Formation of political trust and support for local government actions during crisis: Hotel employees’ perspectives

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Abstract

Purpose – This study explores how institutional and cultural factors influence political trust among hotel employees and its impact on support for local government actions, with implications for hotel leadership and regulatory compliance.

Design/methodology/approach – Employing a quantitative approach and structural equation modeling (SEM-PLS), the study integrates institutional and cultural theories of trust. Data were collected from 444 frontline hotel employees via mTurk in May 2021.

Findings – The research reveals insights into the significant role of institutional and cultural factors in shaping political trust among hotel employees. Moreover, it demonstrates a positive correlation between political trust and support for local government actions.

Research limitations/implications – This research has limitations to acknowledge. The sample size may restrict generalizability, and data from May 2021 might not capture long-term trends. Furthermore, relying solely on quantitative data may overlook individual nuances and complexities.

Practical implications – Hotel leadership can leverage these findings to prioritize building political trust among employees, leading to better support for government actions and regulatory compliance.

Social implications – Fostering trust between hotel employees and governing bodies can foster more effective collaboration, benefiting the hotel industry and the broader community.

Originality/value – This research contributes to the existing body of knowledge by presenting a novel conceptual model that integrates institutional theory and cultural theory of trust to examine the formation of political trust in the context of hotel employees. The application of this model to the hospitality industry adds to the limited research available in this area.

Keywords Political trust, Local government, Government performance, COVID-19, Hotel employees

Paper type Research paper

1. Introduction

Trust has been regarded as an important antecedent of support (Kugler & Zak, 2017) and crucial during ambiguous situations when people lack the knowledge necessary to make decisions (Delany-Crowe et al., 2019; Radu, 2021). Trust in public organizations is positively related to the intention to comply with public policies, such as protective measures to contain the spread of COVID-19 (Robinson et al., 2021). While trust operates across multiple levels (Liu & Mehta, 2021), the current study focuses on trust in government, also known as political trust. Political trust is defined as “an evaluative psychological state toward political institutions based on how well the government is operating in comparison with citizens’ normative expectations” (Kong, 2014, p. 386).

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Political trust is essential as it enhances both the legitimacy and the effectiveness of the democratic government (Putnam, 1993). Many scholars ascertain that eroding trust extends beyond distrust in political candidates or parties and signals declining trust in the democratic system (Armingeon & Guthmann, 2014; Pharr, Putnam, & Dalton, 2000). Over the past few decades, trust in government in the United States has experienced a significant decline. This decline can be traced back to historical events such as the Watergate scandal and the divisive Vietnam War (Keele, 2007; Miller, 1974). Additionally, perceptions of government corruption, political polarization and the influence of money in politics have further contributed to this trend. In 2023, public trust in government has plummeted to near record lows following a modest uptick in 2020 and 2021 (Pew, 2023). Currently, fewer than two-in-ten Americans say they trust the government in Washington to do what is right “just about always” (1%) or “most of the time” (15%).

The issue of political trust has been extensively researched in the context of compliance (Bargain & Aminijonov, 2020; Marien & Hooghe, 2011), public participation (Dewi, Gunawan, & Widiastuti, 2022; Fennema & Tillie, 1999, Lee & Schachter, 2019) and risk management (Earle, 2010; Wong & Jensen, 2020). However, political trust in the context of hospitality and tourism planning and development has been an under-researched area (Nunkoo, 2015) with most studies focusing on the resident’s trust in government (Nunkoo, 2015; Nukoo, Ramkisson, & Gursoy, 2012; Ouyang, Gursoy, & Sharma, 2017; Pagliaro et al., 2021; Wassler & Fan, 2021), the impact of tourist’s trust in destination image (Artigas, Yrigoyen, Moraga, & Villalón, 2017; Su, Lian, & Huang, 2020), behavior intention (Kaushik, Agrawal, & Rahman, 2015; Wu, Cheng, & Ai, 2018) and loyalty (Loureiro & González, 2008).

The hotel industry has been especially vulnerable to crises (Jung, Jung, & Yoon, 2021). This was recently demonstrated during the COVID-19 pandemic when hotels saw a major crash in demand, with low occupancy rates and revenues (Bonfanti, Vigolo, & Yfantidou, 2021). In addition, governments have imposed various policies and guidelines for businesses to follow. For example, mask-wearing, social distancing, limits on gathering and temporary business closures were required in many destinations, forcing hotels to redesign the customer experience and its delivery, often costly and labor-intensive, transforming hotel employees from frontline workers to essential employees (Rivera, 2020). Before COVID-19, hotel employees were already facing persistent labor shortages, low pay, long working hours, shift work, difficult customers and limited opportunities for career advancement contributing to a stressful working environment (Kubickova & Neal, 2020). Again, during COVID-19, they were dealing with potential health and safety risks while being expected to instill trust and confidence in their customers (Rivera, 2020; Stergious & Farmaki, 2021). Since hotel employees are the ones that deliver customer experience, they have become an important means of guaranteeing not only customers’ safety, but also preventing the spread of the virus among hotel personnel and the community (Bonfanti et al., 2021). Thus, having employees who trust the system (government) in which they operate is essential.

