Underemployment: A Sociological and Policy Analysis of Workers Well-Being in Hospitality Industry in Calabar, Cross River State, Nigeria

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Abstract: The study examined underemployment and the socio-economic well-being of employees in the hospitality firms in Calabar Metropolis, Cross River State Nigeria. Specifically, the study examined the relationship between job underpayment and the over-education of workers and the socio-economic well-being of workers. It was hypothesized that none of them had any significant relationship with the socio-economic well-being of employees. Related literature was reviewed and the theory of Relative deprivation theory was used for the study. Survey research design was adopted and the multi-stage sampling technique was applied to obtain data from the 400 respondents selected using the Taro Yamane’s sampling size determination technique, although the final analysis was based on 356. The instruments for data collection were a 25-item questionnaire and focus group discussion. Generated data were tested using Chi-square. Results of analyses indicated that job underpayment, and the over-education of workers were significantly related to the socio-economic well-being of workers. It was recommended among others that business owners in the hospitality industry should introduce incentives and welfare packages to encourage and motivate workers and also contribute in positively influencing their socio-economic well-being. The government and the stakeholders in the hospitality business should collectively develop ideas, plans, and programs to make the hospitality business strive. It was concluded that, underemployment negatively affects the socio-economic well-being of employees. This result has caused an increase in the need to urgently examine the quality of the jobs that the hospitality industry provides and how it impacts on the overall quality of life of the employees in the hospitality industry.

Keywords: Job underpayment, over-education, socio-economic, well-being and policy

I. INTRODUCTION

Employer-employee relationship has over time experienced several changes ranging from industrial restructuring, work place engineering, outsourcing and downsizing and this has affected the rights, values obligations and expectation of the worker. These changes have resulted in new and varied set of job relations and an employment market that is decentralized, deregulated and transitory. This has made several scholars to start looking into other employment relations without focusing on unemployment as the accurate measure of labour tightness, community resilience and individual well-being (Prause & Dooley, 2011; Wilkins & Wooden, 2011). Several scholars cutting across economists, community psychologists, sociologists, and management scholars have shifted their attention to underemployment; each of them bears a distinct perspective of underemployment’s causes, consequences, and policy implications.

There is growing concern that under-employed workers experience a lack of both adequate social and public policy. Attention and focus is shifting from unemployment as the commonly discussed measure of problems associated with recession towards an acknowledgment of underemployment as an equally important measure. Organizations and businesses have their goals which is majorly profit maximization but let us not forget that the employees’ also have their individual goal of working in that organization. Workers in all organizations desire to work where they feel trusted and respected as well as having the feeling that they are contributing positively to the growth and development of that organization as well as helping them achieve their long and short term goals. This will to a large extent determine the performance of the workers.

Erdogan (2011) argues that in Europe, underemployment is treated as a social problem. Indeed, described as a ‘ticking social time-bomb’, underemployment has also been put on the agenda in Europe. With over nine million people in the European Union considered underemployed and the number of part-time workers...
who consider themselves underemployed more than half the total in some countries (Greece 59 per cent, Latvia 57 per cent, and Spain 49 per cent) the European Commission has admitted that many are inadequately covered by social protection (Erdogan, 2011). Here, the quality of employment is measured on a continuum, with unemployment and full-time, permanent, well-paying employment marking each end (McKee-Ryan & Harvey 2011).

The hospitality industry has been found to be the fastest growing industry in the world and is seen as a means of globalization as it caters for tourists and other travellers that contract businesses from all over the world (Linge, 2012). It covers several sectors like travel agencies, tour operators, transportation, accommodation, food and beverage, and attractions, which require a variety of occupational skills (Kuslivan, 2003). In the international market it is seen as a multi-billion-dollar industry. Kuslivan (2003) argued that the hospitality industry has contributed immensely to the provision of employment in the country. According to The World Travel and Tourism Council (2006), the number of jobs in the Tourism and Hospitality industry was estimated to be over 230 million jobs and over ten percent of the gross domestic product worldwide by 2007. This represents a ratio of 1 in every 11.2 jobs. This figure was estimated to reach 260, 417, 000 jobs or nine percent of total employment in the world by 2011.

