








“Psychological contract and turnover intention in luxury hotels”

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PSYCHOLOGICAL CONTRACT AND TURNOVER INTENTION IN LUXURY HOTELS

Abstract

Human resources are critical assets in the hotel industry, and retaining employees is crucial for the sustainable development of hotels. To reduce employee turnover, the study aims to explore the role of psychological contract and emotional labor on turnover intention. Data from an online survey of 743 employees of luxury hotels in China were analyzed using structural equation modeling (SEM). The results show that employer relational psychological contracts ($p < 0.001$), employee relational psychological contracts ($p < 0.001$), and employer transactional psychological contracts ($p < 0.01$) have an impact on turnover intentions. The study also finds that employee transactional psychological contracts ($p > 0.05$) do not affect turnover intentions. Furthermore, employee-employer relational psychological contracts ($p < 0.01$) significantly influence emotional labor, whereas employer transactional psychological contracts ($p > 0.05$) do not. Emotional labor ($p < 0.01$) significantly affects turnover intentions. The connection between psychological contracts and turnover intentions is also mediated by emotional labor. These results imply that luxury hotels should prioritize employees' emotional well-being, create a harmonious work environment, and enhance employee loyalty. This paper provides valuable insights that may reduce turnover and foster sustainable development within the hospitality sector.

Keywords

transactional psychological contract, relational
psychological contract, employee turnover intention,
luxury hotel industry, emotional well-being, employee
loyalty, China

JEL Classification

J28, M12, M51

INTRODUCTION

The global hotel industry is experiencing continuous growth, making retaining a stable management and employee team crucial for sustaining competitive advantage. However, persistent employee turnover remains a significant challenge in developed and developing countries (Tan et al., 2019). Employee turnover increases recruitment costs, lowers employee morale, and depletes intellectual capital (Chen et al., 2021).

Psychological contracts are pivotal in shaping employee turnover intentions (Azeem et al., 2020). These contracts, encompassing transactional and relational elements, represent the unspoken, informal agreements between employees and their employers (Rousseau, 1998). A breach in these contracts significantly influences an employee's decision to leave (Raja et al., 2004; Hui, 2021). Luxury hotels, which provide high-end experiences and significantly contribute to economic growth, must identify the specific factors within these psychological contracts that influence turnover intentions. This understanding is essential for hotel managers aiming to retain employees and enhance profitability effectively (Hui, 2021).

Emotional labor is another critical factor influencing turnover intentions, defined as the effort required to manage and display appropriate

emotions during service interactions. The high demands for emotional labor in luxury hotels, driven by the need to provide exceptional service and foster customer loyalty, exacerbate the strenuous nature of hotel work (Kwon et al., 2021). This includes shift work and handling diverse employee issues, intensifying turnover intentions among hotel staff (Xing et al., 2023).

The psychological contract between employees and organizations and employees' emotional labor are crucial factors influencing turnover intentions. Understanding the relationships among these factors can help luxury hotels in China identify the psychological and emotional reasons behind employee turnover, thereby enhancing their competitive advantage.

1. LITERATURE REVIEW

Employees are invaluable assets, and maintaining a stable workforce is essential for sustaining competitive advantage, particularly in the high turnover hotel industry. Numerous scholars have examined the relationship between organizations and employees, identifying social exchange theory as the foundational framework.

Social exchange theory posits that the interactions between employees and employers are based on reciprocal exchanges that can significantly affect organizational dynamics and employee behavior (Schalk & De Ruiter, 2019). It incorporates an array of conceptual frameworks, including organizational citizenship behavior, commitment, organizational support, psychological contract, and leader-member exchange (Cropanzano et al., 2017). Additionally, social exchange theory intersects with various constructs, including satisfaction (Xuecheng et al., 2022), emotional labor (Becker et al., 2018), and turnover intention (Jabutay & Rungruang, 2021).

The psychological contract is pivotal in the employer-employee relationship, profoundly influencing organizational behavior and employee turnover intention. It is an unwritten agreement encompassing a spectrum of mutual responsibilities borne by employees and employers, arising from explicit and implicit promises that structure their ongoing and prospective interactions (Griep & Vantilborgh, 2018).

Characterized by its unsigned nature, the psychological contract underscores the duties and commitments incumbent upon both parties (Azmy et al., 2023). The two main parts of a psychological contract are a transactional psychological contract and a relational psychological contract (Boey & Vantilborgh, 2016). The transactional psychologi-

cal contract is grounded in economic exchanges, where employees expect increased job responsibilities, performance rewards, training opportunities, and career development in return for their overtime work. Relational psychological contracts, on the other hand, are based on socioemotional exchanges, representing workers' dedication to long-term work, loyalty, and readiness to tolerate internal job changes in exchange for the organization's provision of long-term job security.

Consequently, this study conceptualizes psychological contracts into four dimensions: employee transactional psychological contract, employer transactional psychological contract, employee relational psychological contract, and employer relational psychological contract.

Breaches of the psychological contract can lead to economic and emotional losses for employees, resulting in turnover intentions and behaviors (Gillani et al., 2021). Hotel staff may take action to restore equilibrium in the business relationship when they believe the hotel has not lived up to its promises or commitments, which could result in mistrust or resignation (Welander et al., 2017).

Turnover intention is critical in organizational management, especially regarding employee retention and performance enhancement. These intentions strongly indicate actual turnover behavior as they represent a person's psychological propensity to quit their work (Xing et al., 2023). While turnover intentions may not always lead to immediate action, they often result in actual employee departures (Nagar et al., 2023).

