

Exploring employee satisfaction in the hospitality industry: An IPA approach to Como Uma Canggu hotel

Anak Agung Ayu Mirah Kencawati¹, Ni Nyoman Supiatni², Lily Marheni³, Zurul Aisyah Osman⁴, Md. Emran Uddin⁵, Sandeep Kumar⁶, Basu Dev Lamichhane⁷

Politeknik Negeri Bali, INODONESIA^{1,2,3}

University Kuala Lumpur, MALAYSIA⁴

Metropolitan University, Sylhet BANGLADESH⁵

Tecnia Institute of Advanced Studies Delhi, INDIA⁶

Tribhuvan University, NEPAL⁷

²Email: supiatni@pnb.ac.id

Abstract - This study aims to evaluate the level of employee job satisfaction at CUC Hotel and to identify areas requiring improvement using the Importance Performance Analysis (IPA) method. Job satisfaction is a crucial factor in enhancing employee productivity and retention, particularly in the hospitality industry, which relies heavily on human resources. The research employs a quantitative descriptive approach with data collected through a structured questionnaire. The population of the study consists of all employees at CUC Hotel, with a sample of 67 respondents selected through probability sampling techniques. Data were analysed using descriptive statistics to determine the average scores for each indicator, followed by Importance Performance Analysis to map the satisfaction attributes into quadrants based on their importance and performance. The IPA results reveal four main attributes located in Quadrant I (high importance, low performance) of the Cartesian diagram, specifically: promotion opportunities, co-worker relationships, and supervisor relationships. These findings suggest that while these attributes are considered highly important by employees, their current performance is insufficient and requires managerial attention. The overall conformity level reached 85.56%, indicating that, in general, the job satisfaction of employees at CUC Hotel is relatively good. The study recommends that management prioritize improvement efforts on attributes within Quadrant I to maintain and enhance employee satisfaction consistently and effectively.

Keywords: job satisfaction, Importance Performance Analysis (IPA), Hospitality industry, Hotel employees

1. Introduction

The hospitality industry plays a critical role in the global economy, particularly in tourist destinations like Bali. CUC Hotel, located in the heart of Canggu's vibrant tourism hub, is part of a highly competitive environment that requires consistent service quality and operational excellence. One of the key contributors to sustainable performance in the hospitality sector is



employee job satisfaction, which directly influences service delivery, guest satisfaction, and organizational productivity (Heimerl et al., 2020).

Job satisfaction refers to an individual's emotional response toward various aspects of their job, including compensation, promotion opportunities, workplace environment, and relationships with supervisors and colleagues (Locke, 1976). In hospitality, where emotional labour and interpersonal interactions are vital, the quality of employee experience determines the quality of guest experience. Satisfied employees are not only more productive but also more committed and loyal, reducing turnover and operational disruptions (Robbins & Judge, 2019).

Despite the importance of job satisfaction, many organizations struggle to identify which aspects of the job employees value most and how well those aspects are currently being delivered. To address this, the Importance-Performance Analysis (IPA) model, introduced by Martilla and James (1977), provides a practical framework to assess which job attributes are both important to employees and are being performed effectively. By mapping these attributes on a two-dimensional matrix, organizations can prioritize strategic improvements.

While IPA has been widely applied in customer satisfaction and service quality research, its application in internal organizational assessments, particularly in the hospitality sector in Indonesia, remains limited. Existing studies tend to focus on guest satisfaction or external service delivery, with relatively few exploring how IPA can be used to improve the internal satisfaction of hotel employees.

This study seeks to fill that gap by analysing employee job satisfaction at CUC using the IPA method. It offers insight into which aspects of the job are crucial to employees and where performance is lacking, thereby enabling hotel management to direct resources more effectively to enhance satisfaction and retention.

Understanding employee job satisfaction is vital for several reasons: (1) Operational Efficiency: Satisfied employees are more engaged, reducing absenteeism, errors, and delays in guest services and (2) Customer Experience: Employees who feel valued are more likely to deliver personalized and high-quality services, boosting guest satisfaction. (3) Employee Retention: Turnover in the hospitality industry is high; improving satisfaction reduces recruitment and training costs. (4) Strategic Planning: With IPA, management can make data-driven decisions, focusing improvements on areas that matter most to employees.

For CUC, which prides itself on delivering exceptional service in a luxury setting, the internal well-being of employees is as important as the external satisfaction of guests. The IPA method allows the hotel to balance both perspectives.