It was reported by the council in 2014 in Nigeria, the hospitality sector alone created 883,500 jobs (1.4 percent of the total labour force) and this is expected to grow by 0.6 per cent by 2015 to 888,500 (1.4 percent of the total labour force). This includes jobs in the hotels, travel agents, airlines and other passenger transportation services. And also, the opportunities created by restaurants and leisure establishments directly supported by tourists (WTTC, 2015). The World Travel and Tourism Council (2015), projected that by 2025, the hospitality industry will account for 1,240,000 jobs directly in Nigeria, an increase of 3.4% pa over the next ten years. According to Lockyer (2007), the employees in the hospitality industry are low skilled, flexible (i.e. insecure), and it represents a multi-cultural labour markets and most of its worker have very poor communication skills. He was of the opinion that the hospitality industry had quite a large number of workers engaged on part time basis, who do not have any form of job security but is characterized with few benefits.

Most of these jobs they do in the industry according to Lockyer (2007) are characterized by low wages and little or no social benefits. Lockyer (2007) also maintained that the hospitality industry has a high number of gender segregation. For example, a high percentage of the workers are women comprising of 60 per cent of the total workforce as against the 43 percent in other sectors which has only a few of these women employed at the management level. The purpose of this study is to examine if any, the impact of underemployment on the socio-economic well-being of employees in the hospitality industry.

**Statement of the problem**

With the current economic situation and the increasing rate of unemployment in the society, workers have been forced to take up jobs that they are far overqualified. These jobs are often accompanied by low wages, no job security, little or no welfare packages and this has continue to make poverty to be on the increase, has reduce consumer demands and resulted in low Gross Domestic Product (GDP) of the nation. This reduction in the consumer demand is due to the inadequate income which has made families and individuals that are underemployed unable to buy much. This on the long run results to a low Gross Domestic Product (GDP) of the nation. McKee-Ryan and Harvey (2011) observed that underemployment can result in low pay, and a very high possibility of unemployment in future and accompanying low self-esteem, anxiety, depression, poor physical health, substance abuse and criminal behaviour in the case of frustrated young workers.

According to Maynard and Feldman (2011), underemployment may lead to more careerist attitudes toward work and an increased reliance on non-performance based tactics (such as networking and impression management). The hope of employees developing their skills with on - the - job training looks or becomes impossible because they have taken up low skilled jobs. The younger ones could have the challenge of starting well in their chosen career and this can be associated with the fact that have been compelled to take up jobs that is lower than their skills and educational qualifications which is usually not on the right career track in most cases.

Holding low paid work has different implications for workers in different situations. For some workers, a low paid job may provide a pathway to better work and a good job while for others low paid work is a temporary income supplement to other sources of support while studying. However, for many, low paid work means working poverty, poverty in retirement, long term social exclusion and intergenerational poverty. There are little or no social benefits for employees engaged in this is the same situation in the hospitality firms in Calabar metropolis. It is assumed that the employees in this sector took up jobs with these firms with the hope that over time they would be able to meet their long terms goals.

Underemployment is a social problem and it affects job increase, increases poverty, affects commerce and career development negatively and also the socio economic well-being of underemployed workers. Underemployed workers generally low income earners and this makes the limit the way they spend. This in turn
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has negative effect on business growth, poverty levels, and the underemployed worker's general well-being (Humphrey, 2011). The rising cost of living, limited access to affordable housing, coupled with a shift in the labour market to under-employment and insecure employment, have led to an ever evolving landscape of multidimensional disadvantage for an increasing number of employees. Not much attempts has been made at examining the effect of underemployment of employees in the hospitality industry in Cross River State. This research was therefore undertaken to fill the present knowledge gaps by attempting to answer the following research questions:

1. Does job underpayment affect the socio-economic well-being of workers in the hospitality industry in Calabar Metropolis, Cross River state, Nigeria?
2. What effect does over-education of a worker have on the socio-economic well-being of workers in the hospitality industry in Calabar Metropolis, Cross River state, Nigeria?

Objectives of the study

The general objective of this study was to examine the relationship between underemployment and socio economic well-being of employees in the hospitality industry in Calabar, Cross River State, Nigeria. Specifically, the study sought to:

1. Examine whether job underpayment affects the socio-economic well-being of workers in the hospitality industry in Calabar Metropolis, Cross River state;
2. Determine if over-education of workers influence their socio-economic well-being in the hospitality industry in Calabar Metropolis, Cross River state.

