2024)

Table 2 presents responses to the question of employee satisfaction with their current job in the hospitality industry. The data shows that 1.4% of employees are very dissatisfied, 2.8% are dissatisfied, 12.5% are neutral, 40.3% are satisfied, and 43.1% are very satisfied with their jobs. Higher job satisfaction generally leads to improved performance and productivity among employees in the hospitality industry.

*Table 3: Work schedule flexibility*

How are you with your work schedule flexibility?		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very Dissatisfied	2	1.4	1.4	1.4
	Dissatisfied	3	2.1	2.1	3.5
	Neutral	20	13.9	13.9	17.4
	Satisfied	59	41.0	41.0	58.3
	Very Satisfied	60	41.7	41.7	100.0
	Total	144	100.0	100.0	

(Field survey, 2024)

Table 3 shows employee responses regarding their satisfaction with work schedule flexibility. A majority of respondents, 41.7%, are very satisfied, and 41.0% are satisfied, indicating that over 80% of employees have a positive view of their work schedule flexibility. Meanwhile, 13.9% are neutral, while only a small portion, 2.1% dissatisfied and 1.4% very dissatisfied,

expressed dissatisfaction. Overall, the data suggests that most employees are content with the flexibility of their work schedules.

Table 4: Feeling in the work environment

How do you feel in the work environment?		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very Uncomfortable	1	.7	.7	.7
	Uncomfortable	1	.7	.7	1.4
	Neutral	9	6.3	6.3	7.6
	Comfortable	68	47.2	47.2	54.9
	Very Comfortable	65	45.1	45.1	100.0
	Total	144	100.0	100.0	

(Field survey, 2024)

Table 4 presents employee responses regarding how they feel in their work environment. The majority of employees, 47.2%, feel comfortable, and 45.1% feel very comfortable, indicating that over 90% of employees have a positive perception of their work environment. Only 6.3% of respondents are neutral, while a very small percentage, 0.7% each, feel uncomfortable or very uncomfortable. Overall, the data suggests that employees generally have a favorable view of their work environment.

Table 5: Alignment of job role, and skills and qualifications

Do you feel your job role aligns with your skills and qualifications?		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	2	1.4	1.4	1.4
	Disagree	1	.7	.7	2.1
	Neutral	23	16.0	16.0	18.1
	Agree	66	45.8	45.8	63.9
	Strongly Agree	52	36.1	36.1	100.0
	Total	144	100.0	100.0	

(Field survey, 2024)

Table 5 presents employee responses on whether their job role aligns with their skills and qualifications. A significant majority, 45.8%, agree, and 36.1% strongly agree, indicating that over 80% of employees feel their job roles align well with their skills and qualifications. Meanwhile, 16.0% are neutral on the matter, while only 1.4% strongly disagree and 0.7% disagree. The data suggests that most employees believe their roles are a good fit for their skill sets and qualifications.

*Table 6: Rating towards the support of supervisor/manager*

How would you rate the support provided by supervisor/ manager?		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Fair	8	5.6	5.6	5.6
	Good	68	47.2	47.2	52.8
	Excellent	68	47.2	47.2	100.0
	Total	144	100.0	100.0	

(Field survey, 2024)

Table 6 displays employee ratings of the support provided by their supervisor or manager. The majority of employees, 47.2%, rated the support as excellent, and an equal 47.2% rated it as good, indicating that 94.4% of employees feel positively about the support they receive. Only 5.6% rated the support as fair, with no negative ratings. Overall, the data reflects a strong approval of supervisor or managerial support within the organization.