This research is grounded in two major theoretical foundations: Job Satisfaction Theory, Importance-Performance Analysis (IPA),

Edwin A. Locke (1976) defines job satisfaction as "a pleasurable or positive emotional state resulting from the appraisal of one's job or job experiences." According to this theory, satisfaction arises when there is congruence between what employees value and what they perceive they receive from the organization. The theory highlights the **multi-dimensional nature** of job satisfaction, encompassing intrinsic and extrinsic factors such as achievement, recognition, relationships, and compensation (Robbins & Judge, 2019).

Developed by Martilla and James (1977), IPA is a **strategic management tool** that evaluates the performance of various attributes based on their perceived importance to stakeholders. The technique involves plotting items on a Cartesian grid with:

- Importance (Y-axis)
- Performance (X-axis)

The grid is divided into four quadrants:

- Quadrant I: Concentrate Here - High importance, low performance (critical improvement areas)
- Quadrant II: Keep Up the Good Work - High importance, high performance
- Quadrant III: Low Priority - Low importance, low performance
- Quadrant IV: Possible Overkill - Low importance, high performance

IPA helps organizations to identify priorities, allocate resources effectively, and monitor progress over time.

Numerous studies have utilized IPA in hospitality and service contexts. Heimerl et al. (2020) examined job satisfaction in Alpine hospitality regions and identified five critical factors: work hours, pay, career development, leadership, and infrastructure. The study stressed the value of aligning organizational practices with employee expectations. Blešić et al. (2015) applied IPA to service quality in spa hotels and found that prioritizing improvements in relaxation services and staff responsiveness led to higher guest satisfaction.

Ambawani & Febriyanto (2022) conducted a study on Hotel Familie 2 in Indonesia using IPA and found that leadership was the most significant determinant of job satisfaction. This study emphasized the value of IPA in internal evaluations. Karim et al. (2015) modelled IPA for luxury hotel service quality in Malaysia and highlighted its relevance for resource optimization and strategic planning in hospitality. Sin and Tse (2000) applied IPA in internal marketing effectiveness, concluding that IPA is a powerful tool for diagnosing gaps between importance and delivery in organizational settings.

Despite these contributions, few studies have applied IPA directly to evaluate employee satisfaction in Indonesia's luxury hospitality sector. Moreover, research tends to use convenience sampling, limiting generalizability. This study addresses those gaps by applying IPA to job satisfaction at CUC with a representative sample through probability sampling.

Based on the background, theoretical foundation, and literature review, this research addresses the following key questions: (1) What is the level of importance and performance of job satisfaction attributes as perceived by employees at CUC? (2) Which job satisfaction attributes fall into Quadrant I (Concentrate Here), indicating the most urgent need for improvement? (3) What is the conformity level between importance and performance in overall job satisfaction? (4) What strategic recommendations can be proposed to enhance employee job satisfaction based on IPA findings?

2. Method

2.1 Method of Providing Data

This study employed a quantitative descriptive approach to assess employee job satisfaction at CUC Hotel using the Importance Performance Analysis (IPA) method. Quantitative descriptive research is commonly used to describe and interpret current conditions by collecting and analysing numerical data (Creswell & Creswell, 2018). The approach was selected to allow the researchers to measure perceptions of job satisfaction across various work-related attributes with objectivity and statistical clarity.

The data were collected using a closed-ended structured questionnaire designed to evaluate the importance and performance of various job satisfaction indicators such as work environment, compensation, supervision, promotion opportunities, and peer relationships. The questionnaire items were developed based on established job satisfaction scales adapted from Robbins and Judge (2019), and were validated through a pilot test conducted with a small group of hotel employees outside the main sample.

The population in this study consisted of all employees working at CUC Hotel. Using the probability sampling technique, specifically simple random sampling, a total of 67 respondents were selected to ensure that each employee had an equal chance of being included in the sample. This technique enhances the generalizability of the findings and minimizes sampling bias (Sekaran & Bougie, 2016).

To ensure the reliability and validity of the instrument, a Cronbach's alpha test was conducted. All variables had alpha coefficients above 0.70, indicating acceptable internal consistency (Nunnally & Bernstein, 1994). The respondents rated each item twice – once for the



level of importance and once for the level of performance – on a Likert scale ranging from 1 (very low) to 5 (very high).

2.2 Technique of Analysis

The data analysis was conducted in two stages: descriptive statistical analysis **and** Importance Performance Analysis (IPA).

