



Retaining hotel employees as internal customers: Effect of organizational commitment on attitudinal and behavioral loyalty of employees

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ABSTRACT

High employee turnover has been a concern of the hotel practitioners and academics. Previous research more focused on reducing employee turnover by improving economic incentives. However, psychological incentives are getting more concerned now. This study aims to analyze the psychological mechanism affecting the attitudinal and behavioral loyalty of employees in hotel sector. This study uses organizational commitment theory and regards the hotel employee as an internal customer to construct and verify a conceptual framework. Several important findings are observed. First, affective, normative, and continuance commitment have apparent and varying effects on the attitudinal and behavioral loyalty of employees. Second, the attitudinal loyalty of employees significantly promotes behavioral loyalty. Third, employee trust and satisfaction in hotel sector are vital antecedents of the three dimensions of organizational commitment. These findings have important implications for managing hotel employee turnover and improving the psychological achievements of employees to consequently enhance attitudinal and behavioral loyalty.

1. Introduction

The hotel sector in the tourism industry has experienced unprecedented development in the past decades and now plays an increasingly important role in emerging markets. Specifically, hotel service is considered a comprehensive economic activity that aims to earn foreign currency for the Chinese economy (Zhang, 1995). However, the literature on the Chinese hotel sector remains lacking in systematic investigations, thereby raising several critical issues, for example hotel human capital and human resources (Tsang and Hsu, 2011). Specifically, high employee turnover is a challenging issue among hotels in China and its cause has not yet been effectively explained (Xu and Li, 2014). Statistics collected by the Tourism Association Human Resources Development and Training Center reveals that the average employee turnover rate of Chinese hotels in 2016 was as high as 3.34% per month (Hotel Vision of China, 2016). High employee turnover not only leads to weakened credit and reduced staff loyalty and cohesion in Chinese hotels but also threatens the survival and development of such enterprises. Moreover, high employee turnover negatively affects the quality of services and customer satisfaction (Chi and Gursoy, 2009; Davidson et al., 2010), thereby leading to decreased customer loyalty and tarnished brand image (Dusek et al., 2014).

Despite ample practical research indicating the significance of hotel employee turnover, theoretical emphasis on turnover remains insufficient (Line and Runyan, 2012). Previous studies on the hotel sector regarded employees as an operant human resource (Ineson et al., 2013; Wu and Xu, 2005), and the core issue for enterprises was the reduction of employee turnover by improving the salaries, fringe benefits, and work conditions of employees (Guan et al., 2014). However, such focus disregards the importance of the internal demand of employees as social persons. Employees are more focused on various motivating factors, such as recognition for their achievement, responsibility, and sense of importance to an organization, than enhanced economic returns (Mowday et al., 2013). More importantly, employees strongly expect their jobs to provide self-actualization and self-development (Rafiq and Ahmed, 2000). Hence, to improve employee satisfaction and loyalty and thus reduce employee turnover, it is worth further studying from the perspective of psychology, sociology and other disciplines (Xu and Li, 2014), specifically the nexus between the psychological needs and work performance of employees must be explored.

In response to the suggestion for exploring methods to retain hotel employee loyalty, studies in different disciplines have been done to find various causes of employee turnover. In human resource discipline, many extant studies referring to employee retention and employee

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loyalty have examined organizational commitment and its relationship with antecedents and consequences. Meanwhile, traditional human resources research considers loyalty to be a simple concept (Bloemer and Odekerken-Schröder, 2006), comparing to the composite view of loyalty in marketing research, i.e. the concept of loyalty includes attitudinal and behavioral aspects (Zhang et al., 2014). To our best knowledge, few investigations on hotel employee turnover have integrated the two constructs and verified the impact of organizational commitment on attitudinal and behavioral loyalty of employees within a single model. Hence, following the logic that employees could be viewed as internal customers and loyalty should be treated as a composite concept including two dimensions of attitudinal and behavioral aspects in marketing research, this study aims to investigate the relationship between organizational commitment and hotel employee loyalty (attitudinal vs. behavioral) and provide practical solutions to effectively resolve the high employee turnover in this sector.

