

THE INFLUENCE OF HOTEL EMPLOYEES' PSYCHOLOGICAL CONTRACTS ON EMPLOYEES' TURNOVER - TAKING REGAL PALACE HOTEL AS AN EXAMPLE

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Abstract

It provides some guidance and reference for stabilizing the employment relationship of Regal Palace Hotel, so as to optimize the staff management system, reduce staff turnover, and create a comfortable and harmonious working atmosphere. At the same time, provide some advice for other similar types of hotels. This paper, using literature research, case analysis, participation in investigation, etc, based on the employees' psychological contracts theory, aiming at Regal Palace Hotel' employees, searched the psychological contracts about hotel staff of gender and study degree difference, staff turnover problems, and explored the construction and incentive way of the hotel employees' psychological contracts, looking for employees' psychological contract satisfaction factors. The research results point out that the hotel should publish the salary adjustment information, complete the training system, and strengthen professional training; in the meanwhile, institutionalize the post promotion and streamline the approval process and so on.

Key words: Psychological contracts; Incentive system; Staff management

JEL Classification: [M0, M1]

INTRODUCTION

Organizational psychologist Argyris (1960) was the first scholar to propose a psychological contract in his book, *Understanding Organizational Behavior*, in his description of the relationship between superiors and subordinates, and Levinson (1962) argued that it was the opposite of written contract, an internal rather than an expressed expectation. Up to now, even though we still have many scholars who studied the related content of psychological contract theory in academia (Morrison, & Robinson, 1997; Thompson, & Bunderson, 2003; Lam, & de Campos, 2015; Naylor, Bird, & Butler, 2021) there has been a dearth of research on hotel employee management from the perspective of psychological contract. At present, research scholars mainly involved the structure, construction, and management measures of psychological contract, as well as problems with hotel employees' turnover (Levinson, Price, Munden., Mandl, & Solley, 1962). But so far, a complete relationship model about psychological contract and hotel employees' turnover has not been formed, and there is a lack of quantitative research on the maintenance of the employees' psychological contract, intervention, and motivation and satisfaction. The main research object of this paper is

Dongguan's Regal Palace Hotel. In this way, under the influence of the COVID-19 pandemic, almost all conference and banquet teams in this hotel have cancelled their reservations. After the Spring Festival in 2021, 90% of employees are forced to take unpaid leave and unable to return to work in Dongguan. From February to May, employees were gradually arranged to work in batches. Due to the lack of improvement for a long time, most of the employees chose to resign and implemented a corresponding layoff system. It was not until June 2021, when the epidemic conditions improved, that full-time work began to resume, and by this time, the number of employees had dropped to less than 500. After improving the business, various departments were severely understaffed, and employees from second-line departments began to be frequently dispatched to other front-line departments for support. Moreover, the support arrangement is directly carried out by the Human Resources Department, and the employees accept it unconditionally, which gives them a double blow to their physical strength and energy. This was followed by customer complaints caused by employees' turnover and the decline in front-line service quality.

The remainder of the paper is organized as follows. Besides the introduction in Section 1, Section 2 defines the theory of psychological contract. Section 3 develops the research methodology, which includes questionnaire survey method and participation in the survey. Section 4 analyses the results of the questionnaire survey. Section 5 discusses the strategies to retain employees in the hospitality industry. Finally, Section 6 concludes the study and presents the limitations and suggestions for future research directions.

THEORY

Definition of the Psychological Contracts

As shown in most of the studies cited earlier, the psychological contract is based on a cognitive-level model, and it is established on the employment relationship between employees and the organization (Blancero, & Johnson, 1997; Lin, Huang, & Chiang, 2018; Brewerton, 2000). Employees generally regard it as a feedback window to judge and explain what is happening in the organization, employees' attitudes and behaviors come from this series of reactions (Guo, 2015). In short, scholars have defined the concept of psychological contract from two perspectives, namely in a broader and narrower sense. The former pays more attention to the two aspects of individuals and organizations, which also agrees to bring some difficulties to empirical research, while the latter is the perception of each other's responsibilities from the perspective of employees themselves or organizations, which is often used in empirical research (Li, 2002).

