EFFECT OF COMPENSATION, TRAINING AND DEVELOPMENT AND MANAGER SUPPORT ON EMPLOYEE COMMITMENT: THE MODERATING EFFECT OF CO-WORKER SUPPORT

ABSTRACT: The purpose of this study was to investigate the impact of compensation, training and development and manager support on commitment level of hotel employees and the moderating role of co-worker support in the service context. The study used a cross-sectional and quantitative mail survey approach. Hotel employees in Malaysia were surveyed, and Partial Least Squares Method, Structural Equation Modelling (PLS-SEM) algorithm and bootstrap techniques were used to measure the relationships between compensation, training and development, manager support and employee commitment and the moderating role of co-worker support on the relationships between compensation, training and development, manager support and employee commitment. The results confirm that co-worker support moderates the relationships between compensation, training and development, manager support and employee commitment level. The findings provide new theoretical knowledge about the moderating effect of the co-worker support and significantly enhance knowledge about employee commitment and loyalty. The research provides notable insights into the role of social and structural bonding in hotel employees’ commitment and loyalty in the service, as well as provides an important implication for segmentation. These results can be used by hospitality managers to gain competitive advantage over its rivals. The study contributes to research on employees’ commitment and loyalty. Introducing the role of co-worker support as a moderator within the context of a hotel industry is new in the services marketing literature.

KEY WORDS compensation, training and development and manager support on employee commitment

ACEITO EM: 01/07/2019
EFFECT OF COMPENSATION, TRAINING AND DEVELOPMENT AND MANAGER SUPPORT ON EMPLOYEE COMMITMENT: THE MODERATING EFFECT OF CO-WORKER SUPPORT

RESUMO: O objetivo deste estudo foi investigar o impacto da remuneração, treinamento e desenvolvimento e apoio do gerente no nível de comprometimento dos funcionários do hotel e o papel moderador do apoio de colegas de trabalho no contexto do serviço. O estudo utilizou uma abordagem de pesquisa de correio transversal e quantitativa. Os funcionários do hotel na Malásia foram pesquisados e o método de mínimos quadrados parciais, modelagem de equações estruturais (PLS-SEM) e técnicas de bootstrap foram usados para medir as relações entre remuneração, treinamento e desenvolvimento, suporte ao gerente e comprometimento dos funcionários e o papel moderador da cooperação, apoio dos trabalhadores nas relações entre remuneração, treinamento e desenvolvimento, suporte ao gerente e comprometimento dos funcionários. Os resultados confirmam que o apoio de colegas de trabalho modera as relações entre remuneração, treinamento e desenvolvimento, suporte ao gerente e nível de comprometimento do funcionário. As descobertas fornecem novos conhecimentos teóricos sobre o efeito moderador do apoio de colegas de trabalho e aumentam significativamente o conhecimento sobre o comprometimento e a lealdade dos funcionários. A pesquisa fornece insights importantes sobre o papel do vínculo social e estrutural no comprometimento e lealdade dos funcionários do hotel no serviço, bem como fornece uma importante implicação para a segmentação. Esses resultados podem ser usados por gerentes de hospitalidade para obter vantagem competitiva sobre seus rivais. O estudo contribui para a pesquisa sobre o comprometimento e a lealdade dos funcionários. Introduzir o papel do apoio de um colaborador como moderador no contexto de uma indústria hoteleira é novo na literatura de marketing de serviços.
INTRODUCTION

Services industry play important role in the majority of today’s economy in both developed and also developing countries. Similarly, the hotel industry in Malaysia also plays an important and crucial role in her development. According to the World Travel and Tourism council in 2017, the influence of tourism industry in Malaysia to GDP is at MYR 167.5 Billion 13.7% in 2016. In 2017, it is expected to increase to 4.2%, and to rise by 5.4% pa, from 2017-2027, to MYR 295.6 Billion (15.9% of total GDP) in 2027, directly impacting the increase in employment opportunities. This year, the Malaysian tourism industry accounts for 4.5 % of national employment, and it is expected to increase by 1.9% in 2017, and increase by 3.9% pa to creating 956,000 jobs in 2027. This growth in the tourism industry directly impacts the demands in lodging (hotels, hostels, guest houses), subsequently increasing the supply of rooms by 81%.