Statement of hypotheses

To achieve the objectives of this study, the following tentative statement are to be validated or invalidated:

1. There is no significant relationship between job underpayment and socio-economic well-being of workers in the hospitality industry in Calabar Metropolis, Cross River state.
2. Over-education of workers is not significantly related to socio-economic well-being of workers in the hospitality industry in Calabar Metropolis, Cross River state.

II. LITERATURE REVIEW

Underemployment and the socio-economic well-being of workers

Several economic conditions like recession have been described as the cause of underemployment, which occurs when there is a drop or weakening in economic activity. Underemployment is believed to be a resultant effect of excess supply of workers without a commiserate demand for labour or where there is downsizing or the invention of technologies that has displaced workers. When there is a recession like the present economic situation in Nigeria, there is excess supply of labour and lower demand for these services because of downsizings and layoffs by company and organizations. This situation makes workers to hire out their labour for lower paying jobs just to make ends meet.

Farber (2008) used the US data to examine job loss and involuntary part time employment and he observed that involuntary part time employment acts as a transitional process that leads to regular full time permanent employment. Underemployment can result in shame and lowered safe esteem and can lead to depression and boredom which has a link to self-destructive behaviour such as increased incidence of alcoholism, drug abuse, aggression towards family members and suicide.

Underemployment can be associated with unpleasant effects on economic outcomes and on measures of subjective well-being and the research carried out by Blender and Skaton (2007) observed evidences of negative effects on wages and on job satisfaction and this according to them is in agreement with several other scholars who believe that underemployment has been associated with a wide range of negative job attitudes and a visible poor socio-economic well-being which include job dissatisfaction which on the long run affects global job satisfaction. Underemployment is usually characterized with low pay, absence of promotional opportunities and lesser organizational commitment on the part of the workers.

Leana and Feldman (1995), for instance, discovered that underemployed workers feel that they have little or no reason to be dedicated to their jobs or to contribute over and above the call of duty. Some of these workers that lost their jobs through downsizing believe that such organizations had dishonoured the agreements they had with them about job security. Underemployment has been a cause of continued job search by low wage earning workers.

Underemployment may have negative spill over effects on individuals' long term attitudes towards work and their careers more generally. For instance, Feldman, Leana and Bolino (2002) found that underemployed college graduates were more disappointed with their job situations, more frustrated by lack of opportunities for advancement and 'more worried about being stuck'. Maynard and Feldman (2011) suggested...
that underemployment may lead to more careerist attitudes toward work and an increased reliance on non-performance-based tactics (such as networking and impression management), he went further to conclude from his study that underemployment is related job satisfaction, organizational commitment, trust in the organization, careerist attitudes towards work, continued job searching.

**Job underpayment and socio-economic well-being of workers**

Underpayment can be defined as a payment that is smaller than needed or expected or the act of paying less than required. It could also mean the act of paying a worker too little for the services he or she rendered. Blender (2007) found evidence of negative effects of wages on job satisfaction. For the worker the highest expectation and component of compensation is salaries and underpaying them can result from unpaid benefits that have accumulated. Underpayment according to Bowen and Finegan (2015) can cause frustration and reduce productivity and on the long-run it can result in the resignation of workers from that company.

Workers who are more satisfied with their jobs are more likely to be productive, perform effectively, and exhibit higher commitment to the organization (Humphrey, 2011). Oshagbemi (2010) observed that increased job satisfaction improves employees’ organizational commitment, their performance and creativity, as well as reduce absenteeism and turn over. The rising cost of living, limited access to affordable housing and the shift in the labour market to underemployment and insecure employment affects the general well-being of the worker. Rewards, which could come in form of compensations, incentives and benefits provides as an addition to regular salary and wages in recognition of the contribution of the worker to the organization but when the worker is neglected, it can be seen as a form of unfairness in the system and can lead to dissatisfaction of the job and this will ultimately lead to reduced commitment by the worker. It is not just enough to pay employees a decent package at the time of joining according to McGuinness (2006), it is pertinent that their salary is revised regularly- that is, there is a strong appraisal system in place.