This study was conducted in response to calls from previous researchers, such as Ritchie and Jiang (2019), for a deeper understanding of how government policies are impacting the hospitality industry. This topic is especially relevant today as it is believed that the hospitality sector is facing a shortage of workers, with one-third of those who previously worked in the industry indicating that they do not wish to return to it (Dean, 2021). The study focuses specifically on the actions of local/state governments, as they have taken a leading role in implementing measures to control the spread of COVID-19 in their respective destinations (Dutta & Fischer, 2021). This study is one of the first to use institutional and cultural theory to examine how hotel employees’ political trust is formed and how their political trust affects support for government actions.
According to institutional theory, trust is endogenous and tied to how people perceive an institution’s performance compared to their expectations (Rothstein & Stolle, 2008). Citizens’ trust is considered rational and policy-dependent, shaped by their evaluation of government performance and policies (Craig, Niemi, & Silver, 1990; Wan, Shen, & Choi, 2017). Political trust is driven by perceived government performance and influences support for policies, especially in high-risk situations (Goldfinch, Taplin, & Gauld, 2021; Herian, Hamm, Tomkins, & Pytlík Zillig, 2012). Trust research often emphasizes institutional performance, but political trust also involves individual characteristics (Robinson et al., 2021). Cultural theory views trust as exogenous, rooted in cultural norms rather than performance (Mishler & Rose, 2001, 2005; Tomankova, 2019). Trust begins with close relationships and extends to institutions over time (Eckstein, 1998). This study examines perceived economic and political performance, hoteliers’ power, competence and cultural trust determinants, recognizing that trust research typically emphasizes institutional performance but also considers individual characteristics (Robinson et al., 2021).

In summary, the current study has three specific objectives, in hotel employee’s context:

1. To identify the institutional factors impacting the formation of political trust;
2. To identify the cultural factors impacting the formation of political trust; and
3. To understand the relationship between political trust and support for local government actions.

2. Literature review

2.1 Crisis response

During times of crises, such as natural disasters or health emergencies, the hotel industry faces significant challenges that can disrupt operations, jeopardize guest safety and threaten the livelihoods of hotel employees (Karatepe, Saydam, & Okumus, 2021; Subedi, Odosashvili, & Kubickova, 2023). Government responses to these crises are pivotal in mitigating their adverse effects. Governments typically implement a range of policies and regulations, including travel restrictions, quarantine measures, financial aid packages and health and safety guidelines, aimed at safeguarding public well-being and supporting businesses in the sector (Baum & Hai, 2020; Salem, Elkhwesky, & Ramkissoon, 2022). The effectiveness and efficiency of these government responses significantly impact the industry’s ability to navigate these challenges. Successful interventions can instill confidence in travelers, reassuring them of their safety and contributing to the industry’s recovery (Subedi & Kubickova, 2023). However, it is essential to strike a delicate balance between public health objectives and economic sustainability (Ocampo & Yamagishi, 2020). In this context, political trust in government actions emerges as a critical factor. Trust in government decisions and policies not only facilitates compliance but also reinforces public confidence, highlighting its pivotal role in crisis management (Bargain & Aminijonov, 2020; Newton, 2020). This nexus between government responses, political trust and their impact underscores the complex interplay that shapes the resilience and sustainability of the hotel industry during crises.

2.2 Political trust

Political trust refers to the confidence the citizens have toward the governing institutions (such as the local government) and the extent to which they view the institutions as trustworthy (Levi & Stoker, 2000). It can be said that trust is never absolute, but always conditional and contextual (Hetherington & Rudolph, 2008). During a crisis, people turn to
their government and political leaders for guidance which causes a temporary increase in political trust (Davies et al., 2021). Individuals with a higher level of political trust are more likely to accept various restrictions at the cost of personal freedom (Goldstein & Wiedemann, 2021) and follow regulations implemented by the government (Levi & Stoker, 2000; Han et al., 2021; Pagliaro et al., 2021).

The adverse impact of the pandemic has led to a renewed focus on political trust mainly because political trust facilitates consensus (Rudolph & Evans, 2005), compliance with rules and regulations (Christensen & Lægreid, 2020; Marien & Hooghe, 2011; Robinson et al., 2021), government effectiveness (Brezzi, Gonzalez, Nguyen, & Prats, 2021b; Santa, MacDonald, & Ferrer, 2019), expanded government competencies (Bursian, Weichenrieder, & Zimmer, 2015), effective implementation of public service (Christensen, Yamamoto, & Aoyagi, 2020) and reduces the need for decision justification (Tyler, 2004). Political trust has several components contributing to the overall evaluation of the government. It has both institutional (performance-based) and cultural aspects and the basis could be ideological, performance-based or even symbolic (Christensen, 2019; Brezzi et al., 2021b).

2.3 Institutional theory of trust formation

According to the institution theory, trust is endogenous and associated with the performance of the institution (Rothstein & Stolle, 2008). It is dependent on how the performance of the institution is perceived by the people compared to their expectations of the institution (Hudson, 2006; Mishler & Rose, 1997). Institutionalists believe that citizens’ trust in institutions is rational and relies on policy outcomes (Craig et al., 1990; Wan et al., 2017). Thus, the hotel employees critically assess the performance of the local government on issues they deem important and form trust based on the assessment of government policies. Such policies are supported by the hotel employees if they see the government is working on their behalf (Lynn & Robichau, 2013). Thus, political trust is driven by the perceived performance of the government and is also an antecedent of support for government policies, especially when risk is high (Goldfinch et al., 2021; Herian et al., 2012).

One of the major responsibilities of the government is to address the current and future economic challenges in the country, such as inflation or unemployment (Van der Meer, 2018). In addition, the government’s performance should also be transparent, fair and free from corruption (Grimmelikhuijsen, Porumbescu, Hong, & Im, 2013) and should ensure the proper participation of key stakeholders in the decision-making process (Lee & Schachter, 2019). Because of the uncertainty created by COVID-19 along with all other government functions, having the competence to effectively manage the pandemic is a must for an effective government (Mendolia, Stavrunova, & Yerokhin, 2021). Based on this discussion, this study uses perceived economic performance, perceived political performance, perceived power of hoteliers and perceived competence as the determinants of institutional trust.