2. Literature review

2.1. Hotel employee turnover and loyalty

High employee turnover, which usually manifests a lack of employee loyalty, is a well-documented problem in the hotel sector and has been noted by practitioners and academics (Deloitte, 2010). “Tangible and financial factors”, including working conditions, compensation, and benefits, that make hotel employees loyal and encourage them to stay with a company have been studied extensively (Dusek et al., 2014). Ineson et al. (2000) argued that the hotel employees in their study are optimally motivated by increased wages and tangible incentives, such as competitive salaries and bonuses, which were closely related to management and supervisory employee loyalty, respectively. Lam et al. (2001) found that hotel employees are particularly sensitive to economic compensation and, in certain situations, payment is the most crucial contributing factor to job satisfaction and worker retention. Aksu and Aktas (2005) believed that employee sensitivity to salary issues is an understandable outcome of the natural desire of humans to ensure proper living standards and security. Moncarz et al. (2009) revealed that employee retention is generally significantly influenced by the hiring and promotion practices of an organization; in the US lodging industry, non-management employee turnover was positively reduced by providing training regarding organizational mission, goals, and direction and employee recognition, rewards, and compensation (Moncarz et al., 2009).

Aside from economic compensation, several facets, such as social involvement and affective factors, are key determinants that significantly contribute to hotel employee loyalty. Becker (2002) claimed that commitment to management and, more importantly, commitment to work groups significantly influence job satisfaction and employee loyalty. The findings agree with those of Ineson et al. (2000), who revealed the critical importance of a supportive management and a feeling of close affiliation with the company to operative retention. Ineson and Berechet (2011) verified that respect for management and pride in the company are vital for hotel employee retention. Ineson et al. (2013) further verified that the positive benefits of social involvement in the workplace exert a greater impact on employee loyalty than monetary rewards. According to Israeli and Barkan (2003), the intent to stay with a company may be fuelled by factors other than payment and employee satisfaction can be considerably enhanced by social issues. Their case study shed light on how employee loyalty improved after a social event and how the importance of financial benefit, as a factor contributing to employee loyalty, shifted from primary to secondary. The results of Poe (2003) showed that informal, non-monetary recognition is as important as salary for retaining employees. These findings agree with those of other studies, which underscored the role and importance of certain non-monetary factors, such as corporate culture, human interactions, and employee self-fulfillment, on hotel

employee retention (e.g., Milman, 2003; Moncarz et al., 2009).

Employees can be treated as internal customers, according to internal marketing theory (Huang and Rundle-Thiele, 2014). This paradigm with key functions, such as internal communication and training, can affect employees and lead to improved outcomes, especially in the hospitality sector (e.g. Huang and Rundle-Thiele, 2014; King and Grace, 2010). Informing, educating, developing, and motivating employees, who are key members of an internal market, are important in increasing employee job satisfaction (King and Grace, 2010), reducing turnover (Budhwar et al., 2009), and consequently strengthening employee loyalty (Zeithaml et al., 1990). Traditionally, human resources researchers consider loyalty to be a simple and integrated concept (Bloemer and Odekerken-Schröder, 2006). However, from the perspective of marketing, loyalty is a composite view of attitudinal and behavioral aspects that has extended from customer loyalty to employee loyalty (e.g., Tanford, 2013; Zhang et al., 2014). Extant studies on customer loyalty distinguish customer loyalty between attitudinal and loyalty factors (Bandyopadhyay and Martell, 2007). Attitudinal loyalty focuses on the psychological expression of individuals, including intention to retain or recommend to other potential customers (Dick and Basu, 1994). Behavioral loyalty refers to behavioral outcomes, such as repurchase (Yim and Kannan, 1999). Omitting either form of loyalty or integrating them into one variable for the measurement of overall loyalty would be unsuitable. Doing so would not only overlook the different effects of either attitudinal factor or behavioral factor on loyalty but also hinder the determination of the effect of the interaction between attitudinal loyalty and behavioral loyalty (Geçti and Zengin, 2013). Given that employees can be viewed as the internal customers of a company and employee loyalty is not exploratory as complex loyalty, we discuss employee loyalty as a two-dimensional construct in terms of attitudinal and behavioral loyalty in this research.