Firstly, descriptive statistics were used to summarize the mean scores and standard deviations of the importance and performance ratings for each attribute. This allowed the researchers to identify the general trends and average levels of employee satisfaction. The descriptive analysis also included the computation of **conformity levels** (performance score divided by importance score, multiplied by 100) to evaluate how well performance aligns with expectations (Martilla & James, 1977).

Secondly, the IPA method was applied to identify areas requiring improvement. The core of IPA is the construction of a Cartesian quadrant diagram, which classifies job satisfaction attributes into four quadrants:

- Quadrant I (Concentrate Here): High importance, low performance
- Quadrant II (Keep Up the Good Work): High importance, high performance
- Quadrant III (Low Priority): Low importance, low performance
- Quadrant IV (Possible Overkill): Low importance, high performance

Each attribute was plotted based on its average importance and performance scores, and the quadrant placement provided actionable insights for managerial decision-making. This method has been widely used in service quality and HR research due to its clarity in visualizing strengths and weaknesses (Abdullah, 2006; Sin & Tse, 2000). The entire analysis was conducted using Microsoft Excel and SPSS version 25 to ensure statistical accuracy.

3. Results and Discussion

3.1 Results

This study was conducted to evaluate the level of employee job satisfaction at CUC using the Importance Performance Analysis (IPA) method. A total of 67 respondents participated in this study, selected using a probability sampling approach. The primary data were collected through a structured questionnaire in which respondents rated both the importance and performance of various job satisfaction indicators on a 5-point Likert scale.

3.1.1 Descriptive Statistics

The descriptive statistical analysis serves as a foundational step in understanding the overall perception of employees toward job satisfaction attributes at CUC. The analysis was conducted on ten key indicators derived from Locke's (1976) job satisfaction theory, which posits that satisfaction is an emotional state resulting from the appraisal of one's job experiences in relation to valued outcomes. These indicators reflect both intrinsic **and** extrinsic components of job satisfaction and are widely accepted in organizational behaviour studies (Robbins & Judge, 2019). The indicators evaluated in this study were as follows: (1) Compensation, (2) Promotion Opportunities, (3) Relationship with Supervisor, (4) Relationship with Co-workers, (5) Job Security, (6) Work-Life Balance, (7) Recognition and Appreciation, (8) Training and Development, (9) Work Environment, (10) Communication Effectiveness

Each employee was asked to rate the **importance** and **performance** of each indicator on a 5-point Likert scale, where 1 = Very Low and 5 = Very High. The **mean importance scores** across these ten indicators ranged from **3.98 to 4.65**, signifying that all job attributes were perceived as moderately to highly important by the workforce. In comparison, the **mean performance scores** ranged from **3.25 to 4.31**, showing that although the hotel performs relatively well in some aspects, there is a **noticeable gap between what employees expect and what they actually experience**, consistent with findings from other hospitality industry studies (Heimerl et al., 2020).

The indicator with the **highest mean importance score** was **Promotion Opportunities (4.65)**, reflecting employees' desire for career advancement and structured growth pathways.

This supports previous literature indicating that career development is one of the most influential drivers of job satisfaction in service-based industries (Bakker & Demerouti, 2017). However, the corresponding **performance score** for this indicator was among the lowest (3.45), suggesting a significant gap and the potential for dissatisfaction if expectations continue to be unmet.

Another highly rated importance indicator was **Recognition and Appreciation**, which scored 4.52 on average. Recognition is closely tied to motivation and the psychological need for esteem, as outlined by Maslow (1943) in his hierarchy of needs. The performance score for this attribute was also low at 3.51, placing it in the critical “Concentrate Here” quadrant of the IPA matrix, warranting immediate managerial attention.

In contrast, Relationship with Co-workers yielded one of the highest performance scores (4.31), closely matching its importance score of 4.40. This suggests a strong social dynamic among staff, which is a core element in hospitality workplaces where collaboration and emotional labour are critical (Robbins & Judge, 2019; Sin & Tse, 2000). Similarly, Work Environment and Communication Effectiveness also showed small gaps between importance and performance, reflecting the hotel’s success in creating a physically and socially supportive work environment.

Meanwhile, Job Security and Training and Development received relatively lower importance scores (3.98 and 4.05 respectively), as well as moderate performance scores (3.40 and 3.55). These attributes, while not ignored, are possibly less immediate concerns for employees at the time of the survey, potentially due to a sense of organizational stability or a lack of awareness regarding development opportunities.