Incentives like increase in salaries, bonuses and allowances are some ways to encourage and motivate workers. One cannot boldly say that this is the sole factor that makes workers discharge their duties effectively and efficiently but is one necessary factor that should not be taken for granted. Workers who are not paid well are more likely to look for better opportunities. A study of the psychological well-being of underemployed persons by Friedland and Price (2011) found that the various types of underemployment have diverse psychological effects. The study revealed that low-paid workers were at a greater risk of experiencing poor health and depression; underutilized workers experience poor self-esteem; and over-educated workers were likely to experience chronic and mental illnesses and have lower self-esteem.

Moreover, disappointments with pay and promotional opportunities are also likely to be greater in underemployment situations. Underemployment is also frequently associated with lower organizational commitment. When individuals find themselves in positions where they perceive a major difference between the rewards they receive and the rewards they are used to receiving, they are likely to reduce that inequity by psychologically distancing themselves from their employers and lowering their contributions to their organizations because of this feeling of deprivation. Lower wage workers are more likely to work for small businesses and therefore less likely to have access to health insurance paid vacations and sick days. They are also less likely to be allowed to use paid time off.

**Over-education of workers and the socio-economic well-being of workers**

Over-education refers to a situation where workers with very high qualifications are working in a lower capacity than they are qualified for and receiving very lower pay that it not befitting when compared to the number of hours they put in. It also explains how inefficiently the labour force is using its skills, education and experience. Buchel (2000) saw over-education as a situation where a worker’s knowledge, skills and competencies are not utilized in full. Several authors have defined over-education from their different point of view and perspectives but one thing still remain similar, all their definition points to the fact that over-education has been in existence for a long time and the possibility of getting it out of the labour market is very slim.

Over-education is said to occur when an individual’s qualifications exceeds the job’s requirements and this can result in lack of opportunity for growth and change. It can lead to reduced work effort, high in the cost of production and a resultant reduction in productivity. McKee-Ryan and Harvey (2011) opined that it is associated with a lower and slower career development and less opportunities for professional skill growth and development when compared with others with the same level of educational attainment who are sufficiently employed. Scholars have suggested that empowering the workers and giving them more self-sufficiency and a kind of self-rule within the workplace can help minimize the negative outcomes of over-education and communicating with the workers with the aim of reminding them that they are cherished and appreciated and making to be in charge of the work outcomes will be one way of doing that. This according to earlier...
researchers will portray the worker as a trusted and valued person within the organization and on the long run reduced the negative effects of over-education.

Frenette (2004) in his research in Canada found out that over-education was steady between two and five years after the completion of an academic program but this is in disagreement with the career mobility and search theory. Dolton and Vignoles (2000) find that 38 percent of graduates in the United Kingdom from 1980 were over-educated in their first employment and 30 percent remained over-educated even after six years. In Sweden, Böhlmark (2003) examines the transitions between match types for 18-30-year-old youth and found out that 61 percent of those over-educated workers in 1981 were still over-educated even after a long time. The equivalent figure between 1991 and 2001 is 54 percent. Even more seriously, he finds evidence of deterioration in match quality amongst youth with some of them moving into over-qualification from being well matched. In the case of United States, Rubb (2003) uses late 1990s Population Survey data and found out that approximately three out of four over-qualified individuals in the first year were over-qualified in year the next year and this was similar with the findings of Böhlmark (2003), Allen and Van der Velden (2001) Green and McIntosh (2007).

Theoretical Framework

The study is anchored on the relative deprivation theory. The relative deprivation theory according to Lain and Heather (2001) talks about the feeling of lack of certain benefits and resources to sustain the diet, lifestyle, activities and amenities that an individual or a group are familiar with that is they deserve yet are denied of such privileges and benefits. Social scientists use relative deprivation to predict a wide range of significant outcome, variables, collective action, individual achievement and deviance intergroup attitude and physical and mental health.

Richardson (2011) opined that to determine the extent of the deprivation there has to be an objective comparison between the situation of the individual or group with that of the other members of the society. This theory can be an appropriate approach in explaining the concept of underemployment because the dissatisfaction underemployed workers experience probably as a result of their experiences with previous employers or frustrated hopes of obtaining better employment and the injustices at the hands of their present employers. Relative deprivation theory suggests that, the negative reactions of underemployed employees is dependent on how much an individual wants job rewards, feels entitled to those rewards, and his/her standards of comparison for weighing the fairness or justness of the rewards they receive.