2.2. Organizational commitment

Organizational commitment indicates the commitment of employees to an organization (Angle and Perry, 1981). According to the three-factor model of Meyer and Allen (1991), organizational commitment consists of three components, i.e., affective, continuance, and normative commitment. On the basis of their work, Robbins and Judge (2007, p. 81) described each dimension as follows. Affective commitment is “the degree to which an employee identifies with a particular organization and its goals and wishes to maintain membership in the organization.” Continuance commitment is “the perceived economic value of remaining with an organization compared to leaving it.” Finally, normative commitment is “an obligation to remain with the organization for moral or ethical reasons.”

Employee organizational commitment and its relationship with various work domains and related outcomes, such as performance (Atmojo, 2015), employee engagement (Albdour and Altarawneh, 2014), service quality (Dhar, 2015), work–family conflict (Wayne et al., 2013), and employee turnover (Yin-Fah et al., 2010; Zopiatis et al., 2014), have been extensively studied. However, the effect of organizational commitment and its resulting influence on employee loyalty in the Chinese hotel sector have rarely been examined. Satisfying the psychological needs of hotel employees to maintain their attitudinal and behavioral loyalty to the corporation when employee loyalty is treated as a complex concept rather than an integrated one remains an unresolved issue. Hence, this study aims to examine the influence of organizational commitment on hotel employee attitudinal and behavioral loyalty in the Chinese hotel sector.

3. Hypotheses development

3.1. Employee trust and satisfaction

Prior research showed that the most salient variables of employee

trust are related to the organizational citizenship behavior of employees, such as employee satisfaction, commitment, and team performance. Dirks and Ferrin (2002) found that employee trust within an organization leads to job satisfaction. Braun et al. (2013) demonstrated that employee trust in leaders is vital for enhancing employee perception of job satisfaction. Before working for a company and engaging in the service process, employees form a perception of the organization according to their overall cognition of the company; they judge whether the firm has the intention to provide staff with rewards and then establish a psychological contract of trust, which contributes to employee satisfaction in the cognitive sense (Rayton and Yalabik, 2014). Specifically, when facing the trend of transformational leadership, job satisfaction relies considerably on employee trust with respect to different leadership styles (Yang, 2014). Therefore, we argue the following hypothesis:

H1. Employee trust has a positive effect on employee satisfaction.

3.2. Employee trust and organizational commitment

A consensus exists about the relationship between trust and commitment in different disciplines. The psychological meta-analytic research of Dirks and Ferrin (2002) claimed that employee trust in company leadership is linked to several attitudinal outcomes, particularly organizational commitment. Many studies in other disciplines, such as nursing and public administration, also suggested that trust has a positive effect on commitment (e.g., Laschinger and Finegan, 2005; Cho and Park, 2011). Regarding the relationships between employee trust and the three dimensions of organizational commitment, goodwill trust promotes affective commitment, credibility trust boosts continuance commitment, and moral trust enhances normative commitment (Farndale et al., 2011). In addition, trust automatically produces a moral norm that requires employees to be loyal to their leaders, and the strength of this moral norm depends on the level of trust (Tschannen-Moran, 2014). Employees with a high level of trust are often reluctant to behave against the potential moral norm in society or industry, and they take the initiative to avoid the moral hazards that may arise from the departure of employers, which contributes to the normative commitment between employees and companies. Moreover, credibility trust can substitute for contractual agreements to a certain extent, thereby improving interaction efficiency and reducing transaction costs (Dyer and Chu, 2003). Thus, we arrive at the following hypotheses:

H2a. Employee trust has a positive effect on affective commitment.

H2b. Employee trust has a positive effect on normative commitment.

H2c. Employee trust has a positive effect on continuance commitment.

3.3. Employee satisfaction and organizational commitment

Organizational commitment develops from the formal and informal interactions between individuals and organizations. In the service industry, contact between employees and enterprises is mainly embodied in the interactive process. During this process, the firm delivers the strongest promised information, which plays an important role in the formation of organizational commitment (Westwood et al., 2001). Beneficial practices between employers and employees contribute to the establishment of open agreements and a high level of exchange between the two parties, thereby further strengthening organizational commitment (Meyer et al., 2002). Hence, the pursuit of long-term job satisfaction, as the desired behavior of employees to obtain benefits from their interaction with employers, has become an important basis for strengthening organizational commitment (Westover et al., 2010). Currivan (2000) claimed that a significant causal order of job satisfaction and organizational commitment exist in the model of employee turnover. In addition, Meyer et al. (2002) quantitatively

summarized previous studies and concluded that employee satisfaction can be regarded as an antecedent of organizational commitment. Hence, we posit the following:

H3a. Employee satisfaction has a positive effect on affective commitment.