Tourism is the major source of foreign exchange and has potential to increase employment, though, high turnover rate in the hotel industry in specific and tourism industry in general; has embittered the growth of the overall service and tourism industry (Mastar, Darus, Shamsudin, 2016).

Hospitality managers realize the importance of acquisition and retention of highly committed employees is critical to delivery of service quality, in a market environment riddled with competitive pressures. However, lack of employee commitment is still a main worry for the hospitality industry. Malaysian Employers Federation (2011) reports a staggering high turnover rates in Malaysian hospitality industry at 32.4%. Hence, retention of highly committed employees is critical and current issue in the Malaysian hospitality industry. Similarly, previous studies such as Masdek et al. (2011) and Ishak et al. (2011) also claimed that the hotel industry is facing high employee’s turnover. High turnover negatively affects organization and can diminish labour productivity, financial performance, customer service and quality and safety (Davidson et al., 2010; Hancock et al., 2013) and many others.

In view of these concerns, managers need to identify and minimize the issue of high employee turnover in their organization. To effectively target this issue, managers must firstly understand the possible factors contributing to employee turnover. The main factors that lead to turnover in services industry in Malaysia, the salaries, work itself, co-workers, attitude towards work, and supervision (Sangaran & Jeetesh, 2015). Trained, motivated and committed employees are invaluable assets. In the modern business environment, companies emphasise more on intellectual resources than financial resources (Eskildersen & Nussler, 2000). The motive behind the proposed study is to identify the factors that influence the organizational commitment.

Previous researches have been done on compensation, training and development and manager support but these variables not have been modelled together. Moreover, the introduction of co-worker support as moderator will fill the gap found in literature. Most of the researchers have been done on these variables but on different sectors and different countries, though, very little evidence available from developing countries especially in Malaysia. There is need to know about these variables and its effect on the organizational commitment, especially in hotel industry in Malaysia. Thus, the objective of this study is to probe the association between compensation, training and development, manager support, co-worker support and organizational commitment.
& Hattingh (2013) stated that primary goal of lean is to identify and eliminate waste at different process levels. The lean methodology helps to streamline the processes and entire flow of work to increase the firm’s productivity while eliminating waste and satisfying customers.

Hines et al. (2004) stated that lean can be classified in two level i.e. strategic and tactical. Strategic level lean focuses on value creation thus have universal application. Tactical level lean focuses on those techniques that are applied in specific context. Many lean application focus on tactical level rather than strategic level, with organizations applying specific tools and techniques. That is why, many organizations did not get much benefits of lean implementation like Toyota did. According to Anand & Kodali (2009), the major reason of poor implementation of lean is absence of brief list of principles, tools, techniques knowledge and practices alongwith lack of unifying framework. Therfore, impact of lean varies due to lack of general understanding on lean and how individual firms implement this system.

Kanakana (2013) stated that many service organizations are implementing lean principles. Zarei, Fakhrzad , & Paghalehc (2011) found that lean practices can reduce cost and improve customer services by imporving process. Vlachos & Bogdanovic (2013) found that in some cases, automation of some non streamlined functions can cause some problems and work flow can be reduced. Therefore lean principles cannot be applied to all industries. However, service sector can adopt only those principles that are useable and useful.

Goldenbaum-Gaber & Rizenbach (2013) conducted a research to investigate how successfully financial sector is adopting lean practices. Their results showed that banks can gain substantial benefits by using lean practices including cost reduction and improvement in efficiency. This validates the findings of (Maleyeff, 2006) that banks can adopt lean to improve the banking operations. A survey conducted by PriceWaterHouseCoopers (2013) found that there is a lot of potential for financia; sector to adopt lean practices to increase day to day efficency.