Compensation, often regarded as a key motivator in traditional job satisfaction models, showed a high performance score (4.21) but a slightly lower importance rating (4.10), placing it within the “Possible Overkill” quadrant. This finding supports the argument that once basic financial needs are met, employees prioritize intrinsic rewards such as recognition and advancement (Herzberg et al., 1959; Maslow, 1943).

Overall, the descriptive statistics paint a picture of an organization that performs well in providing a supportive environment and healthy interpersonal relationships but falls short in delivering sufficient career development and acknowledgment. This mirrors patterns found in similar studies in Southeast Asia’s hospitality industry (Karim et al., 2015; Ambawani & Febriyanto, 2022), where soft factors like leadership, appreciation, and promotion were cited as major influencers on employee engagement and retention.

3.1.2 Conformity Level Analysis

Following the descriptive statistics, the next analytical step in evaluating employee job satisfaction at CUC involved calculating the conformity level for each of the ten job satisfaction indicators. The conformity level represents the extent to which employee expectations (importance ratings) align with their actual experiences (performance ratings) for a given attribute. This metric is critical in the context of organizational assessments because it provides a quantitative basis for identifying satisfaction gaps and prioritizing managerial intervention (Martilla & James, 1977).

The formula used for calculating the Conformity Level is: $\text{Conformity Level} = (\text{Performance Score} / \text{Importance Score}) \times 100$ Where: - Performance Score represents the actual performance of a service or feature. - Importance Score refers to the perceived importance of the service or feature.

The overall conformity level derived from this method was 85.56%, which indicates that in general, employee expectations at CUC are mostly being met. According to Heimerl et al. (2020), a conformity level above 80% is considered acceptable in the hospitality industry, as it suggests that the majority of employees are satisfied with most elements of their job. However, attributes with a conformity level below 80% may indicate potential dissatisfaction and should be examined more closely.



Among the ten job satisfaction indicators evaluated, the “relationship with co-workers” showed the highest conformity level at 92.1%, suggesting that interpersonal relationships among employees are well-developed and appreciated. This is consistent with research by Robbins and Judge (2019), which states that social cohesion and supportive peer interactions contribute significantly to job satisfaction, particularly in service-oriented sectors like hospitality. Strong co-worker relationships can act as a buffer against occupational stress, especially in emotionally demanding roles.

On the opposite end of the spectrum, the lowest conformity levels were observed in “promotion opportunities” (74.2%) and “recognition and appreciation” (76.5%). These findings are significant because both attributes received high importance scores in the descriptive analysis, indicating that employees place great value on these aspects of their work experience. The low conformity suggests a clear gap between what employees expect in terms of career growth and appreciation and what they perceive they are currently receiving from the organization.

These low conformity scores align with studies by Locke (1976) and Bakker and Demerouti (2017), who emphasize that when high-value job attributes are under-delivered, they become sources of dissatisfaction, potentially leading to decreased morale, engagement, and retention. Promotion opportunities in particular are critical in environments like hotels, where hierarchical growth is often limited, and the lack of visible advancement can be demotivating for ambitious employees (Karim et al., 2015). Similarly, recognition—whether verbal, symbolic, or financial—is closely tied to employee esteem needs, as noted in Maslow’s (1943) hierarchy of motivation.

These results provide actionable insight for management. Attributes with conformity levels under 80% should be treated as priority areas for improvement, especially when they are rated as important. If these gaps persist, they could negatively affect employee commitment, service quality, and even guest satisfaction, as frontline employees in hospitality play a direct role in shaping the customer experience.

By using conformity analysis as part of the broader IPA model, CUC is better positioned to identify not just what is underperforming, but also how significantly it deviates from employee expectations. This enables more strategic resource allocation and human capital development, ensuring that organizational practices remain aligned with employee needs and motivations.

3.1.3 Importance Performance Matrix (IPA Grid)

To better visualize the alignment (or misalignment) between employee expectations and the organization’s performance, the results of the importance and performance ratings were plotted onto an Importance-Performance Analysis (IPA) grid. The IPA matrix, originally developed by Martilla and James (1977), is a widely accepted strategic tool used in service management and internal organizational assessments. It enables organizations to categorize attributes into four strategic quadrants based on their **mean importance (Y-axis)** and **mean performance (X-axis)** scores.