H3b. Employee satisfaction has a positive effect on normative commitment.

H3c. Employee satisfaction has a positive effect on continuance commitment.

3.4. Organizational commitment and employee loyalty

Yang et al. (2012) suggested that investigating employee commitment to stay is necessary for predicting whether they will maintain their loyalty to an organization. Academic investigations into organizational commitment revealed a positive relationship between loyalty and organizational commitment and discussed the significance of the three dimensions of commitment for loyalty and employee retention (e.g., Mowday et al., 2013; Wu and Liu, 2014). In marketing research domains, numerous scholars confirmed the positive correlation between commitment and customer loyalty (e.g., Lariviere et al., 2014; Shukla et al., 2016). In a similar vein, Cho et al. (2009) claimed that organizational commitment exhibits a negative relationship with employee turnover, whereas Gunlu et al. (2010) stated that affective and normative commitment exert a significant influence on turnover intention (see also Zopiatis et al., 2014). Therefore, we hypothesize the following:

H4a. Affective commitment has a positive effect on employee attitudinal loyalty.

H4b. Affective commitment has a positive impact on employee behavioral loyalty.

H5a. Normative commitment has a positive effect on employee attitudinal loyalty.

H5b. Normative commitment has a positive effect on employee behavioral loyalty.

H6a. Continuance commitment has a positive effect on employee attitudinal loyalty.

H6b. Continuance commitment has a positive effect on employee behavioral loyalty.

3.5. Employee attitudinal and behavioral loyalty

The theory of attitude–behavior consistency suggests that attitude is a predictor of behavior (Glasman and Albarraçin, 2006). In the marketing field, Dick and Basu (1994) viewed loyalty as an attitude–behavior relationship and identified the effect of attitude on behavior within the framework of customer loyalty. Bandyopadhyay and Martell (2007) extended the framework of Dick and Basu (1994) and empirically verified that behavioral loyalty is influenced by attitudinal loyalty. Hotel sector literature also reported that program members who possess attitudinal loyalty are usually associated with higher behavioral intentions (Mattila, 2006; Tanford, 2013). Therefore, on the basis of the above theoretical underpinnings and the opinion that employees can be viewed as internal customers, the following hypothesis is proposed:

H7. Employee attitudinal loyalty has a positive impact on employee behavioral loyalty.

On the basis of the above hypotheses, this study proposes the model shown in Fig. 1.

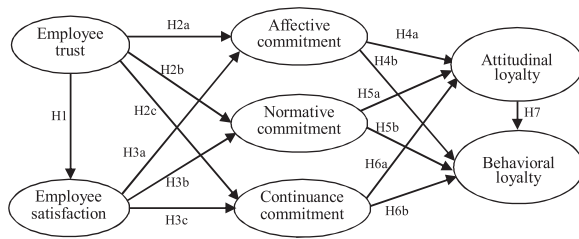


Fig. 1. Research conceptual framework.

4. Methodology

4.1. Questionnaire design and pilot study

On the basis of scale design principles suggested by Churchill (1979), a seven-point Likert scale questionnaire survey was used as the source of measures for the constructs defined in the model and tested in the present study. Questionnaires were carefully compiled from relevant studies. Questions on employee trust were selected from the scales originally used by Perry and Mankin (2004). Items on employee satisfaction were mainly derived from the results of Podsakoff et al. (1996). Affective, normative, and continuance commitment were measured on the basis of the organizational commitment scaled developed by Meyer and Allen (1991). We used refined scales of customer loyalty to measure employee attitudinal and behavioral loyalty because the literature still lacks empirical evidence that distinguishes these two constructs (McMullan and Gilmore, 2003).

To assess and improve the questionnaire, a pilot test was conducted in two four-star tourist hotels in Beijing. From 150 questionnaires issued, 102 valid questionnaires were received, which represented a valid response rate of 68%. Results showed that the KMO value was 0.905, the cumulative variance exploration was 71.79%, and the *p*-value of Bartlett's test was less than 0.001; these figures indicated that the scales had good reliability and validity.