CONSTRUCTION OF THE PSYCHOLOGICAL CONTRACT

Two-Dimensional Structure

Two-dimensional structure first appeared in the related research of scholar, MacNeil (1985), which showed that two-dimensional structure includes transaction dimension and relational

dimension, and the proportion of these two dimensions in the whole will have an impact on the content of psychological contract (Li, 2002; Macneil, 1985). In addition, Chen et al. found the existence of two factors, namely transactional factor, and relational factor, after surveying 1088 employees and conducting research based on psychological contract, and then named the two as "realistic responsibility factor" and "developmental responsibility factor"(Chen, Ling,&Fang, 2001;Li, 2002).

Three-Dimensional Structure

Rousseau and Tijorimala (1995) conducted research on registered nurses in the United-States and found that the transactional dimension, relational dimension and team player dimension are actually included in the psychological contract (Li, 2002; Chen, Rousseau, & Divisorial, 1996). Among them, the transactional dimension is based on the written contract and the organization and employees provide an explanation for each other's contribution and income; the relational dimension refers to the positive or negative impact of the organization in the career development of employees (Gao, 2007). The dimension of team player indicates that the relationship in teamwork also affects the content of employees' psychological contract (Xie, 2006 ; Ma, 2021). And this overview of teamwork, three dimensions may be involved at the same time (Zhang, Lang Y & Wang, 2021 ; You, 2008). Therefore, based on the three-dimensional structure, this paper uses the psychological contract scale to carry out quantitative analysis, sets up questions for each dimension, and analyses the results.

METHODOLOGY

QuestionnaireSurveyMethod

The participants of this questionnaire-based study are the employees of Regal Palace Hotel, with a total of 497 respondents below the manager level and 53 above the manager level. This research uses the Psychological Contract Scale to conduct a questionnaire survey. The scale was borrowed from Chen (2012)'s revised form of the Psychological Contract Scale developed by Professors Zhu and Wang (2005), with a total of 18 items. During the present study period, the questionnaires were sent to colleagues in various departments via the hotel company's We Chat group peer-to-peer through the production of questionnaires in the form of QR code images distributed online. At the same time, the questionnaires were sent to colleagues participating in the support and training of various departments. A total of 250 questionnaires were distributed, 158 were recovered, and 109 were valid questionnaires. In the whole study, the three-dimensional structure of psychological contract is adopted, and the main measurement indicators include transactional, relational, and team player dimension. The reliability and validity of the questionnaire were analyzed using SPSS version 22.0 statistical software.

Participation in the Survey

One of the authors conducted a 6-month internship at Dongguan's Regal Palace Hotel from October 2020 to April 2021, during which he worked as a conference sales coordinator in the Marketing & Sales Department of Regal Palace Hotel. Familiar with and understanding the

operation overview and management model of the hotel, she participated in the coordination and reception of many large-scale conference teams, and helped out many times the Housekeeping Department, the Chinese Food Department and the Western Food Department, and took part in the hotel's 2020 annual meeting, and observed records from work and data such as the current situation of human resources management in the hotel, internal training plans, etc.

RESULTS OF THE QUESTIONNAIRE SURVEY

Reliability Test

Reliability usually refers to the credibility of a questionnaire test. All analyses were performed using SPSS 22.0 statistics package to test the reliability of the questionnaire results. It can be seen from **Table 1** that the reliability coefficient of the questionnaire on employees' assessment of their psychological contract is 0.937, and if one variable is arbitrarily excluded, the coefficient value varies from 0.925 to 0.954, which indicates that the questionnaire has high reliability.

Cronbach's Alpha	Number of Items
0.937	18

Validity Test

To discover the underlying structure of the data in this study, Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy and Bartlett's Test of Sphericity have been used to determine the construct validity of the questionnaires. As can be seen in **Table 2**, $KMO=0.954 > 0.6$, indicating that the sample size is sufficient. Combining the two indicators, this scale is suitable for exploratory factor analysis.

Kaiser-Mayer-Olkin measure of the degree of sampling sufficiency	.954
Bartlett Spherical Degree Test. The approximate chi-square	1625.966
df	153
Sig.	.000

According to the criterion that the eigenvalue is greater than 1, as exhibited in Table 3, a total of 1 principal component was extracted, and the cumulative variance explained rate = 64.017% > 50%, demonstrating that the structural division of this scale was found to be both reasonably reliable and valid, and has good structural validity as well as good item-total correlations. Of note, the rotated component matrix, the value in the matrix is the factor loading of each measurement item.