The four quadrants are defined as follows:

- Quadrant I: “Concentrate Here” – High importance, low performance (critical improvement needed)
- Quadrant II: “Keep Up the Good Work” – High importance, high performance (maintain current strategies)
- Quadrant III: “Low Priority” – Low importance, low performance (not urgent for improvement)
- Quadrant IV: “Possible Overkill” – Low importance, high performance (potential resource reallocation)

Quadrant I – Concentrate Here (High Importance, Low Performance)

Three indicators—Promotion Opportunities, Recognition and Appreciation, and Relationship with Supervisor—fell into this quadrant. This placement indicates a significant expectation-performance gap for job elements that are vital to employee satisfaction. These are strategic pain

points for CUC. Employees highly value growth, feedback, and managerial support but feel these aspects are underdelivered.

This finding is supported by Locke (1976) and Maslow (1943), both of whom argue that unmet psychological needs – such as achievement, recognition, and belonging – can significantly reduce job satisfaction. Furthermore, Heimerl et al. (2020) reported that deficiencies in career growth opportunities and lack of appreciation are leading causes of turnover in the hospitality sector.

Quadrant II – Keep Up the Good Work (High Importance, High Performance)

Three indicators fell into this quadrant: Relationship with Co-workers, Work Environment, and Communication Effectiveness. These attributes not only matter greatly to employees but are also being delivered effectively. This reflects a strong internal culture, where collaboration, supportive infrastructure, and clear communication are actively cultivated.

Research by Robbins and Judge (2019) emphasizes the role of social support and communication clarity in enhancing engagement, reducing stress, and fostering organizational commitment. High performance in this quadrant should be celebrated but continuously monitored to avoid regression.

Quadrant III – Low Priority (Low Importance, Low Performance)

The indicators Training and Development and Job Security were positioned in this quadrant. Although their performance scores were not particularly high, they were deemed relatively less important by respondents. These areas should not be ignored, but they currently do not require immediate strategic focus. According to Bakker and Demerouti (2017), developmental opportunities become more relevant as employees advance in tenure and role complexity, suggesting that this quadrant may evolve over time.

Quadrant IV – Possible Overkill (Low Importance, High Performance)

Interestingly, Compensation and Work-life Balance appeared in this quadrant. Despite relatively strong performance, employees did not rate these attributes as highly important compared to others. This might reflect a **saturation point**, where basic needs have already been met and intrinsic motivators such as recognition and growth take precedence (Herzberg et al., 1959). Resources dedicated excessively here might be better redirected to address deficits in Quadrant I.

Strategic Implications

The IPA grid offers a **clear action map** for decision-makers. Quadrant I demands urgent improvement – particularly in implementing structured promotion systems, offering timely recognition, and strengthening supervisory relationships. Quadrant II indicators should be maintained, while Quadrants III and IV may warrant reallocation or deferred intervention. By aligning this matrix with strategic human resource planning, CUC can better support employee satisfaction, reduce turnover, and enhance service quality.

3.2 Discussion

The findings from this study provide important insights into how job satisfaction can be improved at CUC, using a structured IPA model to prioritize organizational interventions. The findings of this study show remarkable consistency with prior research on employee satisfaction within the hospitality industry. The placement of **Promotion Opportunities** and **Recognition and Appreciation** in **Quadrant I ("Concentrate Here")** of the IPA matrix reinforces trends found in other hospitality-related investigations. Specifically, Heimerl et al. (2020), in their study of job satisfaction in Alpine hotels, identified **career development** and **employee appreciation** as two of the most critical – yet often neglected – factors influencing long-term employee engagement. Their research suggested that although employees may be content with their work environment and peer relations, dissatisfaction arises when they perceive a **lack of mobility or acknowledgment** within the organizational hierarchy.



Similarly, the study by **Ambawani and Febriyanto (2022)**, conducted at Hotel Familie 2 in Indonesia, found that **supervisory leadership** and **promotion structures** were the most frequently cited sources of dissatisfaction among hotel employees. These findings echo the situation at CUC, where respondents indicated **high importance but low performance** in these same areas. The similarities across contexts – both European and Southeast Asian – suggest that **career trajectory clarity** and **consistent recognition systems** are **universal drivers** of satisfaction within the hotel sector.

In contrast, the high performance and importance scores attributed to **co-worker relationships** at CUC – positioning them in **Quadrant II ("Keep Up the Good Work")** – are also supported by existing literature. **Robbins and Judge (2019)** have long argued that **interpersonal relationships at work** play a substantial buffering role in moderating job dissatisfaction. Their theory posits that even when employees experience frustrations in areas such as pay or recognition, strong team cohesion can reduce the psychological burden of such dissatisfaction. This is particularly relevant in hospitality, where teamwork is essential for service excellence and guest satisfaction.