This theory is relevant to this theory because it explains how employees in the hospitality sector want and believe that they are entitled to better wages and bonuses that can aid in the betterment of their quality of life. They believe that what their counterparts in other industries receive and enjoy, they too deserve those benefits. These employees in the hospitality industry do not enjoy these benefits and as such, they have devised several means of expressing their feelings of dissatisfaction and developed alternative means of achieving their desire. Some of which include indulgence in deviant and criminal behaviours and going contrary to the ethics of the hospitality industry. The nonchalant attitude and behaviour of staff members towards their jobs and the stealing of company and guest property in extreme cases can be a resultant effect of the feeling of deprivation that workers in this industry are playing out and the other alternative ways that workers have employed to better or improve their socio-economic well-being.

III. METHODOLOGY

The study adopted the survey research design. The design was adopted because of its relative importance in the collection of accurate information from respondents at relatively low cost and greater efficiency. The population of the study consisted of employees of the hospitality firms in Calabar Metropolis. The research was restricted to hospitality firms in the two local government area that make up Calabar Metropolis (Calabar South and Calabar Municipalitat). There are two hundred and forty (240) registered hotels in Calabar one hundred and seventy five (175) beer parlours and eighty (80) restaurant houses but this study focused on the thirty (30) hotels, thirty three (33) restaurant houses and forty nine (49) beer parlours registered with the Cross River State Tourism Bureau as reported in the 2016 report. The sample for this study was made of 400 respondents using the Taro Yamane’s sample size determination technique (employees of hospitality firms) in Calabar Metropolis. The samples were selected using the multi-stage sampling technique. The instrument used for data collection was the questionnaire. The questionnaire consists of 26-items. The generated data from the questionnaire items were appropriately coded/ scored. The data were summarized into percentages. Chi-Square statistical tool was employed for the analysis of each research hypothesis of the study. The analysis of data was done hypothesis by hypothesis testing each at 0.05 level of significance.
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IV. RESULTS AND DISCUSSION

Socio demographic features of respondents

This section is primarily concerned with the presentation of the respondents' demographic data. The presentation of the data is in agreement with the research objectives and research questions. The presentation and analysis is based on 356 out of 400 copies of questionnaires administered. The number that were properly completed and returned was 356 which represented 89 percent. The data are presented in tables using simple percentage (%). The results in Table 1 show that 42.1 percent of the total respondents were male, while 57.9 percent were female. This implies that more of the workers in the hospitality industry are women. For age, the result shows that 26.4 percent were between 16-20 years, 25.8 percent were between 21-25 years, while 25.8 percent were 26-30 years, 31-35 years was 11.2 percent and 35 and above represented 10.7 percent. From this result one can observe that the workforce of the hospitality industry is made of young people. Similarly, for Job designation, the results show that 61.5 percent were Junior Staff while 38.5 percent were senior staff members.

For “work experience”, the results show that 11.5 percent had below 3 years working experience, 46.6 percent had 3 – 7 years working experience, 28.9 percent had 8-11 years working experience while 12.9 percent had working experience of 12 years and above. Educationally, the results show that 23.6 percent had FLSC, 37.1 percent had GCE/SSCE/NECO, 9.6 percent had NCE/OND, and 20.2 percent had BSC/HND while 9.6 percent had M.Sc Above.