The hotel industry, a fundamental segment of the tourism sector, faces a significant challenge with high turnover rates (Xing et al., 2023). The persis-

tently high turnover rate in China's hotel industry can lead to increased operational costs, reduced employee motivation, and an overall decline in hotel performance. To reduce turnover intention, hotel managers must identify the profound psychological and emotional factors influencing employees' leave decisions (Xu et al., 2023).

Emotional labor is the action expressed by an employee to meet the organization's desires, and it involves the utilization of surface acting and deep acting tactics. In the service sector, emotional labor necessitates employees exhibiting specific emotional states to satisfy employer expectations (Lee & Madera, 2019). A typical example of surface acting in the hotel industry is the requirement for frontline employees to smile while serving guests (Grandey et al., 2005).

Emotional labor is shaped by the psychological contract (Hao & Yu, 2022). Employee loyalty is nurtured through fulfilling psychological contract obligations and adhering to positive duties that prevent organizational harm. Loyalty, in turn, signifies employees' dedication to fulfilling their roles, a commitment recognized by the employees (Khuong & Linh, 2020). This synergy prompts employees to engage in emotional labor, particularly deep acting, when necessary (Barry et al., 2019). Deep acting is more conducive to achieving organizational goals than surface acting. Employees commit to emotional labor through loyalty obligations; if those obligations are not met, it may negatively impact the company's capacity to properly manage its personnel (Barry et al., 2019).

Numerous studies have delved extensively into the facilitating function of emotional labor in the context of psychological contract. Kim et al. (2019) claimed that transactional psychological contract positively impacts restaurant employees' surface emotional displays. In contrast, relational psychological contract positively correlates with their profound emotional expressions. Furthermore, Mucun et al. (2021) highlighted that violation of psychological contracts can influence both surface and deep behaviors of employees in the manufacturing sector. Okabe (2018) identified that surface acting mediates psychological contract and employee satisfaction.

According to social exchange theory, when employees realize the interpersonal dimension of a psychological contract, they believe the exchange relationship with the hotel is favorable, and its establishment and maintenance significantly affect their future. This compels them to work diligently, fulfill their obligations to the hotel, and even exert extra effort. As employees invest more and the hotel fulfills more responsibilities and obligations, a positive emotional exchange ensues, fostering the spontaneous development of the exchange relationship. This indicates a negative correlation between psychological contract and turnover intention.

Emotional labor affects turnover intention across different industries (K. Lee & E. Lee, 2011; Jeong & Han, 2015; Cho & Song, 2017). According to Becker et al. (2018), deep acting has an adverse impact on planned turnover. Instructors who repress their negative feelings while trying to express positive attitudes during work hours are more likely to quit (Lee, 2019). Among nurses, emotional labor directly and positively influences quit intention (Back et al., 2020; Kwon et al., 2021). Similarly, among firefighters, emotional labor demonstrates a positive correlation with turnover inclination (Ryu et al., 2020).

In the hospitality industry, turnover intention is a common outcome of emotional labor (Lee & Madera, 2019). However, some studies indicate that emotional labor does not significantly impact turnover intention. Furthermore, surface acting in emotional labor serves as an intermediary between staff satisfaction and psychological contract breaches (Okabe, 2018).

Existing research has explored emotional labor from various perspectives, including the human resource management process (Nagar et al., 2023), individual factors, internal and external organizational factors (Bothma & Roodt, 2013; Labrague et al., 2020), and environmental factors (Cheng & O-Yang, 2018). These studies investigate these factors' direct or mediating effects on turnover intention. Academics studying the hotel and tourist sector strongly emphasize individual psychological characteristics, occupational stress, and workplace environ-