Lean practices can be directly applied to banking system because it is purely process business. By applying different lean techniques and practices banks can (i) reduce the time require to perform specific tasks (ii) eliminate wasteful and idle activities to reduce business cost, (iii) better customer services by providing quality services and boosting morale of staff by engaging them in development and continuous improvement. Moreover, lean practices can result in reduction of cost by 25 percent, response time can be increase by 50 percent and revenue gain can increased by 5 percent annually (Sayer & Williams, 2012). GoLeansSixSigma (2015) shows a list of financial institutions that have successfully implemented lean practices. According to report, some banks have gained more than 90 percent result in net income after few years of its lean implementation.

METHODOLOGY

Organization commitment

Porter, Steers, Mowday, and Boulian, (1974) define commitment as “the strength of an individual’s identification with and involvement in a particular organization”. Organizational commitment is the emotional attachment of employee with their organization and to accept the organizational values and goals (Meyer & Allen, 1997).

The significance of commitment is growing because of its impact on the workforce’s performance and decrease in employee’s absenteeism (Benkhoff, 1997). A highly committed employee works more hard and shows positive attachment toward organization (Ahmad, Majid & Zin, 2015; Meyer, Paunonen, Gellaty, Goffin & Jackson, 1989).

Numerous researches have been conducted to probe the connection between the degrees of job satisfaction and employee commitment level in different sectors and different context. Such as in the context of Pakistan Khan and Jan (2015), the outcomes of study revealed that compensation, co-worker, Promotion, work environment, and supervisor are the significant elements of employee’s satisfaction. Employees in such organisations rate their work commitment and productivity as high resulting in improved employee retention and loyalty. Similarly, Ali and Al-Kazemi (2007) studied the Islamic work ethic in Kuwait, the finding revealed that
there is an imperative positive association between Islamic work ethic and managers’ commitment in Kuwait. Likewise, DeCotiis and Summers (1987) conducted study of 367 employees and managers, investigating the relationship between individual motivation and commitment. Other factors considered in this study included employee turnover, intention to leave and job performance in the context of employees’ motivation. The study revealed that organizational commitment was strong determinant individual motivation and commitment.

Regardless of the aforementioned empirical studies conducted on organizational commitment, Ahmad, Majid and Zin (2015); Ahmad, Bibi and Majid, (2016) claimed that there are inadequate studies on organizational commitment. Hence, organizations need to give more attention to understanding employee behaviours and attitudes (Tsui & Cheng, 1999). This study was another effort which aimed at examining the connection of compensation, training and development, manager support, co-worker support and organizational commitment among hotel industry of Malaysia.

Compensation and Organizational Commitment

Compensation is a key tool for employee motivation (Nazir, Shah & Zaman, 2014). Lucrative compensation package is used a tool by the organizations to “attract”, “motivate”, and “retain” competent and committed employees (Cryne, 2004; Gould, 1999). As mentioned by Ahmad, Bibi and Majid (2016) compensation system must be emphasized in order to increase the commitment level of employees. Furthermore, due to rapid increase in number of organizations, now organizations are willing to pay higher compensation to compete with them, as the demand for the talented and skilled staff has increased. Similarly, Bibi, Ahmad, and Majid (2016); Bibi, Pangil, Johari, & Ahmad, (2017); Chiang and Birtch (2010); Sangaran & Jeetesh, (2015), also highlighted that compensation is competitive advantage for organization to improve performance and ability to increasing the commitment level of employees. Committed employee is the most precious asset of an organization. Hence, retaining these employees is highly necessary for the success of these organizations.