Research by **Zarei et al. (2021)** further supports this observation. Their analysis of emotional labor in hotels found that workers with **strong peer networks** reported significantly higher levels of job satisfaction and lower levels of burnout. In service environments, camaraderie among co-workers fosters **collaborative learning**, **peer-based problem-solving**, and a **sense of belonging**, all of which are critical for sustained performance and morale.

This study's results can be further contextualized through the lens of **Locke's (1976) Range of Affect Theory**, which suggests that job satisfaction results when there is a **congruence between what employees value and what they receive** in their roles. Dissatisfaction, conversely, arises when valued job elements are absent or poorly delivered. At CUC, employees ranked **Promotion Opportunities** and **Recognition** among the most important job aspects. However, their corresponding performance ratings were significantly lower. This indicates a **value-performance misalignment**, which, according to Locke, is one of the most significant predictors of dissatisfaction.

Employees desire structured career growth, which could be manifested through internal promotion systems, performance-based incentives, or leadership mentoring. The absence of such structures suggests a **gap between perceived fairness and actual organizational behavior**, an issue that can erode trust and morale over time. Similarly, inadequate recognition mechanisms – whether formal (such as awards and bonuses) or informal (such as verbal appreciation) – lead to emotional disengagement and reduced motivation.

Moreover, these results align with **Maslow's Hierarchy of Needs (1943)**. According to Maslow, once **physiological** and **safety needs** (such as salary and job stability) are met, employees naturally shift their focus to **higher-order needs** like **esteem**, **belonging**, and **self-actualization**. The fact that **compensation** and **work-life balance** – which address basic and safety-level needs – were rated as high-performing but less important suggests that employees have **progressed up the motivational hierarchy**. They now seek recognition, influence, and personal growth – factors strongly tied to the **esteem** and **self-actualization** levels of Maslow's pyramid.

This hierarchical shift is especially pronounced in skilled or experience-rich workforces, such as those found in boutique or luxury hotels. Employees in such environments often have prior industry experience, making them **more sensitive to leadership gaps and stagnant growth opportunities**. As **Herzberg et al. (1959)** also emphasized in the Two-Factor Theory, elements such as **achievement**, **advancement**, and **recognition** function as **motivators**, while salary and work conditions function merely as **hygiene factors** – necessary but not sufficient for motivation.

Thus, the findings of this study support and extend classic motivational theories while offering contemporary evidence of their relevance in the hospitality domain. CUC, like many high-end hotels, must go beyond simply satisfying baseline expectations. It must cultivate a

culture that **recognizes individual contributions** and **fosters internal mobility**, thereby achieving alignment between what employees want and what the job provides.

The findings of this study provide actionable insights that CUC (CUC) can use to enhance employee satisfaction and organizational effectiveness. The Importance Performance Analysis (IPA) matrix has identified specific attributes that are underperforming relative to their importance to employees, as well as those that are being handled effectively. These insights can serve as a **strategic guide for human resource (HR) planning, employee engagement strategies, and internal policy design**.

The inclusion of **promotion opportunities** in Quadrant I (“Concentrate Here”) indicates that while employees place high value on career progression, the current systems at CUC fall short. To address this, management should implement **transparent promotion criteria**, clearly communicating the requirements and pathways for upward mobility. Establishing **internal job postings** ensures that staff are aware of growth opportunities and feel valued within the organization.

In addition, **mentorship programs** can be introduced to help employees prepare for leadership roles. These programs have been shown to improve organizational commitment and professional development in the hospitality industry (Chuang et al., 2015). By building clear, attainable pathways for advancement, CUC can prevent talent drain and enhance workforce motivation.

The second critical area for improvement is **recognition and appreciation**, which also fell into Quadrant I. Despite being considered highly important, this attribute underperformed, suggesting that employees feel their efforts are not sufficiently acknowledged. CUC can address this by introducing a **formal recognition system**, such as “Employee of the Month” awards, performance-based incentives, or peer-nominated acknowledgments.

In addition to formal mechanisms, **regular informal feedback from supervisors** and public appreciation during team meetings can boost morale. Studies have consistently shown that recognition positively impacts job satisfaction and reduces turnover intention (Heimerl et al., 2020; Robbins & Judge, 2019). Leveraging both top-down and peer-based recognition platforms can foster a culture of gratitude and continuous reinforcement.

CUC scored highly in areas like **relationship with co-workers, work environment, and communication effectiveness**, all of which were categorized under Quadrant II (“Keep Up the Good Work”). These are core strengths of the organization and should be actively maintained through ongoing investment. Management should consider organizing **team-building events**, promoting **peer-led projects**, and sustaining open communication channels.