### TABLE 1: Demographic indices of respondents

<table>
<thead>
<tr>
<th>Variables</th>
<th>No of respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sex</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>150</td>
<td>42.1</td>
</tr>
<tr>
<td>Female</td>
<td>206</td>
<td>57.9</td>
</tr>
<tr>
<td>Total</td>
<td>356</td>
<td>100</td>
</tr>
<tr>
<td><strong>Age</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16 – 20 years</td>
<td>94</td>
<td>26.4</td>
</tr>
<tr>
<td>21 – 25 years</td>
<td>92</td>
<td>25.8</td>
</tr>
<tr>
<td>26 – 30 years</td>
<td>92</td>
<td>25.8</td>
</tr>
<tr>
<td>31 – 35 years</td>
<td>40</td>
<td>11.2</td>
</tr>
<tr>
<td>36 years and above</td>
<td>38</td>
<td>10.7</td>
</tr>
<tr>
<td>Total</td>
<td>356</td>
<td>100</td>
</tr>
<tr>
<td><strong>Educational attainment</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FLSC</td>
<td>84</td>
<td>23.6</td>
</tr>
<tr>
<td>GCE/SSCE/NECO</td>
<td>132</td>
<td>37.1</td>
</tr>
<tr>
<td>NCE/OND</td>
<td>34</td>
<td>9.6</td>
</tr>
<tr>
<td>B.Sc/HND</td>
<td>72</td>
<td>20.2</td>
</tr>
<tr>
<td>M.Sc &amp; above</td>
<td>34</td>
<td>9.6</td>
</tr>
<tr>
<td>Total</td>
<td>356</td>
<td>100</td>
</tr>
<tr>
<td><strong>Job designation</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Junior</td>
<td>219</td>
<td>61.5</td>
</tr>
<tr>
<td>Senior</td>
<td>137</td>
<td>38.5</td>
</tr>
<tr>
<td>Total</td>
<td>356</td>
<td>100</td>
</tr>
<tr>
<td><strong>Work experience</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Below 3 years</td>
<td>41</td>
<td>11.5</td>
</tr>
<tr>
<td>3 – 7 years</td>
<td>166</td>
<td>46.6</td>
</tr>
<tr>
<td>8 – 11 years</td>
<td>103</td>
<td>28.9</td>
</tr>
<tr>
<td>12 years &amp; above</td>
<td>46</td>
<td>12.9</td>
</tr>
<tr>
<td>Total</td>
<td>356</td>
<td>100</td>
</tr>
</tbody>
</table>


Test of Hypothesis

**Hypothesis one**

There is no significant relationship between Job underpayment and socio-economic well-being of workers in the hospitality industry in Calabar Metropolis, Cross River state, Nigeria. The independent variable in this hypothesis is Job underpayment; while the dependent variable is socio-economic well-being of workers. To test this hypothesis, the relationship between job underpayment and socio-economic well-being of workers was tested using Chi-Square. Question 8 in the questionnaire was asked (Does job underpayment affect the socio-economic well-being of employees?). The result of the analysis is presented in Table 2a and 2b

**Decision Rule $X^2$:** The chi-square ($X^2$) decision rule states that if the calculated Chi-square ($X^2$) value is greater than or equal to the table value at 0.05 levels of significance, reject the null hypothesis (Ho) and accept the alternate hypothesis (Hi).

Results:

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Tables 2a and 2b below shows that the observed and expected frequencies on total score made by participants in the administered questionnaire. The response has to do with Yes and No by the respondents to the above stated hypothesis. Since the calculated chi-square ($X^2$) value 120.4 was greater than the chi-square table value 3.84, therefore reject the null hypothesis (Ho) and accept the alternate hypothesis (Hi). This implies that there is a significant relationship between job underpayment and the socio-economic well-being of workers in the hospitality industry in Calabar Metropolis, Cross River state, Nigeria.

**TABLE 2a**

<table>
<thead>
<tr>
<th>S/N</th>
<th>Job underpayment and the socio-economic well-being of employees</th>
<th>Responses</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Job underpayment affect socio-economic well-being of workers</td>
<td>Yes: 141</td>
<td>No: 45</td>
</tr>
<tr>
<td>2</td>
<td>Salaries of workers in the hospitality firms help to boast their income status</td>
<td>Yes: 30</td>
<td>No: 140</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>Yes: 171</td>
<td>No: 185</td>
</tr>
</tbody>
</table>

Source: Field survey, 2016

Expected value calculated for job underpayment and socio economic well-being of employees in the hospitality industry.

Expected value (e) = Row total x Column total

Thus:

\[
e \text{ of } 141 = \frac{186 \times 171}{356} = 89.34
\]

\[
e \text{ of } 45 = \frac{186 \times 185}{356} = 96.66
\]

\[
e \text{ of } 30 = \frac{170 \times 171}{356} = 81.66
\]

\[
e \text{ of } 140 = \frac{170 \times 185}{356} = 88.34
\]

**TABLE 2b**

<table>
<thead>
<tr>
<th>Cell</th>
<th>o</th>
<th>E</th>
<th>o - e</th>
<th>(o - e)^2</th>
<th>(o - e)^2 / e</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>141</td>
<td>89.34</td>
<td>51.66</td>
<td>2668.7556</td>
<td>29.87</td>
</tr>
<tr>
<td>2</td>
<td>45</td>
<td>96.66</td>
<td>-51.66</td>
<td>2668.7556</td>
<td>27.61</td>
</tr>
<tr>
<td>3</td>
<td>30</td>
<td>81.66</td>
<td>-51.66</td>
<td>2668.7556</td>
<td>32.68</td>
</tr>
<tr>
<td>4</td>
<td>140</td>
<td>88.34</td>
<td>51.66</td>
<td>2668.7556</td>
<td>30.21</td>
</tr>
<tr>
<td>Total</td>
<td>356</td>
<td>356</td>
<td></td>
<td></td>
<td>120.4</td>
</tr>
</tbody>
</table>

Significant at 0.05; Degree of freedom = 1; critical ($X^2$) value = 3.84; calculated ($X^2$) value = 120.