Mostly, elements that influencing organizational commitment have been discussed and examined empirically by several scholars, however, the inconsistency arises in the empirical outcomes from each studies such as Chiang and Birtch (2010) and Igbaria & Greenhaus, (1992) found that there is imperative relationship between compensation and organizational commitment. Likewise, Saeed et al. (2013) also concluded that the relationship between compensation and organizational commitment is imperative. However, Griffeth et al. (2000) reported a moderate relationship between compensation and turnover. Khatri et al. (2001) stated that compensation is not an important factor in the context of Asia, whereas Iverson and Deery’s (1997) study on Australian hospitality employees resulted in insignificant influence of compensation on turnover. Similarly, Paik, Parveen and Shim, (2007) also shown that compensation have no significant relation with commitment. However, Chew and Chan (2008) argued that compensation alone is not a sufficient motivator for retaining competent employees. The inconsistent association between compensation and employee commitment needs more investigation to further understand the association. Therefore, this study hypothesized that:

H1: There is a significant and positive relationship between compensation and organizational commitment.

Training and Development and Organizational Commitment

Organizations are well aware of the significance of training and motivate their employee to learn (Bierly et al., 2000). Training helps to develop and improve the individual and organizational performance (Wetland, 2003). Training and development leads to employee commitment and employee retention (Bassi and Van Buren, 1999; Sheridan, 1992; Wood, 1999). Similarly, Ahmad, Bibi and Majid (2017) probed the correlation between training and employee commitment in the context of Pakistan. Survey method was conducted for data collection; for data analysis total 246 data was collected. The outcome of data analysis showed significant relationship between training and commitment. In the modern business world, training is an important factor, since it increases the efficacy of the individuals and the organizations by enhancing the abilities of employees.

However, training is a costly activity yet organizations are aware of the significance of training and are ready to spend on training programs to escalation the level of their employees’ commitment, increased productivity and employee performance (Elangovan & Karakowsky, 1999, Tobias & Fletcher, 2000). Training is a way to engage committed employees to the organization. (Rainbird, 1994; Heyes & Stuart, 1996). Training and development also helps the employees to accomplish their organizational goals. Training plays a significant role
in the current competitive environment (Tsai & Tai, 2003). The literature showed that the correlation between training and organizational commitment is imperative. On the contrary, the finding of Lee, Nam, Park and Lee (2006) claimed negative relation between training and development and organizational commitment. Similarly, another study by Newman et al. (2011) also showed that there is no association between perceived benefits of training, motivation to learn and organizational commitment. The literature also showed that further search is required to probe the link between training and development and organizational commitment in the Asia context, mainly in the sector of public sector tertiary institutions in Pakistan.

Therefore, this study hypothesizes that:

**H2:** There is positive and significant relationship between training and development and organizational commitment.

**Manager support and Organizational Commitment**

Supervisory support refers to interpersonal relationships between manager and subordinate in the organization (Tan, 2008). Provision of such support is critical for development, motivation and retention of knowledge workers (Lee, 2005; Bigliardi, Petroni, & Dormio, 2005). Employees views of organizational support and it association with work-life conflict is largely shaped by supervisors (Kossek et al., 2011). Additionally, interpersonal connection between supervisor and subordinate makes the work easier and joy able which enhance the job satisfaction in the workplace and organizational commitment level (Aquino, Griffeth, Allen, & Hom, 1997; Zhao & Zhou, 2008).

The supervisory support may be very important for turnover decision in a context where personal relationships are of primary importance (Ovadje, 2009). Thus, it may be highly regarded in Asian context where inter-personal relationships are important in the workplace. Poor supervision may arise from ambiguous expectation of supervisor and insufficient information about the job, which may hamper employees’ job satisfaction which develops the idea of leaving the organization.