4.2. Data collection

This study used the anon-spot survey approach to collect data from Chinese hotels in Beijing, Tianjin, Shanghai, Shenzhen, and Guangzhou, which are widely recognized as first-tier metropolises in China. These cities show a high level of consistency with developed economies in terms of high population density and intensive and extensive inter-city networks (including population, capital, and technology) (Chan, 2010). The magnetic effects of metropolises and traveler needs attract numerous hotels, which employ a substantial number of migrant workers (Shen and Huang, 2012). Chinese migrant workers usually have low job satisfaction and high turnover (Jiang et al., 2009). Hence, these five metropolises were selected as research cases due to considerations regarding their current economic development stages and characteristics of employees in their hotel sectors. In total, 1200 questionnaires were issued and 647 valid responses were returned. The sufficiently large sample size guaranteed a high level of statistical power (McQuitty, 2004) and a higher response rate (53.917%) than those in similar studies (e.g., Meuter et al., 2000). Table 1 shows the demographic description of the sample.

5. Analysis and results

5.1. Reliability and validity of scales

Reliability and validity tests were performed to ensure the effectiveness of the goodness-of-fit analysis of the model and the validity of hypotheses testing. The confirmatory study used AMOS 21.0 to test the unidimensionality of the scales. Table 1 presents the descriptive

Table 1 Demographic description of samples.

Variable	Feature	Number	Proportion (%)
Gender	Male	279	43.122
	Female	368	56.878
Age (in years)	Less than 20	142	21.947
	20–25	252	38.949
	26–35	128	19.784
	36–45	80	12.37
	Above 45	45	6.955
Education	Middle school	95	14.683
	High school	284	43.895
	Bachelor's degree	235	36.321
	Master's and higher	33	5.1005
Position	Junior staff	318	49.150
	Head waiter	105	16.229
	Supervisor	96	14.838
	Branch manager	86	13.292
	Manager	42	6.492
Income	Less than 1000 RMB	45	6.955
	1001–2000 RMB	75	11.592
	2001–3000 RMB	285	44.049
	3001–5000 RMB	186	28.748
	More than 5000 RMB	56	8.655
Total		647	100

statistics and the results of the measurement model analysis of the confirmatory study. The measurement model was tested through confirmatory factor analysis and yielded a good fit ($\chi^2 = 401.729$, $p < 0.000$, $df = 278$, $RMR = 0.047$, $CFI = 0.987$, $RMSEA = 0.026$). The standardized factor loadings of the observed variables on their corresponding latent variables were all above 0.50, which demonstrated adequate convergent validity (Chin, 1998) (Table 1).

Then, construct reliability analysis was conducted on the basis of the calculation of the coefficient alpha for the seven constructs. All research variables had high reliability coefficients, which ranged from 0.854 to 0.904 and were significantly higher than the acceptable reliability levels suggested by Churchill (1979). Moreover, all possible pairs of constructs in the exploratory study met the stringent discriminant validity standards of Fornell and Larcker (1981). These findings are presented in Table 2, which also shows the squared correlations required for the discriminant validity tests (upper right triangle). Moreover, the square roots of AVEs were all above the absolute value of the correlation coefficients and over 0.50, which guaranteed good discriminant validity (Chin, 1998). Further analysis indicated that multicollinearity was not a concern in either data set because composite reliability and variance were high, the sample was sizable (Grewal et al., 2004), variance inflation factors were acceptable, and the correlation matrices of the model variables and equivalent path coefficients were similar (Kaplan, 1994).

5.2. Results of hypotheses testing

The full model from structural equation modeling (SEM) was developed according to the research hypotheses. The model specification is described in Fig. 1. Fitness measures and structural parameters are presented in Table 3. The partial disaggregation approach was used as the main analysis method wherein scale items are combined into composites to minimize random error while retaining the multiple-indicator approach of SEM (Hau and Marsh, 2004). Where possible, at least three composite indicators were constructed per latent construct, similar to the recommended mean in the literature (e.g., Hau and Marsh, 2004). Fitness of the structural model was good ($\chi^2 = 561.440$, $p < 0.000$, $df = 285$, $RMR = 0.079$, $CFI = 0.971$, $RMSEA = 0.039$). Fitness statistics, standardized path coefficients (β), and associated *t* values for all relationships in the structural model are presented in

Table 2
Descriptive statistics, squared correlations, and measurement model results.