**V. CONCLUSION**

The result of the analysis as presented in Table 4.5a revealed that the calculated chi-square ($X^2$) value 120.4 was greater than the chi-square table value 3.84, at .05 level of significance with 1 degree of freedom. With the result of this analysis, the null hypothesis which stated that there is no significant relationship between job underpayment and socio economic well-being of employees in the hospitality industry was rejected. This result implies that, Job underpayment has a significant positive relationship with socio economic well-being of employees in the hospitality industry. The positive r-value implied that the higher the payment of workers in the hospitality industry, the higher the socio economic well-being of employees in the hospitality industry. On the other hand the lower the payment of the workers in the hospitality industry, the lower the socio economic well-being of employees in the hospitality industry.

**Hypothesis two**

There is no significant relationship between over-education of workers and the socio-economic well-being of workers in the hospitality industry in Calabar Metropolis, Cross River state, Nigeria. The independent variable in this hypothesis is over-education of workers while the dependent variable is the socio-economic
well-being of workers. To test this hypothesis inexperienced overeducated workers was tested with socio economic well-being of employees in the hospitality industry using chi-square. Question 22 in the questionnaire was asked (Does over-education of workers affects the socio-economic well-being of employees?). The result of the analysis is presented in Table 3a and 3a.

**Decision Rule \( \chi^2 \):** The chi-square \( (\chi^2) \) decision rule states that if the calculated Chi-square \( (\chi^2) \) value is greater than or equal to the table value at 0.05 levels of significance, reject the null hypothesis (Ho) and accept the alternate hypothesis (Hi).

VI. RESULTS

Tables 3a and 3a below shows that the observed and expected frequencies on total score made by participants in the administered questionnaire. The response has to do with Yes and No by the respondents to the above stated hypothesis. Since the calculated chi-square \( (\chi^2) \) value 152.76 was greater than the chi-square table value 3.84, therefore reject the null hypothesis (Ho) and accept the alternate hypothesis (Hi). This implies that there is a significant relationship between underutilization of workers and the socio-economic well-being of workers in the hospitality industry.

**TABLE 3a**

<table>
<thead>
<tr>
<th>S/N</th>
<th>Over education of workers and the socio-economic well-being of employees</th>
<th>Responses</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Over education of workers affect socio-economic well-being of workers</td>
<td>Yes 110</td>
<td>156</td>
</tr>
<tr>
<td></td>
<td></td>
<td>No 46</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Over-educated workers tend to exhibit dissatisfaction with their jobs and more likely to keep searching for better jobs</td>
<td>Yes 15</td>
<td>200</td>
</tr>
<tr>
<td></td>
<td></td>
<td>No 185</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>125</td>
<td>356</td>
</tr>
</tbody>
</table>

Source: Field survey, 2018

Expected value calculated over-education of workers and socio economic well-being of employees in the hospitality industry

Expected value \( (e) \) = Row total \( (x) \) x Column total \( (y) \) / Grand total

Thus:

\[
\begin{align*}
\text{e of } 110 & = \frac{156 \times 125}{356} = 54.775 \\
\text{e of } 46 & = \frac{156 \times 231}{356} = 101.23 \\
\text{e of } 15 & = \frac{200 \times 125}{356} = 70.23 \\
\text{e of } 185 & = \frac{200 \times 231}{356} = 129.775 \\
\end{align*}
\]