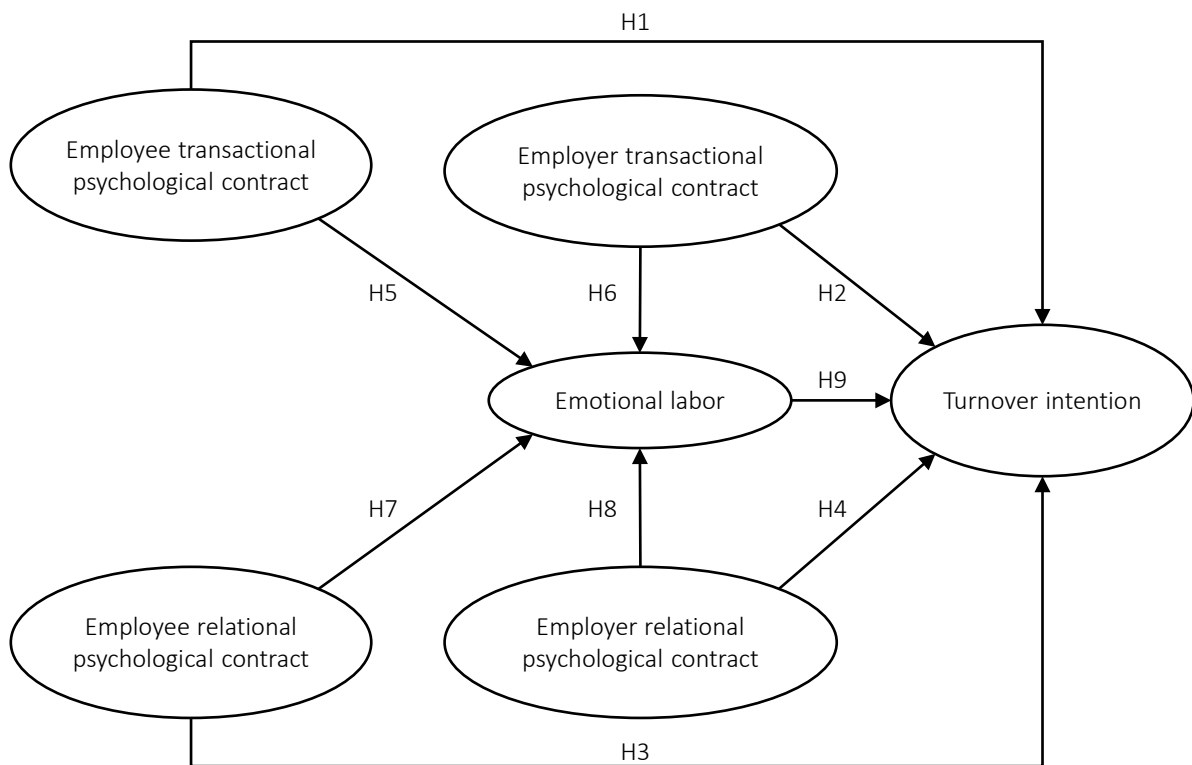


Figure 1. Research model

ment as precursors to employee burnout, which can result in higher intention to leave the organization and other unfavorable results (Xing et al., 2023).

As discussed above, in the hotel industry, employees must maintain robust mental and emotional well-being to uphold service excellence. A solid psychological contract is instrumental in retaining employees, enhancing loyalty and commitment, and ultimately improving the hotel's human resource management, fostering sustainable development. Significant emotional labor can reduce turnover intention, as employees who engage in extensive emotional labor tend to display positive attitudes, derive a feeling of self-value from guest interactions, and have a lower propensity for attrition. This study aims to identify the influence of psychological contracts on hospitality workers' intentions to leave. The study also aims to indicate the mediation function of emotional labor in the link between psychological contracts and employee turnover tendency.

This study formulated the following hypotheses:

- H1: *Employee transactional psychological contract negatively affects turnover intention.*
- H2: *Employer transactional psychological contract negatively affects turnover intention.*
- H3: *Employee relational psychological contract negatively affects turnover intention.*
- H4: *Employer relational psychological contract negatively affects turnover intention.*
- H5: *Employee transactional psychological contract positively affects emotional labor.*
- H6: *Employer transactional psychological contract positively affects emotional labor.*
- H7: *Employee relational psychological contract positively affects emotional labor.*
- H8: *Employer relational psychological contract positively affects emotional labor.*

- H9: *Emotional labor negatively affects turnover intention.*
- H10: *Emotional labor mediates the relationship between employee transactional psychological contract and turnover intention.*
- H11: *Emotional labor mediates the relationship between employer transactional psychological contract and turnover intention.*
- H12: *Emotional labor mediates the relationship between employee relational psychological contract and turnover intention.*
- H13: *Emotional labor mediates the relationship between employer relational psychological contract and turnover intention.*

According to the literature review, Figure 1 depicts the research model.

2. METHODS

This study employs a quantitative analysis method. Primary data were gathered via an online questionnaire targeting hotel employees with four-and five-star ratings in China. The hotel human resources departments assisted with convenience sampling during the data collection, which spanned two months and resulted in 743 valid responses.

The study relied on a questionnaire (Appendix A) to collect primary data, which consisted of 30 items, including four demographic information items and 26 research items. The questionnaire design is derived from scholars' discussions on the research topic and comprises four sections. The first section covers respondents' basic information, including gender, education level, age, and work experience. The second section draws upon Dabos and Rousseau's (2004) and Rousseau's (2000) works on psychological contracts, consisting of 16 items. The third section includes the emotional labor measurement from Brotheridge and Lee (2003), which has six items. Finally, the turnover intention scale primarily utilizes the scale from Shi et al. (2021). Each of these inquiries is assessed on a seven-point Likert scale, with

1 indicating "strongly disagree" and 7 indicating "strongly agree."

After completing the data collection, data analysis was conducted using data analysis software. This study conducted a descriptive questionnaire analysis, an overall reliability and validity analysis, and a confirmatory factor analysis (CFA). Lastly, a structural equation model diagram for employee turnover intention in luxury hotels was constructed.

3. RESULTS

This study targeted 743 employees of luxury hotels in China. Table 1 describes the participants based on gender, education level, age, and work experience. The majority of participants working in luxury hotels are female employees. The education level is predominantly college level; most are 21 to 30 years old. Most of them work from 1-3 years.

Table 1. Demographics of the respondents

	Item	Frequency	Percent
Gender	Male	329	44.3
	Female	414	55.7
Education Level	Below College	353	47.5
	College	271	36.5
	Bachelor's degree	94	12.7
	Master's degree	25	3.4
Age	Below 20	87	11.7
	21-30	350	47.1
	31-40	247	33.2
	41-50	47	6.3
	Above 50	12	1.6
Work Experience	Less than 1 year	204	27.5
	1-3 years	219	29.5
	3-5 years	203	27.3
	5-10 years	70	9.4
	10-15 years	25	3.4
	More than 15 years	22	3

The reliability of the questionnaire items is a crucial factor in assessing questionnaire quality, with Cronbach's alpha value serving as a standard indicator of reliability. A value between 0.7 and 0.9 indicates good questionnaire consistency (A. Aithal & P. Aithal, 2020). Table 2 shows the reliability indices of the study. The questionnaire consists of 26 items, with a Cronbach's α of 0.950, indicating a strong level of internal consistency among the questionnaire items.