2.3.1 Perceived economic performance. Studies suggest that citizens greatly emphasize the economic performance of the government institutions (Lühieste, 2006) and expect the local government to address the issues of inflation, the current and future economic challenges and provide essential economic support, during a crisis (Bevir, 2009). Algan, Guriev, Papaioannou and Passari (2017) ascertain that rising economic insecurity and unemployment after the 2008 recession were strongly related to a decline in political trust. Similarly, Blind, Edler, Fritsch, and Schmoch (2006) provides evidence that governments that achieve higher economic growth are generally more trusted than those with lower economic growth. Such a relationship was supported by several studies in political science (Kroknes, Jakobsen, & Grønning, 2015; Wong, Wan, & Hsiao, 2011) and tourism studies (Nunkoo & Smith, 2013; Nukoo et al., 2012) alike. Therefore, previous studies provide empirical support for the
positive relationship between the perceived economic performance of the institutions and trust toward the institution, leading to the following hypothesis.

**H1.** Perceived economic performance positively influences political trust.

### 2.3.2 Perceived political performance.

The political performance of the institutions relates to the government’s commitment to transparency, credibility and citizens’ expectation for government to operate without corruption and free from hidden agendas (Nyaupane & Timothy, 2010). Studies have shown that public sector corruption leads to the erosion of political trust and support for political institutions (Collins & Gambrel, 2017). Similarly, transparency in government action and increased knowledge of citizens creates openness (Hood & Heald, 2006) and strengthens trust in government (Cook, Jacobs, & Kim, 2010). On the other hand, the poor perception of political performance impinges citizens’ trust (Freitag & Bulhmann, 2009). Similar support for the positive relationship between perceived economic performance and political trust has been provided by the literature in hospitality and tourism research (Bhat, Majumdar, & Mishra, 2021; Nunkoo, 2015; Nunkoo & Smith, 2013). Based on the above arguments, the following hypothesis is proposed.

**H2.** Perceived political performance positively influences political trust.

### 2.3.3 Perceived power of hoteliers.

The power of hoteliers in this study refers to the level of involvement and representation of hoteliers in the government decision-making process. According to Foucault (1978), trust is a fluid concept, not portrayed by formal rules and regulations or a matter of one’s control over others. Several studies have found that civic engagement in government decision-making and their participation is vital in ensuring effective government agencies’ performance and in fostering political trust (Brezzi, Gonzalez, Nguyen, & Prats, 2021a). Studies in the tourism context show that perceived power has a positive significant relationship with trust in government institutions, government actors and tourism institutions (Nukoo et al., 2012; Nunkoo & Ramkissoon, 2012; Pagliaro et al., 2021). Bachmann and Inkpen (2011) have found that power is highly conducive to developing trust between organizations. It can be argued that a similar relationship will translate between the perceived power of hoteliers and the level of political trust. Based on the above argument, the following hypothesis is proposed.

**H3.** Perceived power of hoteliers positively influences political trust.

### 2.3.4 Perceived competency to handle COVID-19.

Competence is defined as “the ability to solve problems effectively” (Tyler, 2001, p. 240). It refers to the “logic of consequence” where individuals calculate if their self-interest has been maximized by trusting others (Ruscio, 1996). In this context, competency of government refers to the ability of the local government to handle the COVID-19 pandemic effectively. Studies have shown that if the government is perceived to have the ability to effectively manage the pandemic, improve health services, create opportunities for its citizens, narrow the gap between the rich and the poor and deal with deteriorating values, the level of trust the government receives is significantly high (Kong, 2014). Based on the above argument, the following hypothesis is proposed.

**H4.** Perceived competence of government positively influences political trust.

### 2.4 Cultural theory of trust formation

The existing research on trust focuses largely on the performance aspect of a political institution, however, other dimensions entail political trust (Kong, 2014). Thus, political trust is not only characterized by institutional determinants but also by the characteristic of individuals assessing it (Robinson et al., 2021). According to the cultural theory, trust is exogenous, not associated with the performance of the institution but originates from cultural norms (Mishler &
Trust is learned early in life, communicated through early-life socialization and is linked to a basic form of social relations (Eckstein, 1998). Culturalists posit that at first (first level), individuals’ trust emanated from their family, friends and people in their immediate circle. Later on (second level), it extends to those they do not know personally, and lastly (third level), it translates to institutions, such as the government.

Several studies have empirically explored such association and found a positive relationship between interpersonal trust and trust in government institutions (Lü histe, 2006), government actors (Nunkoo & Smith, 2013), as well as tourism institutions (Nukoo et al., 2012), while others reported a weak correlation (Kim, 2000) or statistically insignificant relation (Rohrschneider & Schmitt-Beck, 2002). It is worth noting that the relationship between interpersonal trust and trust in government is complex and may be influenced by various factors such as culture, societal conditions and personal experiences, hence the relationship may vary across different societies and contexts. While the belief that trust is influenced by cultural norms and values is widely held, the empirical support for this relationship is inconsistent. Studies, such as Shi (2001), Welzel and Inglehart (2005) and Wong, Hsiao and Wan (2009) show that citizens’ trust is dependent on cultural values and changes in such values directly impact the level of citizens’ trust. But other studies reveal an insignificant or weak relationship between cultural orientation and trust (Misher & Rose, 2001; Nukoo et al., 2012). Since findings have been generally inconclusive, a need for further investigation of the impact of interpersonal trust and cultural orientation on the level of political trust is needed. Based on the theoretical and empirical evidence from the literature, the following hypotheses are proposed.

H5. Interpersonal trust positively influences political trust.

H6. Cultural orientation positively influences political trust.