Table 3: Interpretation of the Total Variance and Component Matrix

Component	Initial Eigenvalue			Extract the sum of squares and truncate				Component
	Total	% of variance	Cumulative %	Total	% of variance	Cumulative %		1
1	11.523	64.017	64.017	11.523	64.017	64.017	VAR00001	.770
2	.762	4.232	68.249				VAR00002	.821
3	.690	3.831	72.080				VAR00003	.756
4	.637	3.538	75.619				VAR00004	.783
5	.554	3.076	78.695				VAR00005	.784
6	.490	2.721	81.416				VAR00006	.807
7	.441	2.451	83.416				VAR00007	.838
8	.409	2.273	86.140				VAR00008	.810
9	.377	2.094	88.234				VAR00009	.825
10	.358	1.987	90.221				VAR00010	.850
11	.323	1.794	92.015				VAR00011	.826
12	.267	1.483	93.498				VAR00012	.775
13	.251	1.395	94.893				VAR00013	.803
14	.223	1.236	96.129				VAR00014	.807
15	.217	1.205	97.334				VAR00015	.724
16	.190	1.055	98.389				VAR00016	.826
17	.162	.898	99.287				VAR00017	.776
18	.128	.713	100.000				VAR00018	.809

Extraction method: Principal component analysis.

Extraction method: principal ingredient.
a. 1 ingredient has been extracted.

As given in Table 3, the factor loading of each measurement is greater than 0.5, and concentrated in the same factor, which demonstrates that the scale has evidence of adequate reliability and validity.

DATA ANALYSIS

Gender Distribution of the Demographic Data

There are 46 male employees in the sample, accounting for 42.20% of the total sample. The remainder are 63 female employees, which account for roughly 57.80%. Overall, the gender distribution of the sample is relatively balanced, which can indicate that the sample is gender-representative in terms of gender as displayed in Table 4.

Table 4: Sample Analysis (n=109)			
Gender of Sample			
Category	Number	Percentage (%)	Cumulative %
Male	46	42.20%	42.20%
Female	63	57.80%	57.80%
Marriage of Sample			
Married	24	22.02%	22.02%
Unmarried	79	72.48%	94.50%
Divorced	6	5.50%	100.00%
Age of Sample			
Under 18	14	12.84%	12.84%
18-20	20	18.35%	31.19%
21-24	36	33.03%	64.22%
25 and above	39	35.78%	100.00%
Degree of Sample			
Junior High School and Below	13	11.93%	11.93%
High School	29	26.61%	38.54%
Junior College	40	36.70%	75.24%
Bachelor	23	21.10%	96.34%
Master and above	4	3.67%	100.00%
Service Years of Sample			
Less than 1 year	40	36.70%	36.70%
1 to 2 years	36	33.03%	69.73%
3 to 4 years	17	15.60%	85.33%
More than 5 years	16	14.68%	100.00%

Marital Status Distribution of the Sample

There were 24 married employees, accounting for 22.02% of the total compared with 79 unmarried employees, representing the largest proportion of the sample, 72.48%. The remaining are 6 divorced employees, representing only 5.5% of the total sample. Overall, Regal Palace's employees are predominantly unmarried; a group that has no pressure from the family and has greater autonomy in job choices.

Age Distribution of the Sample

There are 14 employees under 18 years, accounting for only 12.84% of the total sample and 20 employees aged 18-20, accounting for 18.35%; 36 employees aged 21-24, accounting for 33.03% of the total sample; and 39 employees aged 25, accounting for 35.78%. It can be seen that the overall age of the staff of Regal Palace Hotel is small; the proportion of employees under the age of 25 is as high as 64.22%. From Regal Palace Hotel managers' point-of-view, young people are playing a very important role in the labour market of today's hotel industry, which suggests that this sample is more realistic in terms of employee characteristics.

Sampling Distribution of Educational Attainment

There were 40 employees with tertiary education, according for 36.70% and 29 with high school education. The percentage of staff with secondary education was slightly small and is of 26.61%; the remaining 23 employees with a bachelor's degree accounted for 21.20% of the total sample. Finally, there were only 4 employees with a master's degree or above accounting for 3.67%. In terms of educational attainment, this study sample is representative of hotel industry labour market.