Table 2. Reliability indices

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0.950	0.950	26

The validation of the questionnaire is a process to assess its reliability, where validity pertains to how well the data collected align with the actual investigation area and how well inferences and conclusions derived from the survey's results are supported (A. Aithal & P. Aithal, 2020). As expressed by the Kaiser-Meyer-Olkin (KMO) measure, when the KMO value is between 0.6 and 0.9, it indicates good relationships among questionnaire items. Table 3 shows the KMO and Bartlett's test, the questionnaire's KMO value of 0.966, indicating its suitability for subsequent factor analysis.

Table 3. KMO and Bartlett's test

Kaiser-Meyer-Olkin measure of sampling adequacy		0.966
Bartlett's test of sphericity	Approx. Chi-Square	19382.006
	df	325
	Sig.	0.000

When the model satisfies the criteria of $\chi^2/df < 3$ (Kim et al., 2012), RMSEA < 0.08 , GFI > 0.9 , AGFI > 0.85 , NFI > 0.9 , TLI > 0.9 , and CFI > 0.9 (Hair et al., 2010), the model fit is considered good. Table 4 demonstrates that the model fitting indices for this study meet the reference standards, with $\chi^2/df = 2.536$, RMSEA = 0.045, GFI = 0.931, AGFI = 0.914, NFI = 0.94, TLI = 0.957, and CFI = 0.963. Figure 2 presents the CFA results.

Table 4. Confirmatory factor analysis model fitting index

Index	χ^2/df	RMSEA	GFI	AGFI	NFI	TLI	CFI
Standard index	< 3	< 0.08	> 0.9	> 0.85	> 0.9	> 0.9	> 0.9
Results	2.536	0.045	0.931	0.914	0.94	0.957	0.963

Convergent validity refers to the degree of similarity when different measurement methods measure the same construct, primarily assessed using the Composite Reliability (CR) value. A CR value exceeding 0.7 is considered acceptable.

CR and AVE are two metrics used in CFA to evaluate convergent validity. AVE explains the internal consistency of variables, with higher AVE values indicating greater convergent valid-

ity. AVE should ideally be more significant than 0.5 (Mueller & Hancock, 2018), although values between 0.36 and 0.50 are considered acceptable (Wu & Atchike, 2023).

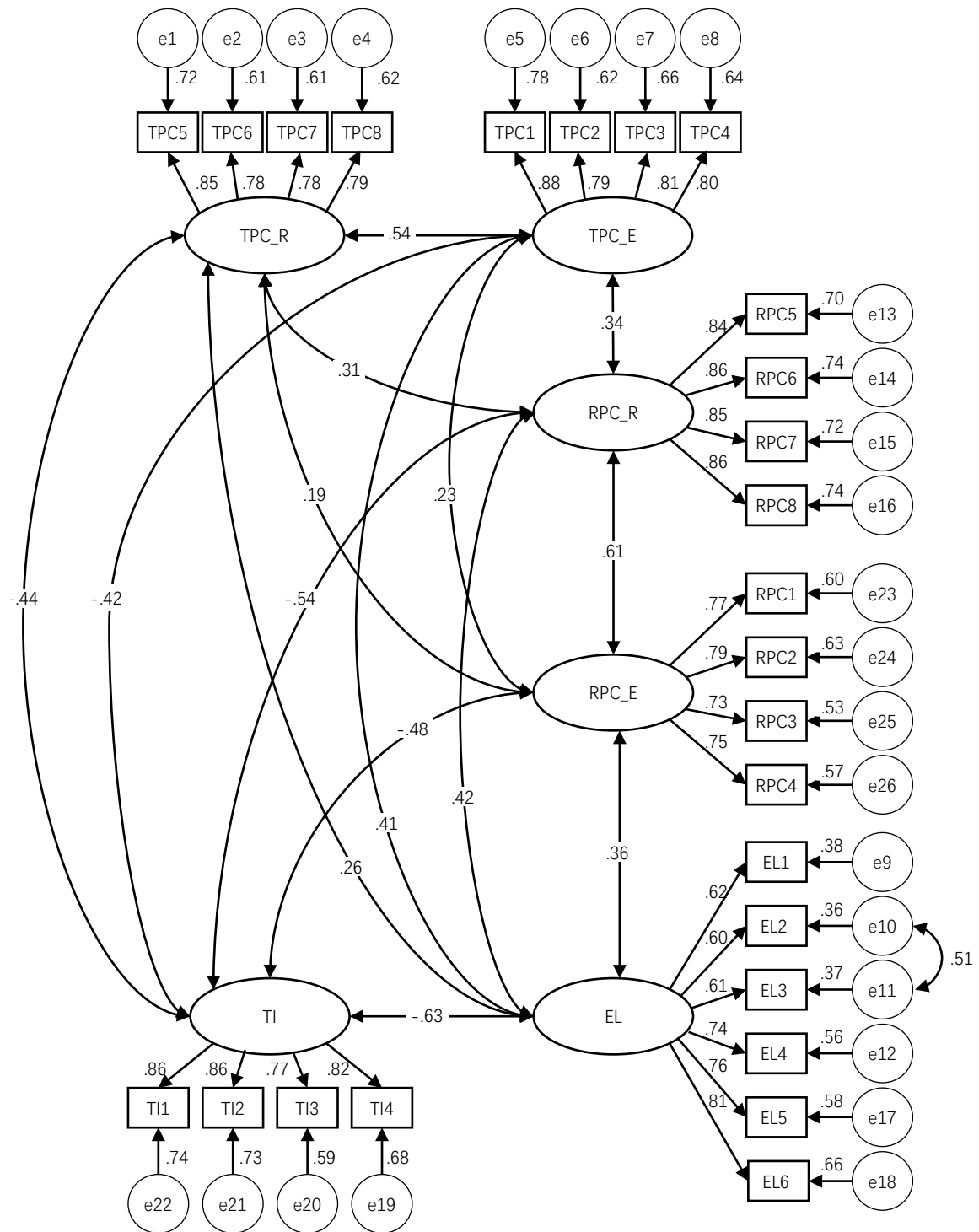
The square root of AVE for each component is compared to the correlation coefficients between that factor and other factors in order to determine the discriminant validity of the factor (Mueller & Hancock, 2018). Table 5 displays the convergent and discriminant validity; all indicators, such as AVE and CR, meet the criteria.