Support for local government actions

Political trust works as a simple heuristic individuals use to decide to support or oppose a certain government policy. Such a heuristic is activated when individuals are required to make a material sacrifice or incur a cost with little expectation of return for the advancement of a minority interest (Hetherington, 2004). Adhering to policies implemented by the local government (such as practicing social distancing or wearing a mask) came with large sacrifices while short- and long-term benefits were insecure and political trust became more crucial (Kye & Hwang, 2020).

In times of crisis, citizens with high confidence in government are more likely to comply with measures restricting movement (Bargain & Amininov, 2020) and practice social distancing (Brodeur, Clark, Fleche, & Powdthavee, 2021; Cairney & Wellstead, 2021; Devine, Gaskell, Jennings, & Stoker, 2021), adhere to health policies (Marien & Hooghe, 2011) and adopt preventive behavior (Vinck, Pham, Bindu, Bedford, & Nilles, 2019). Individuals with a high level of trust in the government were more inclined to wear masks and wash their hands (Min, Shen, Yu, & Chu, 2020) aiding in the effort to contain disease outbreaks (Henderson et al., 2020). Similarly, in terms of vaccination, studies have shown that people are more likely to perceive vaccines as safe and take vaccines (Bish, Yardley, Nicoll, & Michie, 2011) if they trust the government.

While the notion that trust leads to support is supported by several studies, as cited above, other studies have suggested that political trust will differentially predict support for local government across policy areas, for example, trust predicts support for human services and infrastructure but is not related to emergency services (Herian, 2014). In other instances, in countries with a low level of political trust, such as Hong Kong, citizens demonstrated a higher level of support and compliance with COVID-19 policies (Hartley & Jarvis, 2020).
Therefore, it is worthwhile to explore the relationship between the political trust of hotel employees and their support for the government during COVID-19.

The empirical and theoretical discussion leads to the development of the following hypothesis.

H7. The level of political trust positively influences the support for local government.

The previous discussion and proposed hypotheses lead to the development of the conceptual model as depicted in Figure 1.

3. Methodology
3.1 Sampling
To test the abovementioned model, a self-administered online survey was conducted using Amazon Mechanical Turk (mTurk) during the month of May 2021, as mTurk is a popular data collection tool in hospitality and tourism studies (Zhang & Yang, 2019). The respondents were limited to hotel employees in the United States that have been in their positions and employed for a minimum of one year.

First, pilot data of 150 valid respondents were collected and minor changes were made to the survey after the pilot. For the main study, a total of 444 unique and complete responses were collected. To ensure data quality, three attention check questions as forced-response questions were included (Goodman, Cryder, & Cheema, 2013), the duplicate IP addresses and short survey (under three minutes) were removed. The G*Power analysis revealed that the sample of 444 was adequate for the study (Hair, Hollingsworth, Randolph, & Chong, 2017).

3.2 Measurement
The items used to operationalize each of the constructs were designed after a thorough literature review. The items for interpersonal trust were taken from Liu histe (2006) and Mishler and Rose (2005), while cultural orientation was measured using items from Nukoo et al. (2012) and Wong et al. (2011). The items for perceived economic performance and perceived political performance of local government were taken from Nukoo et al. (2012) and Mishler and Rose (2001) respectively. The items for perceived power were derived from Nunkoo and Smith (2013) and Hung, Sirakaya-Turk, and Ingram (2011) and were adapted to fit the context of COVID-19 and political trust. A scale by Kong (2014) was used to measure perceived competency. Responses were collected on a 7-point Likert scale, with 1 indicating “strongly disagree” and 7 indicating “strongly agree”.

Source(s): Figure by authors
3.3 Data analysis
The study analyzed the survey data in two steps. The first step involved calculating descriptive statistics using the Statistical Package for the Social Sciences (SPSS) 23.0. The second step involved using SmartPLS 3.0 to test the measurement model by validating scales, assessing composite reliability and average variance extracted and evaluating the hypothesized relationship using structural equation modeling (SEM). The SEM approach used was partial least square (PLS), which combines principal components analysis and ordinary least squares regression to estimate the model structures. PLS was chosen over traditional co-variance based (CB) structural equation modeling because it enables the estimation of complex models without imposing distribution assumptions on the data and has higher efficiency in parameter estimations (Hair et al., 2017).

4. Findings/results
4.1 Demographic profile
Among the 444 valid responses, 53.2% were male, about 57% of the participants held a 4-years college degree with 60% having income below US$60,000. What is interesting to observe is that the majority of the participants (69%) worked either for Hilton, Choice or Marriott hotels. Additional information can be found in Table 1.

4.2 Non-response bias
The study followed the procedures of Armstrong and Overton (1977) to evaluate non-response bias. The Chi-square test results showed no significant variations between early

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percentage (%)</th>
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<tbody>
<tr>
<td><strong>Gender</strong></td>
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<tr>
<td>Female</td>
<td>208</td>
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</tr>
<tr>
<td>Male</td>
<td>236</td>
<td>53.2</td>
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<tr>
<td><strong>Education level</strong></td>
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<tr>
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<td>49</td>
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<tr>
<td>Associate level</td>
<td>49</td>
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<tr>
<td>Four-years college degree</td>
<td>251</td>
<td>56.6</td>
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<tr>
<td>Master and above</td>
<td>95</td>
<td>21.4</td>
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<tr>
<td><strong>Income range</strong></td>
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<tr>
<td>Below $40,000</td>
<td>100</td>
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<tr>
<td>$41,000-$60,000</td>
<td>163</td>
<td>36.7</td>
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<tr>
<td>$61,000-$80,000</td>
<td>109</td>
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<td>$81,000-$100,000</td>
<td>53</td>
<td>11.9</td>
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<td>Above $100,000</td>
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<td>4.4</td>
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<tr>
<td><strong>Hotel</strong></td>
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<tr>
<td>Hilton</td>
<td>114</td>
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<tr>
<td>Choice hotels</td>
<td>97</td>
<td>21.8</td>
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<tr>
<td>Marriott</td>
<td>94</td>
<td>21.1</td>
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<tr>
<td>Best western</td>
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<tr>
<td>Motel 6</td>
<td>20</td>
<td>4.5</td>
</tr>
<tr>
<td>Super 8</td>
<td>18</td>
<td>4.2</td>
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<tr>
<td>IHG</td>
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<td>3.1</td>
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<td>Wyndham</td>
<td>11</td>
<td>2.5</td>
</tr>
<tr>
<td>Others</td>
<td>20</td>
<td>4.5</td>
</tr>
</tbody>
</table>