**TABLE 3b**

<table>
<thead>
<tr>
<th>Cell</th>
<th>o</th>
<th>E</th>
<th>o – e</th>
<th>((o - e)^2)</th>
<th>(\frac{(o - e)^2}{e})</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>110</td>
<td>54.775</td>
<td>55.23</td>
<td>3050.3529</td>
<td>55.69</td>
</tr>
<tr>
<td>2</td>
<td>46</td>
<td>101.23</td>
<td>-55.23</td>
<td>3050.3529</td>
<td>30.13</td>
</tr>
<tr>
<td>3</td>
<td>15</td>
<td>70.23</td>
<td>-55.23</td>
<td>3050.3529</td>
<td>43.43</td>
</tr>
<tr>
<td>4</td>
<td>185</td>
<td>129.775</td>
<td>55.23</td>
<td>3050.3529</td>
<td>23.51</td>
</tr>
<tr>
<td>Total</td>
<td>356</td>
<td>356</td>
<td></td>
<td></td>
<td>152.76</td>
</tr>
</tbody>
</table>

Significant at 0.05; Degree of freedom = 1; critical \( (\chi^2) \) value = 3.84; calculated \( (\chi^2) \) value = 152.76

VII. CONCLUSION

The result of the analysis as presented in Table 4.7a and 4.7b revealed that the since the calculated chi-square \( (\chi^2) \) value 152.76 was greater than the chi-square table value 3.84, at .05 level of significance with 1 degree of freedom. With this result, the null hypothesis, which stated that there is no significant positive relationship between over-education of workers and socio economic well-being of employees in the hospitality.
industry, was rejected. This result implied that over-education of workers has a significant relationship with socio-economic well-being of employees in the hospitality industry.

Discussion of findings
Job Underpayment and Socio-Economic Well-being of Workers
The result derived from the first hypothesis revealed that there is a significant positive relationship between job underpayment and socio-economic well-being of workers in the hospitality industry. This was attested to by the calculated r-value of 120.4. Table 4.2 indicated respondents’ responses on this issue. From the table, 88.67 percent (N =335) admitted that job underpayment affects the socio-economic well-being of employees. Majority of the respondents also admitted that their salaries are not paid early rather the management devise several means of reducing their salaries.

The finding of this hypothesis is in agreement with the result of Blender (2007) that revealed negative effects of wages on job satisfaction. The studies carried out by McGuinness (2006), Allen and van der Velden (2001) which revealed that employers who pay less stand to lose their workers no matter how well they are appreciated in other forms also affirms the results of this hypothesis. This result is also in line with the view of Green and McIntosh (2007) that advised that a good business owner should never underpay because underpayment could make the employees feel undervalued and they begin to show lesser commitment, which is not healthy for productivity. Mavromararas (2010) report that underpaid workers are unlikely to be engaged with their work or to exert discretionary effort. The study of the psychological well-being of underemployed persons by Friedland and Price (2003) found that low-income workers were more likely to have poor health and experience depression, poor self-esteem, chronic and mental illnesses and have lower self-esteem which we can relate with in this study.

Over-education of workers and socio-economic well-being of workers
The result of the third hypothesis indicated that there is a significant positive relationship between over-education of workers and socio-economic well-being of workers in the hospitality industry. The finding of this hypothesis is in agreement with the view Johnson (2002) who revealed that underutilization of workers results in lack of opportunity for growth and change. Harvey and McKee-Ryan (2011) believe that engaging overqualified workers in lesser jobs associated with slower career progress and fewer opportunities for professional skill development relative to others with similar levels of educational attainment who are adequately employed and this research is in support of this assertion.

Conclusion and Recommendations
Based on the results and findings of the study, it was concluded that underemployment negatively affects the socio-economic well-being of workers in the hospitality firms in Calabar metropolis, in Cross River State, Nigeria. Based on the results obtained from the study, the study recommends that to better the quality of life employees of hospitality firms, salary review, welfare packages and incentives should be introduced by the owners of these business ventures. This should be done periodically where allowances and additional cash rewards are given to exceptional staff members selected through a fair staff appraisal method. Also, Stakeholders should partner with the government to develop business ideas that will make the hospitality business strive irrespective of the time of the year. They should provide a conducive environment and platform that will make the state the choicest location for conferences, programs, shows, meetings, excursions which will enable employees to fully utilize their skills and competencies. Finally, The government on its part should review her policies that could be affecting employers in the hospitality business issues like the tax system should be looked into with every amount of urgency. The government should encourage small and medium scale enterprises to grow and encourage relevant bodies to partner with them so that entrepreneurs will emerge hereby reducing the unemployment and underemployment rate.

REFERENCE

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