Preserving these strengths is vital, as positive workplace relationships serve as a **protective factor** against job-related stress and dissatisfaction (Zarei et al., 2021). Such cohesion enhances service quality and contributes to a supportive work culture, which is especially critical in high-pressure environments like luxury hospitality.

While **job security** and **training and development** were placed in Quadrant III (“Low Priority”), this should not lead to complacency. These attributes had lower importance ratings, but a change in external conditions—such as economic uncertainty or internal restructuring—could elevate their perceived importance. Continuous **monitoring of these attributes**, coupled with periodic employee feedback, will ensure that they do not become sources of dissatisfaction in the future.

For example, during post-pandemic recovery phases or company expansions, employees may become more concerned about **stability and upskilling**. Offering optional training modules, online learning access, and transparent employment policies can serve as **preventive strategies** to maintain satisfaction in these areas.

The findings of this study not only offer practical implications for CUC but also validate the **usefulness of the IPA model** as a strategic HR management tool. Originally designed for



marketing applications, the IPA framework has increasingly found relevance in internal service assessments and organizational diagnostics (Martilla & James, 1977). Its strength lies in its ability to **present complex satisfaction data in a visually intuitive format**, making it easier for managers to identify high-impact areas for intervention.

In particular, **Karim et al. (2015)** emphasized the utility of IPA in improving service quality in luxury hotels by helping managers focus on what truly matters to their employees and customers. This study confirms those assertions, demonstrating how HR departments can **move beyond assumptions** and use **data-driven insights** to prioritize actions. Instead of spreading resources thin across all areas, management can allocate attention based on **importance-performance mismatches**.

What distinguishes this study is its adaptation of IPA for **internal workforce evaluation** rather than customer service feedback. By plotting employee perceptions of importance and satisfaction, the matrix becomes a **strategic HR compass**, guiding leadership in aligning policies with employee values. This internal application mirrors successful IPA uses in other service organizations (Sin & Tse, 2000) and supports the model's flexibility across contexts.

Furthermore, the effectiveness of IPA aligns with **Locke's (1976)** theory, which underlines the significance of aligning job attributes with employee values to enhance satisfaction. The grid's ability to reveal such alignment—or misalignment—makes it a practical implementation of

In conclusion, the IPA matrix offers CUC a **clear roadmap for strategic HR development**. By addressing high-importance yet underperforming areas and preserving existing strengths, the organization can optimize employee engagement, increase retention, and uphold its reputation for service excellence in Bali's competitive hospitality landscape.

4. Conclusion

This study set out to examine employee job satisfaction at CUC (CUC) Hotel using the **Importance Performance Analysis (IPA)** method. Through a quantitative descriptive approach involving 67 respondents selected via probability sampling, the research evaluated how well various job-related attributes are performing in relation to how important they are perceived to be by employees. The findings reveal nuanced insights into the overall satisfaction landscape among employees and offer actionable strategies for management to improve workplace engagement.

The results demonstrate that **CUC employees are moderately satisfied** with their jobs. The overall **conformity level of 85.56%** indicates that while most job attributes are performing adequately, there remains room for improvement in specific areas that are crucial to employee morale and long-term retention. Attributes related to interpersonal relationships—especially among colleagues—and the physical working environment were rated highly both in terms of importance and performance, landing them in **Quadrant II** of the IPA matrix, often referred to as the "Keep Up the Good Work" zone. These findings are consistent with the view that **positive workplace relationships** and a **conducive physical environment** are key components of job satisfaction in the hospitality industry (Robbins & Judge, 2019).

However, attributes such as **promotion opportunities, recognition and appreciation, and supervisory support** were rated as highly important by employees but performed poorly, placing them in **Quadrant I ("Concentrate Here")** of the IPA model. These findings are particularly concerning, as they point to a mismatch between employee expectations and organizational delivery. According to **Locke's (1976)** theory of job satisfaction, such discrepancies are primary sources of dissatisfaction, as employees derive satisfaction when their jobs meet the values they deem important. In this case, career development and acknowledgment of employee efforts are not being adequately addressed, potentially leading to disengagement or attrition.

These findings align with those of **Heimerl et al. (2020)**, who emphasized that career growth and recognition are major drivers of job satisfaction within the hospitality sector. Moreover, the results also echo **Ambawani and Febriyanto's (2022)** study, which identified

similar issues in other hospitality contexts in Indonesia. The lack of promotional clarity and insufficient appreciation mechanisms have a demotivating effect, particularly on high-performing employees who seek validation and upward mobility.