Table 1. Descriptive statistics
Source(s): Table by authors
respondents (the first 5%) and later respondents (the last 5%) on demographic variables or measurement items. As a result, there was no concern for non-response bias in this study.

4.3 Testing of the measurement model
The proposed model was tested using SmartPLS. The constructs used in the model were all reflective constructs. For the reflective measurement assessment, reliability, internal consistency, convergent validity and discriminant validity were examined. The items that violated the requirements under PLS were removed and the result of the final measurement model is presented in Table 2.

For acceptable item reliability, factor loading above 0.65 is recommended and items with loading less than 0.65 were removed from the model, which included one item from interpersonal trust and cultural orientation, and two items from perceived competency. The internal consistency was assessed using composite reliability and the reliability values in the measurement model are between 0.84 and 0.94 which fall in the “satisfactory to good range. Similarly, to evaluate the measurement model’s convergent validity the average variance extracted (AVE) of all items for each construct was determined. The acceptable AVE is 0.5 and above and the AVE for the constructs in the model is above 0.5 indicating that the constructs explain at least 50% variance of its items. The variance inflation factor (VIF) was used to assess multicollinearity in the indicators, and all the values for VIF are below 3 (Kock, 2015).

The discriminant validity of the model was achieved following the Fornell–Larcker Criterion test, the AVE for each construct was higher than the squared correlations between the construct and other constructs in the model, as presented in Table 3.

4.4 Testing of the structural model
For the structural model assessment, coefficient of determination ($R^2$), standardized path coefficient and predictive relevance ($Q^2$) were examined. Firstly, the $R^2$ for political trust and support for local government policies were examined. The $R^2$ value of political trust (0.74) and support for local government policies (0.62) suggest a high predictive power of the model for both constructs. Secondly, the predictive relevance of both dependent variables was accessed using $Q^2$ by generating the cross-validated redundancy measure, as suggested by Hair et al. (2017). Since all values of $Q^2$ were larger than zero, the predictive ability of the proposed model is supported.

The structural results of the model with the standardized path coefficient are demonstrated in Table 4.

5. Discussion and conclusions
5.1 Discussion
The study examined four hypotheses related to the institutional theory of trust. Results supported H1, which posits a positive correlation between the local government’s perceived economic performance and political trust, which is consistent with previous research (Campbell, 2004; Nukoo et al., 2012). Additionally, the $\beta$ value for H1 was the highest among all institutional determinants, making perceived economic performance the most crucial factor in determining political trust. Given the economic impacts of the pandemic, it is not surprising that employees are placing more importance on the local government’s economic performance.