According to Ahmad, Bibi and Majid, (2016) also highlighted that if employee received adequate support from the supervisor in return staff will shows positive behavior to toward their organization. Social Exchange Theory (Blau, 1964) dictated that if managers or supervisors display a great concern for their development, the employees will respond in the same manner and that will foster a healthy work relationship in connecting the employees to the organization. Stronger and friendly relationship between supervisor and subordinates enhances the commitment level of employee to stay longer in the organization (Eisenberger & et al., 1990). However, the study by Abeyseker (2007) found no significant association between supervisory support and turnover intention among the leasing company employees in Sri Lankan context. Similar to Billah (2009); Cho, Johanson, & Guchait, (2009); Hatton and Emerson (1998) found no significant connections between supervisory support and turnover, which recommends further detail investigation of this association. There are conflicting outcomes from prior studies, which signifies the importance of further and focused research to demonstrate the correlation between manager support and organizational commitment. Therefore, the present study proposes the following:

**H3:** There is positive and significant relationship between manager support and organizational commitment.

**Co-worker Support (Moderating Variable) and Organizational Commitment**

In every organization each employee has partners who perform their task at same level in the organization. Thus, co-worker support is important and play vital role in the employees commitment and job related trends (Chiaburu & Harrison, 2008). Jarzabkowski (2002) explained that employee participation with their Co-workers can be social, political, emotional or intellectual at workplace.

Previous researchers Knapp (2003) and Wang, Odell and Schwille (2008) concluded the positive outcome of employee co-worker support such as positive attitude toward decrees job stress, improve job efficiency, increased motivation, enhanced professional development, support new colleague’s and enhance employee commitment. According to Ahmad, Bibi and Majid, (2016); Ahmad, Bibi and Majid (2017), co-worker support is
important and Plays significant role in enhancing organizational commitment. Co-workers have the capability to explain social atmosphere at work (Schneider, 1987).

Thus, this study proposes co-worker support as a moderator on the relationship between compensation, training and development, manager support and organizational commitment. Similarly, La Rocco and Jones (1978) stressed to check the buffering role of co-worker support in future study. Importantly, Johns (2006) and Bateman (2009) have also recommended that it would be informative to check buffering effect of co-worker support on organizational commitment. Similarly, Ahmad et al, (2016) suggested that there is a need to investigate co-worker support as a moderator with compensation, training and development, manager support and organizational commitment.

Theoretically, co-worker support might moderate the relationship between compensation, training and development, manager support and organizational commitment in several ways. Such as, it is argued that the employees having support from their co-workers are more committed with the organization than those who do not have co-worker support (Rousseau & Aubé, 2010). Moreover, these arguments also support the reciprocity notion of the SET theory, when employees perceive that the organization is providing adequate compensation, sufficient opportunities for training and development, adequate support from managers as well as their co-workers are supportive, they feel to repay the organization in the form of commitment and devotion.

Therefore, the present study considered co-worker support as moderating variable and aims to probe further its influence on T&D, TF and organizational commitment. Thus, this study hypothesized as follows.

H4: Co-worker support moderates the relationship between the compensation and organizational commitment.

H5: Co-worker support moderates the relationship between the training and development and organizational commitment.

H6: Co-worker support moderates the relationship between the manager support and organizational commitment.

Method

Procedure and Participants

The unit of analysis was individual (i.e full-time employees) who have been working in hotels industry in Malaysia (e.g, Kuala Lumpur, Kedah, Selangor, Johar Baru, Penang, langkawi & Melaka), in the department of food and beverage service, food production and customer services for more than six months. Survey questionnaires were used to gather relevant data for the study. The respondents were asked to express their perceptions through 7-point Likert scale. The survey involved measures of compensation, training and development, manager support, co-worker support and organizational commitment. Total 604 questionnaires were collected from hotel employees. Out of 604 respondents, most of the respondents were male 65.5%. Almost 46% of the participants’ hold undergraduate degree. Moreover, most of the participants’ 51.6% were single. Regarding the age group, 37.5% of the respondents were in the group of 21-31 years of age. Mostly 51.9% of the participants were from 3 star hotels and majority of the participants (43.6%) have a monthly income ranging from RM1500 to RM3000.