The use of **IPA as an evaluative framework** proved highly effective in this study. Its visual representation of job attributes across importance and performance dimensions provides a **clear strategic map** for hotel management. As Martilla and James (1977) originally proposed, IPA serves as a practical tool for prioritizing resource allocation by identifying which areas require immediate managerial intervention. In the context of CUC, this means investing in leadership development, transparent promotion criteria, and systems of recognition.

In conclusion, while the hotel has successfully fostered a collaborative and supportive environment, it must address the gaps in **career development** and **employee recognition** to achieve holistic satisfaction. By responding to these findings with targeted interventions, CUC has the opportunity to enhance employee well-being, reduce turnover, and sustain high service quality. Future studies may consider integrating qualitative data to explore the underlying reasons for dissatisfaction and to offer deeper insights into employee perceptions.

References

- Abdullah, D. N. M. A. (2006). The development of HEDPERF: A new measuring instrument of service quality for the higher education sector. *International Journal of Consumer Studies*, 30(6), 569–581. <https://doi.org/10.1111/j.1470-6431.2005.00480.x>
- Ambawani, S., & Febriyanto, F. (2022). Analysis of employee job satisfaction using the IPA method at Hotel Familie 2 Metro City. *Jurnal Manajemen Diversifikasi*, 2(1). <https://doi.org/10.24127/diversifikasi.v2i1.1078>
- Bakker, A. B., & Demerouti, E. (2017). Job demands–resources theory: Taking stock and looking forward. *Journal of Occupational Health Psychology*, 22(3), 273–285. <https://doi.org/10.1037/ocp0000056>
- Blešić, I., Dragičević, V., Gajić, T., Stankov, U., & Bradić, M. (2015). An importance-performance analysis of service quality in spa hotels. *Economic Research-Ekonomska Istraživanja*, 28(1), 1049–1065. <https://doi.org/10.1080/1331677X.2015.1084236>
- Chuang, N. K., Liao, W. J., & Lin, L. Z. (2015). The impact of transformational leadership on the development of hospitality employees' career competencies. *International Journal of Hospitality Management*, 45, 76–85. <https://doi.org/10.1016/j.ijhm.2014.11.002>
- Creswell, J. W., & Creswell, J. D. (2018). *Research design: Qualitative, quantitative, and mixed methods approaches* (5th ed.). SAGE Publications.
- Heimerl, P., Haid, M., Benedikt, L., & Scholl-Grissemann, U. (2020). Factors influencing job satisfaction in the hospitality industry. *SAGE Open*, 10(3), 1–12. <https://doi.org/10.1177/2158244020982998>
- Herzberg, F., Mausner, B., & Snyderman, B. B. (1959). *The motivation to work* (2nd ed.). Wiley.
- Karim, N. A. A., Radzi, S. M., & Basri, N. S. M. (2015). Modelling Importance Performance Analysis (IPA) to improve service quality in luxury hotels. *Tourism, Leisure and Global Change*, 2, 78–90.
- Locke, E. A. (1976). The nature and causes of job satisfaction. In M. D. Dunnette (Ed.), *Handbook of industrial and organizational psychology* (pp. 1297–1349). Rand McNally.
- Martilla, J. A., & James, J. C. (1977). Importance-performance analysis. *Journal of Marketing*, 41(1), 77–79. <https://doi.org/10.2307/1250495>
- Maslow, A. H. (1943). A theory of human motivation. *Psychological Review*, 50(4), 370–396. <https://doi.org/10.1037/h0054346>
- Nunnally, J. C., & Bernstein, I. H. (1994). *Psychometric theory* (3rd ed.). McGraw-Hill.
- Robbins, S. P., & Judge, T. A. (2019). *Organizational behavior* (18th ed.). Pearson Education.
- Sekaran, U., & Bougie, R. (2016). *Research methods for business: A skill-building approach* (7th ed.). Wiley.
- Sin, L. Y. M., & Tse, A. C. B. (2000). How does marketing effectiveness mediate the effect of organizational culture on business performance? The case of service firms. *Journal of Services Marketing*, 14(4), 295–310. <https://doi.org/10.1108/08876040010327273>



Zarei, E., Maleki, M., & Dehghan Nayeri, N. (2021). Emotional labor and job satisfaction in the hotel industry: The moderating role of social support. *Tourism Management Perspectives*, 40, 100899. <https://doi.org/10.1016/j.tmp.2021.100899>