H2, which proposes a positive relationship between the perceived political performance of local government and political trust, was also supported. This signifies that political performance is not only an indicator of effective and democratic governance
<table>
<thead>
<tr>
<th>Constructs and scale items</th>
<th>Standardized loadings</th>
<th>Composite reliability</th>
<th>Variance extracted</th>
<th>VIF</th>
</tr>
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<tbody>
<tr>
<td>Interpersonal trust (IT)</td>
<td></td>
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</tr>
<tr>
<td>I trust my immediate family and friends</td>
<td>0.739</td>
<td>0.817</td>
<td>0.599</td>
<td>1.124</td>
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<tr>
<td>I trust people I personally know</td>
<td>0.795</td>
<td>0.817</td>
<td>0.599</td>
<td>1.455</td>
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<td>I trust people from another ethnicity and/or nationality</td>
<td>0.786</td>
<td>0.817</td>
<td>0.599</td>
<td>1.428</td>
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<td>I trust people whom I do not know</td>
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<td>0.816</td>
<td>0.599</td>
<td>1.309</td>
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<td>Cultural orientation (CO)</td>
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<tr>
<td>The culture of the USA is superior to that of other countries</td>
<td>0.816</td>
<td>0.817</td>
<td>0.599</td>
<td>1.309</td>
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<td>We should respect the authority</td>
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<td>0.771</td>
<td>0.599</td>
<td>1.289</td>
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<tr>
<td>People have little control over their future and are bound by fate</td>
<td>0.650</td>
<td>0.599</td>
<td>1.124</td>
<td></td>
</tr>
<tr>
<td>If we have political leaders who are competent, they should decide everything</td>
<td>Deleted</td>
<td>0.650</td>
<td>0.599</td>
<td>1.124</td>
</tr>
<tr>
<td>Perceived competency to handle COVID-19 (PCC)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The state government has the best knowledge and resource to manage the COVID-19 pandemic</td>
<td>0.871</td>
<td>0.901</td>
<td>0.753</td>
<td>2.014</td>
</tr>
<tr>
<td>The state government has the expertise to improve basic health services through proper policies during COVID-19</td>
<td>0.870</td>
<td>0.817</td>
<td>0.599</td>
<td>2.006</td>
</tr>
<tr>
<td>The state government has been successful in addressing problems created in during COVID-19</td>
<td>0.862</td>
<td>0.817</td>
<td>0.599</td>
<td>1.846</td>
</tr>
<tr>
<td>The state government has been able to narrow the gap between rich and poor</td>
<td>Deleted</td>
<td>0.650</td>
<td>0.599</td>
<td>1.124</td>
</tr>
<tr>
<td>The state government has been able to deal with deteriorating moral values</td>
<td>Deleted</td>
<td>0.650</td>
<td>0.599</td>
<td>1.124</td>
</tr>
<tr>
<td>Perceived political performance (PPP)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The state government ensures that the policy-making process is fair and free of corruption</td>
<td>0.811</td>
<td>0.874</td>
<td>0.699</td>
<td>1.544</td>
</tr>
<tr>
<td>The decisions made during COVID-19 by the state government were for the protection of the general public and were not driven by hidden political agenda</td>
<td>0.805</td>
<td>0.874</td>
<td>0.699</td>
<td>1.639</td>
</tr>
<tr>
<td>The state government is transparent and responsive in handling the pandemic</td>
<td>0.890</td>
<td>0.874</td>
<td>0.699</td>
<td>2.003</td>
</tr>
<tr>
<td>Perceived power of hoteliers (PPH)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>There is a proper representation from the hotel industry in the COVID-19 policy development process</td>
<td>0.863</td>
<td>0.879</td>
<td>0.708</td>
<td>1.804</td>
</tr>
<tr>
<td>There is a proper participation of hotel industry representatives in the COVID-19 policy development process</td>
<td>0.830</td>
<td>0.879</td>
<td>0.708</td>
<td>1.677</td>
</tr>
<tr>
<td>The hotel industry has an influence on the area’s COVID-19-related decision-making process</td>
<td>0.832</td>
<td>0.879</td>
<td>0.708</td>
<td>1.606</td>
</tr>
<tr>
<td>Perceived economic performance (PEP)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The state government has been successful in handling the issues of inflation caused by COVID-19</td>
<td>0.844</td>
<td>0.918</td>
<td>0.737</td>
<td>2.070</td>
</tr>
<tr>
<td>The state government has been successful in giving proper economic support to the hotel industry during COVID-19</td>
<td>0.838</td>
<td>0.918</td>
<td>0.737</td>
<td>2.070</td>
</tr>
<tr>
<td>The state government can effectively handle the current economic challenges</td>
<td>0.873</td>
<td>0.918</td>
<td>0.737</td>
<td>2.400</td>
</tr>
<tr>
<td>The state government can effectively handle future economic challenges</td>
<td>0.878</td>
<td>0.918</td>
<td>0.737</td>
<td>2.470</td>
</tr>
</tbody>
</table>

Table 2. Confirmatory factor model (N = 444) (continued)
Formation of political trust and support

<table>
<thead>
<tr>
<th>Constructs and scale items</th>
<th>Standardized loadings</th>
<th>Composite reliability</th>
<th>Variance extracted</th>
<th>VIF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Political trust (TLG)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>During COVID-19, I trust the state elective officials to make the right decision for tourism development in our state</td>
<td>0.850</td>
<td>0.921</td>
<td>0.744</td>
<td>2.208</td>
</tr>
<tr>
<td>During COVID-19, I trust in tourism decisions made by the state governments</td>
<td>0.866</td>
<td>2.337</td>
<td></td>
<td></td>
</tr>
<tr>
<td>During COVID-19, I trust the state government to do what is right for tourism development</td>
<td>0.872</td>
<td>2.450</td>
<td></td>
<td></td>
</tr>
<tr>
<td>During COVID-19, I trust the state government to look after the interest of the community when it comes to tourism development</td>
<td>0.862</td>
<td>2.336</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Support for local government (SLG)</td>
<td></td>
<td>0.884</td>
<td>0.656</td>
<td></td>
</tr>
<tr>
<td>I support the policies implemented by the state government during COVID-19 for the hotel industry</td>
<td>0.777</td>
<td>1.704</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I followed the recommendations and policies set by the local government for COVID-19</td>
<td>0.781</td>
<td>1.679</td>
<td></td>
<td></td>
</tr>
<tr>
<td>During COVID-19, when it comes to tourism, the state government does its best to help</td>
<td>0.849</td>
<td>1.955</td>
<td></td>
<td></td>
</tr>
<tr>
<td>During COVID-19, the policies implemented by the local government COVID-19 are scientific and the best alternatives in the given situation</td>
<td>0.830</td>
<td>1.874</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source(s): Table by authors

Table 2.

<table>
<thead>
<tr>
<th>IT</th>
<th>CO</th>
<th>PEP</th>
<th>PPP</th>
<th>PPH</th>
<th>PCC</th>
<th>TLG</th>
<th>SLG</th>
</tr>
</thead>
<tbody>
<tr>
<td>IT</td>
<td>0.774</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CO</td>
<td>0.403</td>
<td>0.751</td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>PEP</td>
<td>0.338</td>
<td>0.749</td>
<td>0.858</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PPP</td>
<td>0.367</td>
<td>0.692</td>
<td>0.836</td>
<td>0.837</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PPH</td>
<td>0.457</td>
<td>0.699</td>
<td>0.728</td>
<td>0.706</td>
<td>0.868</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PCC</td>
<td>0.304</td>
<td>0.679</td>
<td>0.781</td>
<td>0.801</td>
<td>0.842</td>
<td>0.868</td>
<td></td>
</tr>
<tr>
<td>TLG</td>
<td>0.282</td>
<td>0.658</td>
<td>0.809</td>
<td>0.807</td>
<td>0.654</td>
<td>0.795</td>
<td>0.863</td>
</tr>
<tr>
<td>SLG</td>
<td>0.315</td>
<td>0.679</td>
<td>0.736</td>
<td>0.792</td>
<td>0.625</td>
<td>0.774</td>
<td>0.785</td>
</tr>
</tbody>
</table>

Source(s): Table by authors

Table 3.