Distribution of Employees by Length of Working Years

As shown in Table 4 there are 40 employees who have worked in the hotel for less than one year, accounting for 36.70% of the total sample; 36 employees have worked in the hotel for 1-2 years, accounting for 33.03%. Furthermore, there are 17 employees who have worked in the hotel for 3-4 years, accounting for 15.06%. Finally, there are 16 employees who have worked in the hotel for 5 years, accounting for 14.68% of the total sample. It can be seen that the hotel has some loyal employees with long working years, but most of them have not worked in the hotel for a long time, and the staff turnover is relatively high (Elizabeth, & Ramachandran, 2022). According to the theory of psychological contract violation, it could be said that if employees work in a hotel for a short time, this will affect their cognitive-perceptual of the company and will also make their own responsibilities and obligations ambiguous because the human resources management's career planning and commitment to employees cannot be realized in a short period of time. Therefore, some employees may experience a serious violation of their psychological contract.

Psychological Contract Scale Distribution

As can be seen in Table 5, the distribution of the scale is analyzed from the three dimensions of the psychological contract, namely transactional dimension, relational dimension, and team player dimension.

In the transactional dimension, there are 1, 2, 3, 4 questions where the average score is balanced in the general dimension. However, the average score in the third item is the lowest in this scale, that is, 2.98. Among them, 67.89% of employees believed they were being paid below their industry level. Similarly, in terms of performance and benefits, many employees expressed their dissatisfaction with the hotel benefits. Questions 6, 7, 8, 9, 11, and 15 belong

Table 5 Distribution of the Psychological Contract Scale (n=109) to the relational dimension. In the face of the hotel's career development, training and promotion opportunities, the average score is above 3.2; it can be seen that the employees agree with the career promotion and development of the hotel. In the team player dimension, the remaining questions 5, 10, 12, 13, 14, 16, 17, and 18, the highest average score of this scale, that is, the mutual trust and help among colleagues can be seen with a high score of 3.54. The positive and harmonious working atmosphere and fair treatment in the hotel indicate that the employees are relatively satisfied and harmonious with the working atmosphere of the hotel and the relationship with their colleagues.

Table 5: Distribution of the Psychological Contract Scale (n=109)

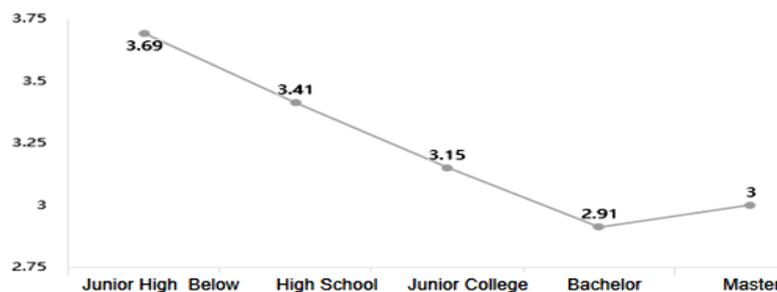
No.	Questions	Strongly Disagree	Disagree	General	Agree	Strongly Agree	Average
EPC1	The hotel pays salaries and bonuses according to the number of work performance	6(5.5%)	9(8.26%)	37(33.94%)	42(38.53%)	15(13.76%)	3.47
EPC2	The pay and price I paid was fair compared to my colleagues	7(6.42%)	15(13.76%)	41(37.61%)	28(25.69%)	18(16.51%)	3.32
EPC3	The remuneration I get is relatively low in the industry	12(11.01%)	24(22.02%)	38(34.86%)	24(22.02%)	11(10.09%)	2.98
EPC4	I am satisfied with the hotel's welfare package (insurance, salary, subsidies, vacation)	12(11.01%)	12(11.01%)	43(39.45%)	23(21.1%)	19(17.43%)	3.23
EPC5	My work can be supported by leaders	4(3.67%)	14(12.84%)	35(32.11%)	37(33.94%)	19(17.43%)	3.49
EPC6	The hotel offers me the opportunity to develop my career	11(10.09%)	6(5.5%)	40(36.7%)	36(33.03%)	16(14.68%)	3.37
EPC7	The hotel offered me the opportunity to learn and train	7(6.42%)	19(17.43%)	41(37.61%)	26(23.85%)	16(14.68%)	3.23
EPC8	I have clear development goals and directions in the company	6(5.5%)	15(13.76%)	44(40.37%)	29(26.61%)	15(13.76%)	3.29
EPC9	I think there are many opportunities and space for promotion in the hotel	10(9.17%)	15(13.76%)	42(38.53%)	23(21.1%)	19(17.43%)	3.24
EPC10	The hotel gave me full autonomy in my work	11(10.09%)	13(11.93%)	42(38.53%)	28(25.69%)	15(13.76%)	3.21
EPC11	I was able to use my technical knowledge in the hotel and make my learning useful	12(11.01%)	9(8.26%)	43(39.45%)	26(23.85%)	19(17.43%)	3.28
EPC12	Colleagues can trust and help each other	5(4.59%)	9(8.26%)	37(33.94%)	38(34.86%)	20(18.35%)	3.54
EPC13	Good work instruction at the hotel	5(4.59%)	10(9.17%)	41(37.61%)	36(33.03%)	17(15.6%)	3.46
EPC14	I feel that working in the hotel is stable and secure	8(7.34%)	12(11.01%)	40(36.7%)	29(26.61%)	20(18.35%)	3.38
EPC15	My job is challenging	7(6.42%)	12(11.01%)	38(34.86%)	35(32.11%)	17(15.6%)	3.39
EPC16	The hotel has ample resources to support my work	4(3.67%)	19(17.43%)	41(37.61%)	25(22.94%)	20(18.35%)	3.35
EPC17	The hotel has a positive and harmonious atmosphere for work	6(5.5%)	14(12.84%)	46(42.2%)	29(26.61%)	14(12.84%)	3.28
EPC18	I was able to get fair treatment at the hotel	9(8.26%)	10(9.17%)	45(41.28%)	29(26.61%)	16(14.68%)	3.3
Total		142(7.24%)	237(12.08%)	734(37.41%)	543(27.68%)	306(15.6%)	3.32