Table 5. Aggregate validity test

Latent variables	Items	Factor Loading	CR	AVE
TPC_E	TPC_E1	0.88	0.892	0.674
	TPC_E2	0.786		
	TPC_E3	0.813		
	TPC_E4	0.802		
TPC_R	TPC_R1	0.852	0.877	0.641
	TPC_R2	0.78		
	TPC_R3	0.779		
	TPC_R4	0.788		
RPC_E	RPC_E1	0.772	0.847	0.581
	RPC_E2	0.794		
	RPC_E3	0.726		
	RPC_E4	0.753		
RPC_R	RPC_R1	0.841	0.914	0.727
	RPC_R2	0.861		
	RPC_R3	0.85		
	RPC_R4	0.858		
EL	EL1	0.62	0.847	0.484
	EL2	0.596		
	EL3	0.611		
	EL4	0.745		
	EL5	0.759		
	EL6	0.812		
TI	TI1	0.858	0.897	0.685
	TI2	0.856		
	TI3	0.768		
	TI4	0.825		

Note: TPC_E = employee transactional psychological contract; TPC_R = employer transactional psychological contract; RPC_E = employee relational psychological contract; RPC_R = employer relational psychological contract; EL = emotional labor; TI = turnover intention.

Discriminant validity is indicated when the absolute value of the correlation coefficient between any two factors is lower than the square root of the corresponding factor's AVE. The study's discriminant validity is reliable, as demonstrated in Table 6, where all correlation coefficients between any two factors are lower than the square root of the AVE.



Note: TPC_E = employee transactional psychological contract; TPC_R = employer transactional psychological contract; RPC_E = employee relational psychological contract; RPC_R = employer relational psychological contract; EL = emotional labor; TI = turnover intention.

Figure 2. Measurement model

Based on the analysis of construct validity and factor analysis results, this study carried forward with path analysis. Firstly, a structural equation model SEM was established, followed

by model fitting using software to obtain estimates of path coefficients, standardized path coefficients, standard errors, and CR values.

Table 6. Differentiation validity

	TPC_E	TPC_R	RPC_E	RPC_R	TI	EL
TPC_E	0.801					
TPC_R	0.545	0.821				
RPC_E	0.228	0.19	0.853			
RPC_R	0.34	0.312	0.615	0.762		
TI	-0.419	-0.439	-0.481	-0.537	0.828	
EL	0.409	0.261	0.361	0.418	-0.63	0.696

Note: TPC_E = employee transactional psychological contract; TPC_R = employer transactional psychological contract; RPC_E = employee relational psychological contract; RPC_R = employer relational psychological contract; EL = emotional labor; TI = turnover intention.

The path coefficient usually passes the significance test within the 95% confidence interval when the absolute value of CR reaches 1.96, and the *p*-value is less than 0.05. This shows that the preset model’s underlying presumptions have been verified. On the other hand, the hypothesis is no longer viable if these requirements are not satisfied (Mueller & Hancock, 2018). Table 7 outlines the test results.

Regarding direct effects, the impact of employee transactional psychological contract on turnover intention did not achieve statistical significance ($\beta = -0.026, p > 0.05$), and H1 was not confirmed. Employer transactional psychologi-

cal contract significantly affected turnover intention ($\beta = -0.242, p < 0.01$), H2 was accepted. Employee relational psychological contract significantly influenced turnover intention ($\beta = -0.179, p < 0.001$). Thus, H3 was supported. Correspondingly, employer relational psychological contract significantly affected turnover intention ($\beta = -0.187, p < 0.001$), supporting H4. Employee transactional psychological contract significantly influenced emotional labor ($\beta = 0.312, p < 0.001$), supporting H5. Nevertheless, the influence of employer transactional psychological contract on emotional labor did not reach significance ($\beta = 0.002, p >$