<table>
<thead>
<tr>
<th>Path relationships</th>
<th>β values</th>
<th>t-values</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1: Perceived economic performance of LG → Political trust</td>
<td>0.313</td>
<td>4.742*</td>
<td>Supported</td>
</tr>
<tr>
<td>H2: Perceived political performance of LG → Political trust</td>
<td>0.280</td>
<td>4.854*</td>
<td>Supported</td>
</tr>
<tr>
<td>H3: Perceived power of hoteliers → Political trust</td>
<td>0.040</td>
<td>0.749</td>
<td>Rejected</td>
</tr>
<tr>
<td>H4: Perceived competence of LG → Political trust</td>
<td>0.304</td>
<td>4.683*</td>
<td>Supported</td>
</tr>
<tr>
<td>H5: Interpersonal trust → Political trust</td>
<td>−0.043</td>
<td>1.126</td>
<td>Rejected</td>
</tr>
<tr>
<td>H6: Cultural orientation → Political trust</td>
<td>0.012</td>
<td>0.285</td>
<td>Rejected</td>
</tr>
<tr>
<td>H7: Political trust → Support for LG policies</td>
<td>0.785</td>
<td>29.293*</td>
<td>Supported</td>
</tr>
</tbody>
</table>

Note(s): *p < 0.01
Source(s): Table by authors

Table 4.

Results of path relationships
(Lee & Schachter, 2019) but also of political trust. However, researchers have found that the perception and interpretation of facts when it comes to the political performance of the government are driven by partisan biases and polarization. Therefore, crucial policy measures, such as vaccination, should be presented as a bipartisan decision to achieve higher level of political trust.

H3, which proposed a positive relationship between the perceived hotelier power and political trust, was not supported, implying that perceived power is not a significant determinant of political trust. This finding is contrary to the results of other studies (Nunkoo, 2015; Nukoo et al., 2012). The hotel industry is largely fragmented, where chain hotels only account for sixty percent of the total industry in the US, making it often difficult for independent small business owners to get their voice heard. Also, the rapid surge of COVID-19 cases forced government agencies to take policy measures without much time to consult with the public or the hotel industry representatives. These factors might have contributed to the findings.

Lastly, H4, which proposed a positive relationship between the perceived competence of local government and political trust, was supported. The value of β for H4 indicates that after the perceived economic performance, the perceived competency of local government to handle the COVID-19 pandemic is an important determinant of political trust. This highlights the importance of effective and efficient management of the pandemic by local governments in building trust among citizens.

The study tested the cultural theory of trust by examining hypotheses H5 and H6. However, contrary to past studies (Delhey et al., 2011; Wong et al., 2011), both hypotheses were rejected. This suggests that interpersonal trust and cultural orientation of hotel employees do not have a significant impact on political trust during a crisis. This may be because during a crisis, employees tend to evaluate institutions (such as local government) based on their performance, rather than their personal ideologies and cultural orientation. Additionally, past studies that support the cultural theory of trust (e.g. Mishler & Rose, 2005; Wong et al., 2011) were conducted in countries with national cultures that are very different from the United States, such as China, European post-communist countries and the former Soviet Union. Studies have shown that risk perception and risk aversion are influenced by psychological factors (Cahyanto, Wiblishauser, Pennington-Gray, & Schroeder, 2016) as well as national and cultural orientation (Kim & McKercher, 2011), which might explain the results.

The hypothesis H6 suggests that there is a positive correlation between hotel employees’ level of political trust and their support for local government policies. The results of the study provide evidence to support this relationship. This indicates that as the level of political trust increases, so does the level of support for local government policies. This finding is consistent with previous research on the topic (Gursoy, Yolal, Ribeiro, & Panosso Netto, 2017; Nunkoo, 2015). Overall, these findings reinforce the importance of trust as a key factor in promoting support for government policies, particularly in the context of hotel employees during the COVID-19 pandemic.

5.2 Theoretical implications
First, the study contributes to the current discussion on the role of government in the hotel industry by answering the call for focus on role of government in HRM strategies (Ritchie & Jiang, 2019) and policy support for the recovery of hospitality industry (Shao, Hu, Luo, Huo, & Zhao, 2021) in the times of crisis. Even though the institutional and the cultural theory of trust has been used in tourism and hospitality research (e.g. Nukoo et al., 2012; Nunkoo & Smith, 2013; Pagliaro et al., 2021), to date, no other study has analyzed political trust formation of the hotel employees in times of crisis. The current study addresses the gap in the literature by...
empirically analyzing political trust formation and the relationship between political trust and support for local government actions, in the specific segment of the hotel employees. Moreover, the study advances the existing understanding of trust by incorporating the concept of competency.

The findings add to the institutional theory by confirming the strong influence of institutional factors on trust formation, specifically perceived economic performance, consistent with previous research findings (Bhat et al., 2021; Nunkoo & Smith, 2013). Contrary to previous findings (e.g. Tomankova, 2019; Wong, Hsiao, & Wan, 2009), the results of this study suggest that cultural factors, including interpersonal trust, do not translate into trusting the local government, not especially during crisis. Therefore, the research presents a more comprehensive understanding of the formation of political trust, and firmly supports the notion that trust is a crucial precursor of support and is vital for effective public governance (Kugler & Zak, 2017).