CROSS-ANALYSIS

Cross-Analysis of Educational Attainment and Hotel Benefits

In this analysis, the results of cross-comparison between the educational attainment and the fourth item in the scale (Figure 1) show that the satisfaction with hotel benefits is decreasing as the academic attainment increases. To a certain extent, it shows that the benefits of the hotel are not attractive to employees with a bachelor's degree or above, and they have otbeen treated well to be retained.

Figure 1: Cross-Analysis of Educational Attainment and Hotel Benefits

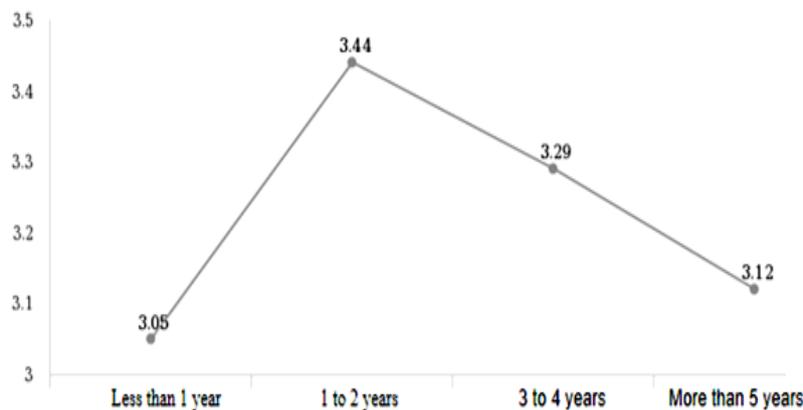


Cross-Analysis of Working Years and Hotel Job Stability

In this analysis, the working years and the 14th item in the scale were selected for cross-comparison. The results are exhibited in Figure 2, which shows that as the number of working year's increases, the proportion of employees who feel stable and secure hotel work increases.

It can be shown that the loyal employees of hotels are more committed to the job of a hotel, and those with longer working years tend to have stable jobs rather than high-paying jobs.

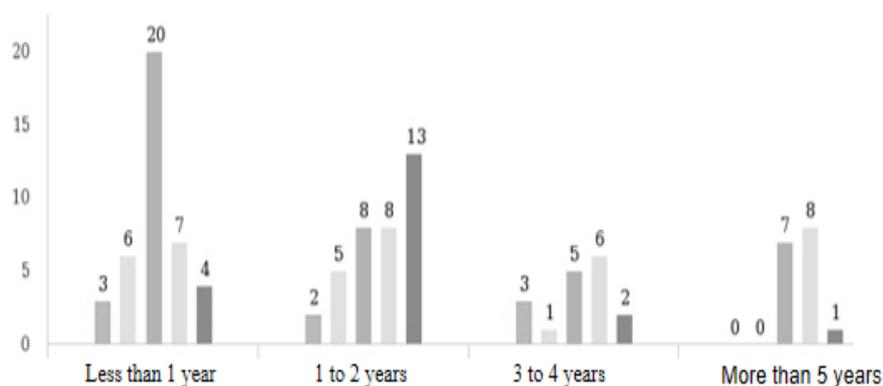
Figure 1: Cross-Analysis of Working Years and Hotel Job Stability & Security