Table 7. Hypotheses testing: Direct effects

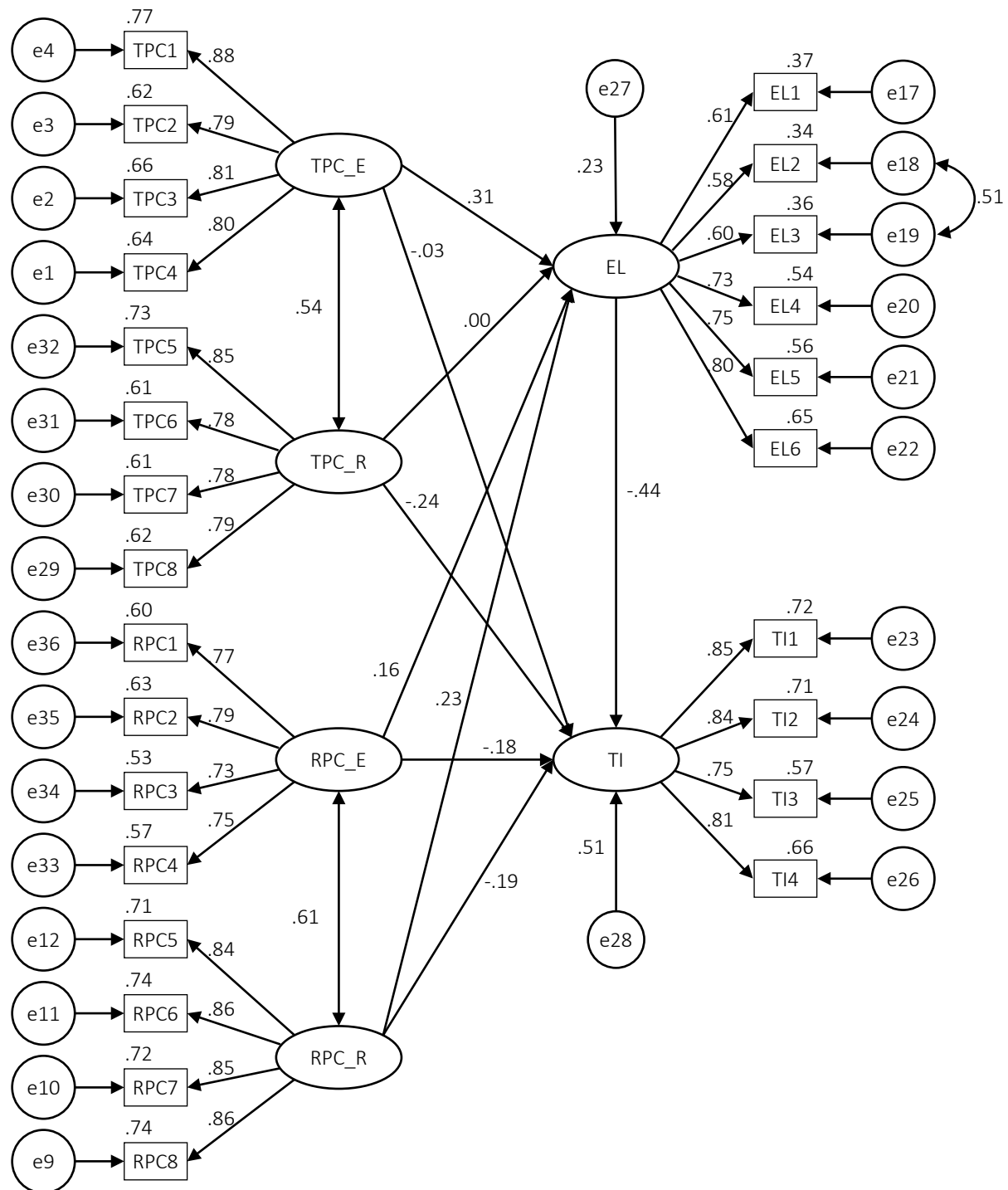
Hypotheses	Path	Effect value	Path coefficients	<i>p</i> values	CR	Results
H1	TPC_E → TI	-0.027	-0.026	0.496	-0.632	Not supported
H2	TPC_R → TI	-0.228	-0.242**	0.001	-5.999	Supported
H3	RPC_E → TI	-0.206	-0.179***	0.000	-3.977	Supported
H4	RPC_R → TI	-0.179	-0.187***	0.000	-4.279	Supported
H5	TPC_E → EL	0.238	0.312***	0.000	6.170	Supported
H6	TPC_R → EL	0.001	0.002	0.943	0.041	Not supported
H7	RPC_E → EL	0.139	0.164**	0.002	3.039	Supported
H8	RPC_R → EL	0.161	0.231**	0.001	4.362	Supported
H9	EL → TI	-0.595	-0.435**	0.001	-9.682	Supported

Note: **p* < 0.05; ***p* < 0.01; ****p* < 0.001. TPC_E = employee transactional psychological contract; TPC_R = employer transactional psychological contract; RPC_E = employee relational psychological contract; RPC_R = employer relational psychological contract; EL = emotional labor; TI = turnover intention.

Table 8. Results of mediation analysis

Hypotheses	Path	Effect value	Path coefficients	<i>p</i> values	Bootstrapping (N = 5000)		Results
					95% CI		
					Lower bounds	Upper bounds	
H10	TPC_E → EL → TI	-0.142	-0.136***	0.000	-0.183	-0.095	Supported
H11	TPC_R → EL → TI	-0.001	-0.001	0.942	-0.035	0.034	Not supported
H12	RPC_E → EL → TI	-0.083	-0.072**	0.001	-0.119	-0.030	Supported
H13	RPC_R → EL → TI	-0.096	-0.101***	0.000	-0.147	-0.057	Supported

Note: **p* < 0.05; ***p* < 0.01; ****p* < 0.001. TPC_E = employee transactional psychological contract; TPC_R = employer transactional psychological contract; RPC_E = employee relational psychological contract; RPC_R = employer relational psychological contract; EL = emotional labor; TI = turnover intention.