Research construct	M	SD	Standardized factor loadings	Construct reliability	Average extracted variance	Squared correlations/discriminant validity						
						1 [□]	2 [□]	3 [□]	4 [□]	5 [□]	6 [□]	7 [□]
1. Employee trust	5.061	0.994	0.782–0.864	0.857	0.668	–	0.198	0.619	0.177	0.358	0.643	0.385
2. Employee satisfaction	5.498	0.999	0.714–0.849	0.862	0.610	–	–	0.271	0.076	0.345	0.194	0.173
3. Affective commitment	5.070	0.975	0.816–0.848	0.904	0.702	–	–	–	0.182	0.551	0.576	0.393
4. Normative commitment	4.795	0.959	0.798–0.843	0.894	0.678	–	–	–	–	0.135	0.215	0.117
5. Continuance commitment	5.112	0.954	0.716–0.823	0.858	0.603	–	–	–	–	–	0.494	0.394
6. Attitudinal loyalty	5.457	1.124	0.739–0.873	0.854	0.661	–	–	–	–	–	–	0.502
7. Behavioral loyalty	5.095	1.118	0.689–0.828	0.865	0.616	–	–	–	–	–	–	–

Measurement model results/goodness-of-fit indices										
χ	df	χ/df	p	RMR	GFI	NFI	IFI	CFI	RMSEA	
401.729	278	1.445	0.000	0.047	0.954	0.959	0.987	0.987	0.026	

NOTE: The calculated values of the squared correlation coefficients between all possible pairs of constructs.

Table 3.

Results indicated that employee trust had a moderate effect on employee satisfaction ($\beta = 0.196$) and was the dominant direct antecedent of affective commitment, normative commitment, and continuance commitment ($\beta = 0.625$, $\beta = 0.183$, $\beta = 0.375$, respectively) (Table 3). Employee satisfaction had a moderate to large effect on affective and continuance commitment ($\beta = 0.159$, $\beta = 0.284$, respectively) and only a small effect on normative commitment ($\beta = 0.044$). Meanwhile, affective commitment had a considerable effect on attitudinal and behavioral loyalty ($\beta = 0.455$, $\beta = 0.107$, respectively). Normative commitment had a moderate effect on attitudinal loyalty ($\beta = 0.111$) and no significant effect on behavioral loyalty ($\beta = 0.001$). Continuance commitment also had a moderate effect on attitudinal and behavioral loyalty ($\beta = 0.271$, $\beta = 0.167$, respectively). The three dimensions of organizational commitment influenced both constructs of employee loyalty in a moderate to high degree. Finally, employee

attitudinal loyalty had a significant effect on employee behavioral loyalty ($\beta = 0.354$), and this result was consistent with that in prior research (e.g., Bloemer and Odekerken-Schröder, 2006).

The significance of examining a plausible rival model to ensure the robustness and validity of the proposed model is well established when SEM is used (Kelloway, 1998). Thus, we developed an alternative model in which the path between employee satisfaction and normative commitment and that between normative commitment and employee behavioral loyalty were eliminated because of their statistical non-significance in the initially proposed model. We developed this alternative model to have a straightforward framework that included only the significant paths between latent variables. Although the alternative model was not significantly superior to the originally proposed framework, as shown by the fitness indices (Table 3), we accepted the more concise alternative model as the final framework, as illustrated in Fig. 2.

Table 3
Structural path estimates for proposed and revised models.

Hypotheses	Path		Proposed structural model (n = 647)		Alternative structural model (n = 647)	
	From	To	β^a	t-Value	β^a	t-Value
H1	Employee trust	Employee satisfaction	0.196	4.315	0.198	4.346
H2a	Employee trust	Affective commitment	0.625	14.788	0.625	14.79
H2b	Employee trust	Normative commitment	0.183	4.041	0.193	4.362
H2c	Employee trust	Continuance commitment	0.357	8.074	0.357	8.077
H3a	Employee satisfaction	Affective commitment	0.159	4.277	0.158	4.246
H3b	Employee satisfaction	Normative commitment	0.044	0.973	–□	–□
H3c	Employee satisfaction	Continuance commitment	0.284	6.461	0.283	6.422
H4a	Affective commitment	Attitudinal loyalty	0.455	1.769	0.455	1.770
H4b	Affective commitment	Behavioral loyalty	0.107	2.133	0.107	2.134
H5a	Normative commitment	Attitudinal loyalty	0.111	2.934	0.111	2.954
H5b	Normative commitment	Behavioral loyalty	0.001	0.015	–□	–□
H6a	Continuance commitment	Attitudinal loyalty	0.271	6.487	0.272	6.494
H6b	Continuance commitment	Behavioral loyalty	0.167	3.574	0.167	3.575
H7	Attitudinal loyalty	Behavioral loyalty	0.354	6.123	0.354	6.195