Cross-Analysis of Years of Service and Opportunities for Learning and Training

In this analysis, the working years and the 7th item in the scale were selected for cross-comparison and the results are shown in Figure 3. It can be seen that after 1-2 years of employment, the hotel employees are relatively satisfied with the hotel's learning and training opportunities (Kong, Cheung, & Song, 2012), but with the increase of working years, this satisfaction is showing a downward trend.

Figure 3: Cross-Analysis of Years of Service and Opportunities for Learning and Training



RESULTS

Lack of Transparency in Pay Systems

Employees attach great importance to compensation and benefits (Osibanjo, Adeniji, Falola, & Heirsmac, 2014), but the hotel's original salary system has certain problems, such as lack of transparency, salary structure, and balance. There may even be a phenomenon that one's social

network size is more important than his/her competency. One popular Chinese saying states that “Who you know is more important than what you know” (Yeung & Tung, 1996). The salary of the newly hired employees may be higher than that of the current technical ones with longer working experience, resulting in a psychological imbalance of some employees. In addition, the confidentiality of the salary system may lead to poor information and lack of obvious attractiveness for employees’ promotion, which not only hinders the development of employees, but also limits the development of the hotel itself.

Promotion and Development Are Not Guaranteed

It impossible to give employees 100% commitment to promotion and development. Due to the hotel's employment habits, many positions are more willing to be offered to people outside the hotel, commonly known as recruiting airborne troops. However, the staffs of the hotel headquarters do not get the promotion they deserve. They often see their career ceilings in 3 or 4 years, and sometimes they need to change jobs to break through their career bottlenecks. At the 2020 annual meeting, Xu Zongtong, the General Manager of Regal Palace Hotel, highlighted in his speech the following points - "better troops, simpler administration, and growing together".

This is essential for Regal Palace Hotel, and it is difficult to implement. Many grassroots employees in the business department have worked in the hotel for more than five years and become loyal employees of the hotel. Due to economic and living pressures from family and other aspects, no matter what, we will still stay in Regal Palace Hotel and continue to work. It is difficult for such an employee to determine whether s/he has contributed or not, and the hospitality industry itself is a labour-intensive service industry, and many jobs do not require special contributions, but only need to be completed step by step. Therefore, the authors believe that the General Manager's remarks are more aimed at knowledge-based talents and skill-based positions, and it is necessary to grasp the reasons for employees’ burnout from the management level and make corresponding incentive measures, rather than a one-size-fits-all.

Formalization of Training Programs

In terms of training, the hotel pursues formal training, and the lack of training that is beneficial to the career development of employees makes them feel that the probability of psychological contract violation increases. The hotel's Marketing & Sales Department conducts 5-6 training sessions per month, and the themes of each month's training are the same, but each month is set at a different time. Moreover, the gold content of training is not high, and it is often symbolic to take photos and check-in to prove that the task of departmental training has been completed. This kind of training is essentially to deliver the task of leadership, instead of achieving the purpose of improving ability; it will make employees lose their sense of trust.

Class Concepts and Work Approval Processes Are Cumbersome

The overall class concept of the hotel and the work approval process are complicated, which brings a very bad professional experience to the bottom-level employees. Many employees gave very low scores in terms of working atmosphere and being trusted and respected at work.

In the final analysis, the hotel class concept led to a lot of useless work and abnormal interpersonal relationships.

STRATEGY TO RETAIN EMPLOYEES IN THE HOSPITALITY INDUSTRY

Disclose Compensation Information

If the hotel can disclose the relevant compensation information and incentives (Baker, Jensen, & Murphy, 1988), it is also thought that the hotel's salary system is fair and reasonable, through information disclosure, so that employees can understand their salary level in the hotel and understand the general direction of their future work (Mangantar, & Lapian, 2022). Similarly, an open and transparent compensation system can promote a better working atmosphere in the hotel (Tiwari, & Saxena, 2012), no longer making employees upset because of unfair treatment towards them. It will also be good to allow employees to spend more time and effort improving their professional skills, rather than being suspicious of compensation. However, there will still be a phenomenon of income inequality under the same level although the hotel itself has a hierarchical system to indicate the level of wages. Open pay systems have certain disadvantages for hotels, but the overall benefits outweigh the disadvantages.