Measurement

To measured organization commitment 9 items short version were used by (Mowday, Steers & Porter, 1979). Furthermore, 5 items of Tessema and Soeters, (2006) were used to measured compensation. Similarly, 4 items of Delery and Doty, (1996) were used to measured training and development. 8 items of London (1993) were used to measured manager support. In the current study, co-worker support was measured with 10 items used by Ducharme and Martin’s (2000). The items were measure on a 7- points Likert scale where 1 indicate strongly disagree, and 7 indicate strongly agree.
RESULTS

Convergent validity
To analyze the data Smart PLS version 2.0 was used in this study, the researcher inspected the convergent validity. However, to assess construct convergent validity factor loadings, average variance extracted (AVE) and composite reliability (CR) were examined. Moreover, Table 1 shows that the CR for all the constructs is above 0.7 threshold as recommended by (Hair et al. 2010). The AVE was exceeding then 0.5 and the factor loadings for all items were above 0.5 as recommended by (Hair et al., 2010). Thus, out of 36 items, 8 items were removed (CS5, CS6, CS7, CS8, CS9, CS10, MS8, COMP1,) because the 8 items loadings were observed below 0.40 and remaining 28 items were retained as these had loadings greater than 0.50.

Table 1: Convergent Validity Analysis (factor loading, CR and AVE of Latent variable)

<table>
<thead>
<tr>
<th>CONSTRUCT</th>
<th>ITEM</th>
<th>LOADING</th>
<th>AVE</th>
<th>CR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compensation</td>
<td>COMP2</td>
<td>0.538</td>
<td>0.694</td>
<td>0.897</td>
</tr>
<tr>
<td></td>
<td>COMP3</td>
<td>0.909</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>COMP4</td>
<td>0.932</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>COMP5</td>
<td>0.891</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Co-worker Support</td>
<td>CS1</td>
<td>0.904</td>
<td>0.774</td>
<td>0.931</td>
</tr>
<tr>
<td></td>
<td>CS2</td>
<td>0.919</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>CS3</td>
<td>0.923</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>CS4</td>
<td>0.763</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organizational Commitment</td>
<td>OC3</td>
<td>0.774</td>
<td>0.728</td>
<td>0.959</td>
</tr>
<tr>
<td></td>
<td>OC4</td>
<td>0.880</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>OC5</td>
<td>0.837</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>OC6</td>
<td>0.788</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>OC7</td>
<td>0.887</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>OC8</td>
<td>0.956</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>OC9</td>
<td>0.946</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>OC1</td>
<td>0.941</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>OC2</td>
<td>0.611</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Training and Development</td>
<td>TD1</td>
<td>0.906</td>
<td>0.852</td>
<td>0.958</td>
</tr>
<tr>
<td></td>
<td>TD2</td>
<td>0.902</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>TD3</td>
<td>0.927</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>TD4</td>
<td>0.956</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>MS1</td>
<td>0.931</td>
<td>0.766</td>
<td>0.958</td>
</tr>
<tr>
<td>Manager Support</td>
<td>MS2</td>
<td>0.800</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>MS3</td>
<td>0.796</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>MS4</td>
<td>0.928</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>MS5</td>
<td>0.804</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>MS6</td>
<td>0.924</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>MS7</td>
<td>0.929</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Discriminant Validity
The discriminant validity in this study is accomplished by analyzing the correlation among the latent construct with the square root of AVE (Duarte & Raposo, 2010). In the same vein, discriminant validity is also realized by matching the outer loading with the cross loading (Hair et al, 2013).
As reported in Table 2, the diagonal values (square root of AVE of the respective constructs) are greater than the other values of the column and the row in which they are situated, confirming the discriminant validity of the outer model (Hair et al, 2010). In the same vein, discriminant validity is also realized by matching the outer loading with the cross loading (Hair et al, 2013).