*Table 7: Most satisfying aspect of the job*

What aspects of your job do you find most satisfying?		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Compensation and benefits	52	36.1	36.1	36.1
	Work balance	28	19.4	19.4	55.6
	Supportive Management	31	21.5	21.5	77.1
	Team work	27	18.8	18.8	95.8
	Others	6	4.2	4.2	100.0
	Total	144	100.0	100.0	

(Field survey, 2024)

Table 7 highlights the aspects of the job that employees find most satisfying. Compensation and benefits are the top factor, with 36.1% of respondents selecting this option. Work-life balance follows, with 19.4%, and 21.5% of employees are most satisfied with supportive management. Teamwork is the key satisfaction factor for 18.8% of respondents, while only 4.2% chose other aspects. Overall, the majority of employees are most satisfied with compensation, benefits, and the support provided by management.

*Table 8: Communication style with the team and management*

How would you rate the communication with your team and management?		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Poor	1	.7	.7	.7

	Fair	19	13.2	13.2	13.9
	Good	59	41.0	41.0	54.9
	Excellent	65	45.1	45.1	100.0
	Total	144	100.0	100.0	

(Field survey, 2024)

Table 8 provides insights into the respondents' ratings of communication with their team and management. Among the participants, 0.7% rated the communication as poor, while 13.2% rated it as fair. A significant portion, 41%, perceived the communication as good, and 45.1% rated it as excellent. The majority of respondents, therefore, indicated a positive view of the communication with their team and management, with nearly half considering it excellent and a combined 86.1% rating it as either good or excellent.

Table 9: Feeling safe while working

Do you feel safe while working?		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	134	93.1	93.1	93.1
	No	10	6.9	6.9	100.0
	Total	144	100.0	100.0	

(Field survey, 2024)

Table 9 highlights respondents' feelings of safety while working. The vast majority, 93.1%, reported feeling safe in their work environment, while only 6.9% expressed that they do not feel safe. This indicates that most employees have a strong sense of security at work.

Table 10: Workload management

Do you feel that workload is manageable?		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	130	90.3	90.3	90.3
	No	14	9.7	9.7	100.0
	Total	144	100.0	100.0	

(Field survey, 2024)

Table 10 illustrates respondents' perceptions of workload management. A significant 90.3% of participants feel that their workload is manageable, while 9.7% believe it is not. This suggests that the majority of employees find their work duties to be well within their capacity.

*Table 11: Compensation for the work*

Do you feel adequately compensated for the work you do?		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	126	87.5	87.5	87.5
	No	18	12.5	12.5	100.0
	Total	144	100.0	100.0	

(Field survey, 2024)

Table 11 shows respondents' views on compensation. A large majority, 87.5%, feel they are adequately compensated for their work, while 12.5% do not. This indicates that most employees are satisfied with their pay, although a small percentage believe their compensation is insufficient.

*Table 12: Work life balance in current position*

Do you feel that there is a work life balance in current position?		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Neutral	9	6.3	6.3	6.3
	Agree	71	49.3	49.3	55.6
	Strongly Agree	64	44.4	44.4	100.0
	Total	144	100.0	100.0	

(Field survey, 2024)

Table 12 represents the responses to the questions “Do you feel that there is a good work life balance in current position?” The majority of employee 49.3% who agree with the question that there is a good work life balance in the hospitality industry. 44.4% of employee are strongly agree to the question. They can manage their work life balance with their personal life. 6.3% employee are neither agree to the question nor disagree.

*Table 13: Work life balance rating*

How would you rate your work life balance?		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Fair	28	19.4	19.4	19.4
	Good	62	43.1	43.1	62.5
	Excellent	54	37.5	37.5	100.0
	Total	144	100.0	100.0	

(Field survey, 2024)



Table 13 represents the responses to the questions “How would you rate your work life balance?” The majority of respondents (43.1%) rate good for their work life balance. 37.5% of employees rate excellent for their work life balance and the remaining 19.4% of employees rate fair for their work life balance. Many employees handle their work life balance in a good way as well as they manage their life.