Institutionalization of Job Promotion

The implementation of the principle of "matching positions with people" and conducting personality survey analysis and career planning guidance for new employees can we improve employees' abilities and job fit. With all-dimensional performance appraisal and transparent and fair promotion system, we ensure that employees have clear goals and achieve and maintain a high and stable self-worth. For highly educated employees, it is also necessary to provide diversified growth paths, dual-channel career development path, job rotation system, and internal competition to provide employees with vertical and horizontal development paths. Distinguish between different types of talents and set up different employee development channels in order to retain employees in the long-term.

Improve the Training System

In the contemporary society, the hotel industry is facing many challenges. How could hotels respond to the changes in the new era, seek opportunities in many hotels and maintain long-term stable development? The core is to continuously improve the competitiveness of talents. There is a need to formulate a talent strategy based on the value proposition of employees, empowering growth, focusing on professionalism, and caring for life. It is necessary to set up a unified talent management standard, continuously optimize the talent management process, and continuously provide the hotel with outstanding talents that meet the strategic needs of the business from the four aspects of talent selection, appointment, development, and retention. Multi-channel talent supply, all-round on boarding companionship, and professional work training can make the hotel's human resources management fully utilized and maximized development. The hotel can conduct a training needs survey. From the perspective of employees, "prescribe the right medicine", training and orientation to employees. After each training, the training effect evaluation should be carried out, receive the survey feedback results

in real time, continuously improve the deficiencies in the training, and strive to optimize the training effect. At the same time, it is also necessary to provide employees with a variety of learning resources and learning platforms. To improve the accessibility of learning, it is necessary to continuously provide new technologies, use various Internet + new media platforms, and provide corresponding professional courses and management courses, and leadership courses for different positions and design customized business training courses and action learning programs as needed to develop employee capabilities in all aspects and multiple dimensions.

Streamline the Approval Process

The hotel implements hierarchical management of class differentiation, and some procedures affect the implementation progress of the actual work and the accuracy of the information delivered. It is recommended to reduce the unnecessary processes, especially some financial approval procedures are too complicated, affecting customer experience and employee satisfaction. The authority to approve management matters can be re-standardized, and efficiency and effectiveness can be emphasized. It would be important to optimize the approval process in accordance with the principle of "streamlining, standardization and efficiency". As the General Manager of Regal Palace Hotel said at the annual meeting, it is necessary to simplify the complexity and the administration to better cope with the fiercely competitive market.

CONCLUSION

This study found that there are several problems in the hotel management at Regal Palace Hotel in China, namely salary structure, lack of guarantee for promotion and development, too formalized training programs, too strong class concept, and complicated work approval process (Brill, & McCartney, 2008). In response to these problems, an open salary adjustment was proposed, the job promotion was institutionalized, the training programs were improved, and the approval process and other strategies were streamlined. These strategies can provide certain guidance and reference significance for Regal Palace Hotel to stabilize the employment relationship (Tribe, 1975) in order to optimize the employee management system, reduce employees' turnover, and create a comfortable and harmonious working atmosphere. At the same time, it provides reference for other similar types of personnel in hospitality management.

Aiming at the gender and educational differences and employees' turnover under the psychological contract of Regal Palace Hotel, this research explores the incentive methods of the employees' psychological contract and finds the satisfaction factors of the characteristics of the employees' psychological contract. It also provides certain guidance and reference for Regal Palace Hotel to stabilize the employment relationship, to achieve the purpose of optimizing the employee management system, reducing employees' turnover, and creating a comfortable and harmonious working atmosphere. This study consists of certain limitations, suggesting areas for further research. It is impossible to truly understand the situation of the respondents. During the study period, due to the impact of the COVID-19 epidemic, only online questionnaires were used, and face-to-face interviews were not available, which caused great

restrictions. In addition, due to the small number of samples in this case, the number of survey samples has certain limitations. Because our studies included few respondents based on online questionnaire, future research should try face-to-face interview to compare the results.

The present study was conducted in China; the data concerns only Regal Palace Hotel in Dongguan City, Guangdong Province, Mainland China. Therefore, the generalizability of this study to other different hotels in China should be done with caution. The author suggests that future studies should focus on other chain hotels in other countries or cities to better understand the differences in terms of management in hospitality industry.

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