Note: TPC_E = employee transactional psychological contract; TPC_R = employer transactional psychological contract; RPC_E = employee relational psychological contract; RPC_R = employer relational psychological contract; EL = emotional labor; TI = turnover intention.

Figure 3. Structural equation model

0.05), thereby failing to support H6. Employee relational psychological contract significantly affected emotional labor ($\beta = 0.164, p < 0.01$), confirming H7. Likewise, the employer relational psychological contract significantly influenced

emotional labor ($\beta = 0.231, p < 0.01$), accepting H8. Emotional labor significantly affected turnover intention ($\beta = -0.435, p < 0.01$), and H9 was corroborated.

This study looked at the indirect impacts after confirming the direct effects. It used the boosting technique with a 95% confidence interval. Table 8 presents the verification findings.

The study revealed that the 95% confidence interval for the total effect of “TPC_E → EL → TI” is $[-0.183, -0.095]$, with 0 excluded. This signifies a notable mediating impact of emotional labor between employee transactional psychological contract and turnover intention, with a coefficient of -0.142 . Emotional labor serves as a partial mediator.

The 95% confidence interval for the total effect of “TPC_R → EL → TI” is $[-0.035, 0.034]$, including 0, indicating that emotional labor functions as a complete mediator and does not significantly mediate the relationship between employer transactional psychological contract and turnover intention.

The 95% confidence interval for the total effect of “RPC_E → EL → TI” is $[-0.119, -0.030]$, with 0 excluded. This indicates a significant mediating effect of emotional labor between employee relational psychological contract and turnover intention, with a coefficient of -0.083 . Emotional labor serves as a partial mediator.

The 95% confidence interval for the total effect of “RPC_R → EL → TI” is $[-0.147, -0.057]$, with 0 excluded. This demonstrates a significant mediating effect of emotional labor between employer relational psychological contract and turnover intention, with a coefficient of -0.096 . Emotional labor functions as a partial mediator.

Figure 3 exhibits the outcomes of psychological contract influence on turnover intention, providing comprehensive evidence for the mediating role of emotional labor between psychological contract and turnover intention. H1, H6 and H11 were rejected, while H2, H3, H4, H5, H7, H8, H9, H10, H12, and H13 were supported.

4. DISCUSSION

This study identifies psychological contracts as critical factors influencing employees' turnover intentions, with emotional labor functioning as a mediating variable. These findings offer new

insights for hotels aiming to reduce employee turnover.

The study's results support the argument that psychological contracts have a detrimental effect on workers' inclinations to leave. Both transactional and relational psychological contracts influence employees' intentions to quit, partially corroborating the results of Wang et al. (2017). They concluded that transactional psychological contracts and relational psychological contracts negatively influence turnover intentions. However, this study reveals a more nuanced picture: employee transactional psychological contracts show no significant impact on turnover intentions ($\beta = -0.026$, $p > 0.05$), whereas employer transactional psychological contracts ($\beta = -0.242$, $p < 0.01$), employee relational psychological contracts ($\beta = -0.179$, $p < 0.001$), and employer relational psychological contracts ($\beta = -0.187$, $p < 0.01$) have significant negative impacts on employees' turnover intentions. Therefore, besides reinforcing robust transactional psychological contracts, hotels should prioritize addressing employees' emotional needs to prevent turnover due to unmet fundamental assurances.

Furthermore, this study delves into the correlation between emotional labor and employees' intentions to terminate employment, revealing a significant adverse effect ($\beta = -0.435$, $p < 0.001$). This outcome contravenes the findings advanced by Lv et al. (2012), who posited that emotional labor, including surface acting and deep acting, does not influence hotel employees' turnover intentions. Conversely, Fu et al. (2020) uncovered a positive relationship between employees' turnover intentions and surface acting, while deep acting did not show any link. The emotional labor status of employees indicates their willingness to invest effort in the organization, thereby influencing their turnover intentions (Lee & Madera, 2019).

Numerous domains have significantly benefited from theoretical studies on psychological contracts. Psychological contracts are often used as mediating variables. This study, however, positions psychological contracts as independent variables, dividing them into transactional and relational types existing between employers and

employees, thus expanding the theoretical understanding of psychological contracts. Additionally, the study highlights the pivotal role that emotional labor management plays in lowering employee turnover intentions by demonstrating the mediating effect of emotional labor between psychological contracts and turnover intentions.

The paper provides practical ideas for staff retention in the hotel business. The hotel sector has long struggled with high staff turnover (Xu et al., 2023). Employee departures affect operational efficiency and potentially degrade service quality, impacting customer satisfaction and hotel competitiveness

(Shi et al., 2021). Enterprises' provision of security for employees impacts organizational retention (Park & Min, 2020). Emotional connections and loyalty among employees can also affect their retention (Xiong et al., 2023). Therefore, luxury hotel managers should prioritize establishing relational psychological contracts among employees to enhance their sense of belonging to reduce turnover and improve profitability and service quality. Hotels should also focus on managing emotional labor by providing psychological support and training to cultivate employees' psychological stability, thereby effectively reducing turnover (Hwang et al., 2021).