**Structural model**

Structural equation modelling (SEM) was used to examine the association between the compensation, training and development, manager support, co-worker support and organizational commitment. Therefore, bootstrapping technique was used in Smart PLS (Partial Least Square) software for statistical analysis and with number of 5000 bootstrap was used to evaluate the structural model. In this study Table 3 and Figure 1 shows the findings of structural model.

![Figure 1 - Structural Model with Moderator](image_url)
Table 3: The result of Structural Model

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Relationship</th>
<th>Beta (β)</th>
<th>Standard Error (STERR)</th>
<th>T-Statistics</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>Compensation &gt; Organizational Commitment</td>
<td>0.192</td>
<td>0.106</td>
<td>2.0</td>
<td>.02</td>
</tr>
<tr>
<td>H2</td>
<td>Training and development &gt; Organizational Commitment</td>
<td>0.259</td>
<td>0.097</td>
<td>2.7</td>
<td>.00</td>
</tr>
<tr>
<td>H3</td>
<td>Manager Support -&gt; Organizational Commitment</td>
<td>0.198</td>
<td>0.071</td>
<td>2.8</td>
<td>.00</td>
</tr>
<tr>
<td>H4</td>
<td>Compensation * Co-worker Support -&gt; Organizational Commitment</td>
<td>0.248</td>
<td>0.092</td>
<td>13</td>
<td>.00</td>
</tr>
<tr>
<td>H5</td>
<td>Manager Support * Co-worker Support -&gt; Organizational Commitment</td>
<td>0.467</td>
<td>0.352</td>
<td>3.9</td>
<td>.00</td>
</tr>
</tbody>
</table>

Table 3 and Figure 1 reveal a positive association between the compensation and organizational commitment (β = 0.19; p = 0.02) thereby H1 was supported. In addition, significant and positive connection was identify between training and development and organizational commitment (β = 0.25; p = 0.00) thereby H2 was supported. The finding showed that manager support had a significant relationship with organizational commitment (β = 0.19; p < 0.00), thus H3 was supported.

Furthermore, product indicator approach was applied in this study to examine the moderating effect of co-worker support on the association between compensation, training and development, manager support and organizational commitment (Helm, Eggert, & Garnefeld, 2010). Figure 2 shows the moderating effect of co-worker support on the relationship between compensation and organizational commitment (β = 0.24; p < 0.00), which indicates a stronger positive relationship between compensation and organizational commitment. Thus, H4 was supported.

Figure 2: Interaction effect of compensation on and organizational commitment

Hypothesis 5 predicted that co-worker support moderates the relationship between training and development and organizational commitment. The result (β = 0.18; p <0.02) showed that prediction was supported.
Similarly, the results of structural model showed a support for hypothesis 6, the result ($\beta = 0.46; p < 0.00$) showed statistical significance. Figure 4 shows the moderating effect of co-worker support on the relationship between manager support and organizational commitment, which indicates a stronger positive relationship between manager support and organizational commitment for hotel industry with high co-worker support than for hotel industry with low co-worker support. Furthermore, the $R^2$ value was 0.21 which suggest that the modelled variables can explain 21% of the variance of the organizational commitment.

**CONCLUSION**

This study aimed to probe the influence of compensation, training and development, manager support over the organizational commitment of hotel employees in Malaysia. The outcomes in current study showed imperative association between the compensation and organizational commitment. The outcome of the present study also validated that there is imperative connection between the compensation and organizational commitment. The finding of the current study also in line with prior studies such as (Ahmad, Bibi and Majid, 2016; Chiang & Birtch, 2010; Sangaran & Jeetesh, 2015). The notion of the social exchange theory (SET) also
enlightened that when organization provide adequate support for the benefit of the hotel employee, they responded in positive feedback toward organization (Tansky & Cohen, 2001).