Proposed structural model fitness statistic			Alternative model fitness statistic		
χ^2		561.440	χ^2		562.384
p		0.000	p		0.000
Df		285	df		287
χ^2/df^{\square}		1.970	χ^2/df^{\square}		1.960
RMR		0.079	RMR		0.080
GFI		0.936	GFI		0.936
NFI		0.942	NFI		0.942
IFI		0.971	IFI		0.971
CFI		0.971	CFI		0.971
RMSEA		0.039	RMSEA		0.039

NOTE: The two paths were eliminated in the competing model because they were statistically insignificant.

^a Standardized parameter estimates (β) were statistically significant (t-value ± 1.645) ($p < 0.05$) for a one-tailed test of significance.

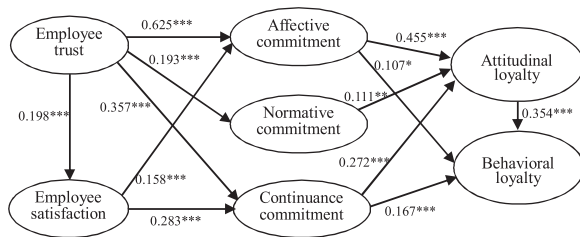


Fig. 2. Final structural model and results of path analysis.

Note: Figures represent significant structural path coefficients for the samples. * $P < 0.05$; ** $P < 0.010$; *** $P < 0.001$.

6. Discussions and conclusions

6.1. Discussions

High staff turnover rate and poor employee loyalty have been apparent trends in the hotel sector in recent years and are prevalent in China. The service-oriented behaviors of employees play an increasingly critical role in the success of the said sector; thus, the mechanism of employee loyalty retention must be explored. This research develops and tests an integrated model that examines the antecedents and consequences of hotel employee organizational commitment to investigate the paths of maintaining the attitudinal and behavioral loyalty of employees. Organizational commitment and employee turnover have attracted considerable attention among hotel researchers. However, few hotel-related studies have identified and distinguished between the attitudinal and behavioral loyalty of employees or explored the effect of organizational commitment on attitudinal and behavioral loyalty.

Our study contributes to the literature of employee turnover in the hotel sector by proposing a framework that integrates and verifies the constructs of hotel employee trust, employee satisfaction, organizational commitment, and, especially, attitudinal loyalty and behavioral loyalty of employees. Many extant studies have examined organizational commitment and its relationship with antecedents and consequences. However, to our knowledge, few investigations on hotel employee turnover have integrated the two relations and verified the impact of organizational commitment on attitudinal and behavioral loyalty of employees within a single model. The findings of this study are as follows.

First and most importantly, affective, normative, and continuance commitment have various degrees of effects on the attitudinal and behavioral loyalty of hotel employees. Specifically, affective, normative, and continuance commitment exerts positive effects on attitudinal loyalty of employees. This outcome suggests that a high level of perception of belonging, obligation, and switching costs are effective factors that steer the attitudinal intention of employees toward retaining their relations with their current employers. In addition, affective and continuance commitment significantly affect behavioral loyalty of employees. By contrast, normative commitment does not have such an effect. This observation indicates that employees with positive affection and high perception of switching costs tend to remain loyal to their current jobs. Meanwhile, perceptions of responsibility and morality are not contributing factors for maintaining behavioral loyalty. Therefore, the exclusive emphasis of hotels on enhancing the sense of guilt of employees from deviating from social and professional norms is perhaps not an effective means for reducing employee turnover.