*Table 14: The benefits provided for the employee on the job*

Are the benefits provided for the employee on the job?		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	134	93.1	93.1	93.1
	No	10	6.9	6.9	100.0
	Total	144	100.0	100.0	

(Field survey, 2024)

Table 14 illustrates employees' perceptions of the benefits provided in their jobs. The majority, 93.1%, feel that the benefits are adequate, while 6.9% do not. This suggests a high level of satisfaction with the benefits offered, though a small fraction of employees believe the benefits could be improved.

*Table 15: Work environment of the hospitality industry*

How would you rate the work environment of the hospitality industry?		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very Poor	1	.7	.7	.7
	Poor	1	.7	.7	1.4
	Fair	19	13.2	13.2	14.6
	Good	56	38.9	38.9	53.5
	Excellent	67	46.5	46.5	100.0
	Total	144	100.0	100.0	

(Field survey, 2024)

Table 15 provides insight into how employees rate the work environment in the hospitality industry. A significant portion, 46.5%, rated the environment as "Excellent," while 38.9% rated it as "Good." A smaller group, 13.2%, considered the environment "Fair," with only 0.7% each rating it as "Poor" or "Very Poor." Overall, the results indicate that the majority of employees view the work environment positively.

*Table 16: Physical working condition of the job*

How would you rate the physical working condition of the job?		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Poor	1	.7	.7	.7
	Fair	5	3.5	3.5	4.2
	Good	73	50.7	50.7	54.9
	Excellent	65	45.1	45.1	100.0
	Total	144	100.0	100.0	

(Field survey, 2024)

Table 16 shows employee perceptions of the physical working conditions of their jobs. A majority of the respondents rated positively about the physical condition: 50.7% rated it "Good" and 45.1% rated it as "Excellent." A smaller segment, 3.5%, considered the conditions "Fair," while only 0.7% rated them as "Poor." This may indicate that in general, the physical working conditions are good in the sample.

*Table 17: Supported in the professional development*

Do you feel supported in your professional development?		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	137	95.1	95.1	95.1
	No	7	4.9	4.9	100.0
	Total	144	100.0	100.0	

(Field survey, 2024)

Table 17 presents employees' perceptions about professional development support. A whopping 95.1% indicated that they felt supported in professional development, while 4.9% responded they were not supported. This illustrates that the respondents of this survey are quite optimistic concerning opportunities in professional development.

*Table 18: Satisfaction with the level of job security in the hospitality industry*

How would you rate your satisfaction with the level of job security in the hospitality industry?		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Poor	1	.7	.7	.7
	Fair	4	2.8	2.8	3.5
	Good	68	47.2	47.2	50.7
	Excellent	71	49.3	49.3	100.0
	Total	144	100.0	100.0	

(Field survey, 2024)

Table 18 shows respondents' satisfaction with job security in the hospitality industry. The majority of respondents rated their job security positively, with 49.3% indicating "Excellent" and 47.2% rating it as "Good." Only 2.8% rated job security as "Fair," and a mere 0.7% rated it as "Poor." This suggests that employees generally feel secure in their jobs within the industry.

*Table 19: Overall work environment in the hospitality industry*

How would you rate the overall work environment in the hospitality industry?		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Fair	2	1.4	1.4	1.4
	Good	73	50.7	50.7	52.1
	Excellent	69	47.9	47.9	100.0
	Total	144	100.0	100.0	

(Field survey, 2024)

Table 19 presents the respondents' ratings of the overall work environment in the hospitality industry. A significant majority, 50.7%, rated the work environment as "Good," while 47.9% considered it "Excellent." Only 1.4% rated it as "Fair." These results indicate that most employees have a positive perception of the work environment in the hospitality sector.

## Conclusion

Job satisfaction is considered to be the most important elements in the organization. The organization in the hospitality industry must keep their employee satisfied. This study helps to evaluate the job satisfaction of the employees while they are working. Job satisfaction of employees significantly influences the job performance and reduce employee turnover as well. This study found that compensation and reward, working environment, and job security has significant impacts on employees' job satisfaction. Therefore, employees' job satisfaction is a crucial issue in the hospitality industry.

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