The outcome of the current study also validated that there is significant association between training and development and organizational commitment. The outcomes are consistent with the finding of previous research (Al-Emadi & Marquardt, 2007). Training helps to develop and improve the skills and knowledge for their job. Thus it indicates that retention of employees has become a strategic issue in today’s rapidly developing global market for gaining a sustainable competitive advantage. In order to retain the employees, hotel managements are proposed to provide adequate training opportunities to improve their skill and cope with new technological changes. SET also support the verdicts, according to which if staff received support from organization in result they feel motivated and it enhance their commitment level toward their organization (Newman et al., 2011).

The outcome of this study also validated that there is imperative association between the manager support and organizational commitment. The result also in line with Herold, Fedor, Caldwell, and Liu (2008), suggesting that if employee received adequate support from the managers, in return employee will shows positive behavior toward their organization. Thus, manager support is one of the main prominent factors which influence the employee commitment. This notion is also supported by SET, that when supervisor show support to their employee, they will respond in positive behavior (Tansky & Cohen, 2001).

The outcome of PLS structural Modeling revealed that co-worker support moderates the relationship between the compensation and organizational commitment. The statistical outcome shows that hypothesis H4 was supported. The present result also shows that when co-workers are supportive and encouraging it affects the organizational commitment. Moreover, the findings have also pointed the idea that fair compensation fosters individual commitment and when the co-workers also facilitate, the employees feel more obliged, honored and thus results in enhancing their commitment levels.

The hypothesis H5 stated that co-worker support moderates the relationship between training and development and organizational commitment. The empirical results shows that hypothesis H5 was supported. Some prior researchers argued that co-worker support play vital role in organizational commitment, sharing their ideas, and providing coaching practices (Zhou & George, 2001). The current study outcome supports the previous studies outcome. One of the possible reasons might be that the co-worker in the training section may supportive in the hotel industry in Malaysia.

Similarly, the interaction effect of co-worker support on the relationship between manager support and organizational commitment indicates a stronger positive relationship between manager support and organizational commitment for hotel employee with high co-worker support than for hotel employee with low co-worker support. This means that co-worker support plays vital role in enhancing the organizational commitment, and indicated that when employee receives adequate support from the supervisor as well from the co-worker in the organization, it helps to enhance the commitment level of the employee especially in the hotel sectors. The present result also shows that when co-workers are supportive and encouraging it affects the organizational commitment. Therefore, it shows that co-worker support not only boosts the morale of employee in hotel sectors but it also helps to improve the overall performance of the organization.

**Implications**

On the evidence of above results, there are couple of suggestions and implications for HR department and administration of hotel industry. Theoretically, the findings of the current study also add to the literature on the above relationship (i.e compensation, training and development, manager support, and organizational commitment).

One of the main theoretical contributions of the present study is in the introduction of co-worker support as a moderating variable to better explain and understand the relationship between the compensation, training and development, manager support, and organizational commitment. The research findings validated the notion that these factors are of utmost significance in increasing organizational commitment among employees, which covers the practical importance of the study for the hotel management and administration.

Moreover, HR department and administration should also understand the moderating effect of co-worker support on the relationship of compensation, training and development, manager support, and organizational...
commitment. In every organization each employee has partners who perform their task at same level in the organization. Thus, co-worker support is important and play vital role in the employees commitment. It indicates that when employee receives adequate compensation, proper training programs and supportive supervisor as well support from co-workers, they are committed to the organization. Thus, it may contribute to managerial decisions process in relation to hotel employee commitment strategy.

**Limitations and suggestions for future research**

Firstly, the sample in this study only consists of star rating hotels (i.e. 3-star, 4-star and 5-star). Therefore, future research can collect data from other hotels regardless of their star ratings. This may result in a comparison between different hotels with different star ratings. Secondly, the outcomes may be limited to hotel business only. The further investigation is also suggested into the other areas such as airlines, hospital and banks.

And final, this study reported R² values of 21% of the variance of the organizational commitment, suggesting that training and development, compensation and manager support are not the only predictors of organizational commitment. Therefore, future studies should incorporate some other variables such as job satisfaction and organizational culture could be examined in detail.

**REFERENCES**