5.3 Practical implications

Previous research has highlighted the significance of trust among employees as it directly correlates to job satisfaction and improved performance (Braun, Peus, Weisweiler, & Frey, 2013; Brown, Gray, McHardy, & Taylor, 2015). The examination of political trust is particularly relevant now, given that the role of hotel employees during COVID-19 pandemic was transformed from frontline employees into essential workers, faced with job insecurity and exposure to COVID-19 (Stergiou & Farmaki, 2021). Given the high frequency of health crisis and the high impact on the hotel industry, it is crucial that the hotel industry takes a proactive approach rather than the reactive one, thus, having a strategy in place for when (not “if”) the next pandemic occur. The hotel industry is often a backbone of a destination economy; thus, hoteliers must have a plan in place to minimize the impact of crisis as was seen during COVID-19 pandemic.

The findings suggest that local governments must pay attention to trust levels and develop trust as higher levels of government trust have been shown to lead to more effective crisis management (Yang, Dong, & Chen, 2021). However, many destinations have seen a decline in trust in government in recent years, raising concerns about support for government policies and compliance with government policies (Córdova & Layton, 2016). To foster trust, local governments should focus on timely communication, proactiveness and empathy from public officials and collaboration with public health experts (Seeger, 2018; Hafner-Fink & Uhan, 2021; Henderson et al., 2020; Hsieh, Chen, & Wang, 2021). Studies have also shown that in the US, citizens respond to policies based on the political identities of the proponents rather than the content of the policies, placing “party over policy” (Flores et al., 2022). Therefore, the government should aim to provide either bipartisan support or depoliticize the situation.

The findings of this research have important implications not only for government but also for hotel leadership. The concept of political trust discussed in this paper can be applied to any form of governing authority, such as trust in supervisors/managers or trust in the company they work for. To gain support for changes in policy and increase compliance among hotel employees, hotel leadership should be mindful of how they present policies to employees, for example, by highlighting the economic benefits of policies rather than simply stating the policies themselves. There are several other studies that can be implemented to facilitate their level of trust.

(1) **Transparent Policy Communication:** To cultivate trust among hotel employees, it is imperative to ensure transparent communication regarding hotel policies. Hotel leaders should provide clear, timely information about policy changes, accompanied by comprehensive explanations of their rationale and expected implications. This transparent approach ensures that employees are well-informed and actively
engaged in the decision-making process, contributing to the development of greater trust.

(2) **Employee Involvement in Policy Development:** Building trust can be accomplished by actively involving hotel employees in the development of hotel policies. This engagement offers employees the opportunity to actively participate in shaping policies, emphasizing that their perspectives and insights are highly valued. Such collaborative efforts serve to bolster trust in the organization’s commitment to employee input and policy improvement.

(3) **Recognition for Supportive Actions:** Recognizing and rewarding hotel employees who actively support and implement hotel policies is a fundamental trust-building practice. Acknowledging their contributions to adhering to policies, as well as their role in promoting the well-being of guests and colleagues, reinforces trust by demonstrating appreciation and motivating commitment to policy compliance.

(4) **Feedback Mechanisms for Policy Improvement:** Organizations should establish robust feedback mechanisms that empower hotel employees to provide input on the effectiveness of hotel policies. Encouraging employees to share their experiences and offer suggestions for policy enhancement is instrumental in fostering trust in the decision-making process. Actively soliciting and acting upon employee feedback showcases a commitment to continuous improvement, further solidifying trust.

(5) **Leadership Training on Policy Communication:** Equipping hotel managers and supervisors with specialized training in effective policy communication is critical for trust-building. This training ensures that leaders can clearly and persuasively communicate hotel policies to employees, addressing any concerns or questions. Competent policy communication instills trust in leadership’s ability to convey the rationale behind policies, ensuring clarity and compliance among employees.

These strategies empower hotel leadership to proactively build trust, facilitate open communication and strengthen employee commitment to hotel policy compliance, ultimately contributing to a cohesive and productive organizational environment.

### 5.4 Limitations and future studies

There are some limitations and recommendations for further research. First, the data for the study is limited to the hourly hotel employees working in the USA. Employees in other sectors and salaried employees might evaluate the performance of the local government differently. Similarly, the employees’ experience with government institutions and their political beliefs could impact their level of trust in government, which was outside the scope of this paper. Secondly, the study measures perceptions of the government performance which is subjective creating issues with the operationalization of the construct (Yang & Holzer, 2006). Thirdly, the study employs a cross-sectional design, which is suitable for evaluating relationships, but its main limitation is that it cannot establish a causal relationship. Therefore, a longitudinal study would provide greater generalizability by allowing for the observation of trends over time.

As trust has different levels and socio-demographic variables significantly affect individual’s level of trust, it would be interesting to explore how these variables would affect trust and, in turn, compliance behaviors. Conducting multi-group analysis based on factors such as low vs high trust, political ideology, level of political participation, education and gender could be future avenues for trust research. The use of qualitative approaches such as interview and focus group might help uncover underling factors impacting the formation of political trust. It would be beneficial to replicate this study during different phases of the
pandemic and in various destinations. For example, conducting the study now would provide insight into employees’ perceptions of the local government’s vaccination policies. Expanding the scope of the current study to include other stakeholders within the hotel industry, such as managers, owners and residents, would offer a more comprehensive understanding. Research suggests that socioeconomic factors contribute to the decline in public trust in the political process, such as changes in citizen expectations (Dalton, 2005), political polarization (Hetherington & Rudolph, 2015), political participation and political interest (Fennema & Tillie, 1999, 2001), thus, future studies should consider these factors. It would also be beneficial to explore the consequences of public trust beyond compliance/support and include factors such as its impact on civic engagement, political behavior and the overall functioning of democratic institutions. Understanding how political trust influences these broader aspects of society can provide valuable insights into the dynamics of governance and citizen participation. This expansion of the current study will contribute to a more holistic comprehension of the multifaceted role that public trust plays in shaping the social and political landscape.

References


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