CONCLUSION

This study aims to explore the role of psychological contract and emotional labor on turnover intention. The results indicate that psychological contracts influence both turnover intentions and emotional labor of luxury hotel employees. Additionally, emotional labor affects turnover intentions and mediates the relationship between psychological contracts and turnover intentions.

The study uncovered that psychological contracts negatively impact turnover intentions among luxury hotel employees. Psychological contracts help retain employees by addressing their attitudes toward corporate responsibilities and obligations beyond the labor contract.

Emotional labor negatively influences employee turnover intentions. In reducing turnover intentions, managing emotional labor becomes a fundamental solution. As hotel employees frequently engage in extended periods of emotional labor, creating a supportive work environment and actively caring for employees to help them maintain stable emotions during work are crucial components of human resource management.

Drawing upon the study's findings, it is imperative for luxury hotel managers to implement the following strategies. They should foster deeper emotional connections with employees to enhance their sense of attachment; provide stable job security to reduce turnover; address employees' emotional labor issues through training and management interventions; and establish and maintain robust psychological contracts, particularly relational ones, to enhance loyalty and reduce turnover rates.

Future research should employ more rigorous sampling methods to examine employee turnover in luxury hotels. It would be beneficial to compare turnover intentions across different types of hotels. Further exploration of other antecedents that may influence turnover intentions is necessary. This will enrich the study of psychological contracts. Additionally, analyzing the impact of various individual factors on hotel employees' turnover intentions would provide deeper insights.

AUTHOR CONTRIBUTIONS

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APPENDIX A.

QUESTIONNAIRE

Dear Madam/Sir,

We sincerely appreciate your great support and cooperation! This survey aims to understand the relationship between psychological contract, emotional labor, and turnover intention of luxury hotel employees in China. The questionnaire is anonymous, and all questions are neutral, with no right or wrong answers. Kindly mark the appropriate options as you see fit. The survey data will be used solely for academic research and will not disclose any of your personal information. Please feel at ease to respond.

Section A. Personal Information

1. Gender Male Female
2. Education level Below College College Bachelor's degree Master's Degree
3. Age Below 20 21-30 31-40 41-50 Above 50
4. Work experience Less than 1 year 1-3 years 3-5 years 5-10 years 10-15 years more than 15 years

Section B. Psychological Contract Scale

Regarding your relationship with the hotel, please indicate the extent to which you believe the following responsibilities and obligations are being fulfilled.

	Psychological Contract Source: Dabos and Rousseau (2004) Rousseau (2000)	Strongly disagree	Disagree	Somewhat disagree	Neutral	Somewhat agree	Agree	Strongly agree
TPC_E1	Fulfill a limited number of responsibilities.	1	2	3	4	5	6	7
TPC_E2	I have made no commitments to the hotel regarding future work.	1	2	3	4	5	6	7
TPC_E3	Work in this hotel for a limited time only.	1	2	3	4	5	6	7
TPC_E4	Only perform specific service activities for which I am compensated.	1	2	3	4	5	6	7
TPC_R1	Limited involvement in the hotel and other hotel matters.	1	2	3	4	5	6	7
TPC_R2	Training only for current job.	1	2	3	4	5	6	7
TPC_R3	A job limited to specific, well-defined responsibilities.	1	2	3	4	5	6	7
TPC_R4	Require performing only a limited set of duties	1	2	3	4	5	6	7
RPC_E1	Make personal sacrifices for this hotel.	1	2	3	4	5	6	7
RPC_E2	Take this hotel's concerns personally.	1	2	3	4	5	6	7
RPC_E3	Protect the hotel's image.	1	2	3	4	5	6	7
RPC_E4	Commit myself personally to this hotel.	1	2	3	4	5	6	7
RPC_R1	Concern for short- and long-term personal welfare.	1	2	3	4	5	6	7
RPC_R2	Stability within the hotel.	1	2	3	4	5	6	7
RPC_R3	Make decisions with my interests in mind.	1	2	3	4	5	6	7
RPC_R4	Stable benefits and resources for my work.	1	2	3	4	5	6	7

Section C. Emotional Labor Scale

Please evaluate your emotional labor according to the following options.

Emotional Labor Source: Brotheridge and Lee (2003)		Strongly disagree	Disagree	Somewhat disagree	Neutral	Somewhat agree	Agree	Strongly agree
EL1	Resist expressing my true feelings.	1	2	3	4	5	6	7
EL2	Pretend to have emotions that I do not really have.	1	2	3	4	5	6	7
EL3	Hide my true feelings about a situation.	1	2	3	4	5	6	7
EL4	Make an effort to actually feel the emotions that I need to display to others.	1	2	3	4	5	6	7
EL5	Try to actually experience the emotions that I must show.	1	2	3	4	5	6	7
EL6	Really try to feel the emotions I have to show as part of my job.	1	2	3	4	5	6	7

Section D. Turnover Intention Scale

Please choose your intention to leave based on the following situation.

Turnover intention Source: Shi et al. (2021)		Strongly disagree	Disagree	Somewhat disagree	Neutral	Somewhat agree	Agree	Strongly agree
TI1	Today, during my shift, I thought of quitting my job.	1	2	3	4	5	6	7
TI2	Today, during my shift, I thought of searching for a new job.	1	2	3	4	5	6	7
TI3	Today, during my shift, I considered leaving the hotel for a new employer.	1	2	3	4	5	6	7
TI4	Today, during my shift, I did not think about leaving the hotel for a new employer.	1	2	3	4	5	6	7