Second, the attitudinal loyalty of hotel employees is a key antecedent variable that significantly determines behavioral loyalty. Prior research considered employee loyalty an integrated concept rather than a composite construct containing attitudinal and behavioral aspects. However, behavioral loyalty of employees is the true and final goal for employers and thus valuable for strengthening corporate service performance and promoting business outcomes. Hence, to maintain behavioral loyalty, promoting the positive attitude and loyalty of

employees toward their employers should be an important premise.

Third, hotel employee trust has positive and apparent effects on employee satisfaction and on affective, normative, and continuance commitment. Results suggest that building a solid foundation of mutual trust between employees and employers is an effective tool for maintaining employee satisfaction. The findings further confirm that an increased degree of employee trust leads to a strengthened sense of attachment, belonging, morality, and responsibility to the enterprise. Trust is particularly conducive for developing the affective preferences of employees for their leader, reducing the negative motivation of employees to choose other jobs while in a steady work status, and raising the psychological and physical switching costs for employees of leaving their jobs, thereby increasing the possibility of continuance behavior to serve the hotel. Unlike employee trust, employee satisfaction significantly affects only affective and continuance commitment and shows a negligible influence on normative commitment. When employees are satisfied with their jobs, they generate positive emotions and favorable perceptions of their employers and thus become increasingly likely to retain their jobs due to the high switching costs. However, employees with high levels of satisfaction inevitably do not possess high normative commitment. Hence, satisfaction is not a sufficient condition for employees to have feelings of obligation to remain with their employers. This finding is in line with that in marketing research, which indicates that satisfied customers may not repurchase from the same product suppliers.

6.2. Practical implications

Our work has important practical implications. First, the findings of this study suggest that hotel managers should focus on the value and function of employees by emphasizing employee orientation in their enterprises. Traditionally, Chinese hotels are customer-oriented and unduly pursue the philosophy that “customers are always right.” Such practice leads to a phenomenon wherein the value and dignity of employees are ignored by employers and even the originally equal relationships between employees and customers are distorted. This phenomenon results in a high level of employee dissatisfaction and turnover in the hotel sector. As internal customers, employees have the same importance as external customers; therefore, skilled and loyal employees should also be viewed as true sources of profit. A transformation from traditional customer orientation to employee orientation and the establishment of trust and respect between employees and employers can enhance employee satisfaction and consequently lead to positive work outcomes, such as improved service quality in hotels.

Second, economic means are a vital factor that prevents employees from moving to other employers or industries. As a labor-intensive and relatively low-technology industry, hotels usually pay lower salaries to their employees than other industries do. Parallel to the logic that product price and quality are the key determinants that influence customer repurchase behavior, reasonable and attractive remuneration and good career development prospects are crucial for improving employee job satisfaction and increasing their perception of switching costs, which considerably improve continuance commitment. Competitive payment incentives remain an effective method to promote employee continuance commitment and retention in the rapidly growing hotel sector in China, which will require additional talents.

Third, top managers in the hotel sector should focus on improving the loyalty level of their employees by establishing stable psychological contract relationships between employees and employers. In the context of the rapidly accelerating urbanization of China, many employees in Chinese hotels are migrant workers who struggle to live and work in cities not only to earn money but also to relate to their working environment. Thus, satisfying the psychological needs of employees also plays an important role in reducing employee turnover. The importance of organizational commitment as a psychological factor has apparent effects on enhancing employee loyalty, particularly attitudinal loyalty.

Therefore, hotel managers should concentrate not only on increasing employee loyalty at the monetary level but also emotional management at the psychological level. Specifically, enterprises must respect and care for their employees and establish a sense of ownership for such individuals to enhance their affective commitment toward the organization. Conversely, hotels should also rely on the values, beliefs, self-awareness, and independent personalities of their employees to strengthen their normative commitment. These measures can effectively increase the personal sense of identity of employees and ultimately promote their attitudinal loyalty and consequent behavioral loyalty toward the organization.

7. Limitations and future directions

This study has certain limitations and directions for improvement. First, this work developed a scale of employee attitudinal and behavioral loyalty on the basis of the constructs of consumer attitudinal and behavioral loyalty used in internal marketing research. Future researchers should replicate these constructs to validate their robustness in contexts and industries other than those used in the current work. Second, comparative studies should be conducted in different cultural contexts, e.g., between China and the US, because individual behavior is deeply influenced by cultural context.

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