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Research Paper

Can Tourism Employment Ramp-up the Economic Well-Being of Households? Evidence from Haridwar and Dehradun, India

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Abstract: Due to its immense contribution to national economies in income and employment generation, tourism has been identified as a significant tool to enhance the economic well-being of households. However, the research field of tourism and well-being remains contended in the existing literature. Therefore, the present study has been undertaken to examine the impact of tourism employment on households' economic well-being. The research was conducted among 372 employees working in travel agencies and tour operators' organisations in Haridwar and Dehradun, India. The researchers used the snowball sampling technique to locate respondents and used Google Forms to collect primary data. The research conceptual framework comprises three explanatory variables: income, benefits, and cost, and one outcome variable, namely expenditure (a measure of economic well-being). Data analysis was carried out by employing partial least squares-based structured equation modelling (PLS-SEM) with the help of the SmartPLS 4 software. Findings identified direct and positive relationships between the three exogenous variables (income, benefits, and cost) and an endogenous variable (expenditure). Overall findings suggest tourism employment as a significant contributor to households' economic well-being and highlights implications in terms of both theory and practice.

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Introduction

> *"Wellbeing is one of the buzzwords of the decade and is omnipresent in almost all discourse relating to human daily life and activities"* (Kay Smith & Diekmann, 2017, p. 1).

The aforesaid claim manifests the significance of well-being today. Well-being can comprise anything that positively impacts an individual's life (Crisp, 2021). The immense contribution of tourism to national economies demonstrates tourism as an effectual engine of economic progress and prosperity worldwide, enabling many households to secure improved living conditions (Seabra & Bhatt, 2022). According to Uysal et al. (2016), altering any location into a tourist destination directly impacts local residents' quality of life. Though tourism has been documented as a supplier of psychological and physical well-being (Kay Smith & Diekmann, 2017), the research field of tourism development and well-being remains an increasingly significant field of inquiry (Tien et al., 2021).

One of the top publications in tourism and well-being by Kay Smith & Diekmann (2017) stressed the need to probe well-being from an Eastern viewpoint instead of Western, particularly in light of growing Asian markets. They cited that in contrast to the Eastern tradition, where pain, suffering, and hardships are inevitable, the Western viewpoint focuses on maximising subjective well-being and has a dearth of negative emotions. While the existing literature unveiled a significant focus of international scholarship on the well-being effect of tourism for visitors (see Filep, 2014; Kay Smith & Diekmann, 2017), there still exists a shred of limited evidence on how tourism affects the well-being of supply-side actors. This is clear in the study of Han et al. (2022), Kimbu et al. (2023) and Uysal et al. (2016); compared to research on tourists' and residents' well-being, the studies on tourism employees' (supply-side) well-being are scarce. Thus, the researchers decided to probe the well-being effect of tourism on the lives of individuals working in travel agencies and tour operator organisations. Also, considering overall well-being as a too vast concept to measure (Crisp, 2021; Tov, 2018), the present investigation focused on the economic well-being of tourism employees.

The theory of social exchange put forward by Homans (1958) has been adopted as the theoretical foundation of the present study. Social Exchange Theory (SET) postulates that social behaviour entails an exchange of rewards and costs for an individual's actions (Cherry, 2022). Within an organisation, the exchange mechanism involves the provision of several rewards/benefits from the employer to the employees for their different types of contributions (Cropanzano & Mitchell, 2005). Moreover, various benefits and costs of employment, like salary/wages, working conditions, work allocation, etc., have implications in terms of employee well-being (Mafini, 2016). Therefore, SET has been adopted as the theoretical base of this research.

The prime aim of this study is to examine the impact of tourism employment on the economic well-being of the employees by drawing on evidence from the tourist destinations of Haridwar and Dehradun in India. Haridwar and Dehradun are two key destinations of Uttarakhand — an Indian state where tourism is a major economic sector (Kala & Bagri, 2014). Pondering the limited focus of existing literature on tourism employees' well-being and the crucial role of employees' well-being in building a solid and sustainable tourism sector, the significance of the present investigation can be established.

Literature Review

Tourism Development and Well-Being

The concept of well-being encompasses several psychological and materialistic aspects of human life and thus, there does not exist any universally accepted definition of this term (Kay Smith & Diekmann, 2017). Well-being can include anything that can make an individual's life good (Crisp, 2021). Consequently, it includes all the ways necessary to experience and evaluate life positively (Tov, 2018). In our understanding, well-being implies a person's ability to lead a happy, healthy, and prosperous life. This explains why scholars in the extant literature were also found to use the terms "quality of life" and "well-being" interchangeably (Uysal et al., 2016).

The continued growth of the tourism sector greatly impacts the socio-economic lives of people around the globe (Tien et al., 2021). Whether tourism development can enhance tourists' and residents' well-being through its wide-ranging socio-economic impacts is an increasingly significant field of inquiry (Kay Smith & Diekmann, 2017; Tien et al., 2021; Uysal et al., 2016). Once a given location is transformed into a tourist destination, its direct impact can be observed on the quality of life of the local population (Uysal et al., 2016). Mounting research in tourism and well-being has documented tourism as a supplier of psychological and physical well-being (Kay Smith & Diekmann, 2017). According to Filep (2014), tourism contributes to tourist happiness through psychological satisfaction and well-being experienced in different phases of travel. In addition to tourists, tourism results

in the well-being of service providers who not only help create a tourist's experience but also receive direct benefits from it (Pope, 2018). In this manner, tourism can be regarded as a bringer of well-being for both the demand-side and supply-side players.

While the extant literature reveals a plenteous focus of international scholarship on the well-being effect of tourism for visitors (see Filep, 2014; Kay Smith & Diekmann, 2017), there exists a shred of limited evidence on how tourism affects the well-being of service providers (supply-side). As overall well-being is too vast and challenging to measure, the researchers focused on the economic facet of well-being in the current study. Economic well-being, as defined by the Australian Bureau of Statistics (2015), refers to the availability of economic resources to individuals or households to assist their material living conditions. Thus, the present study has been undertaken as an attempt to bridge the said gap in the literature by investigating the impact of tourism employment on the economic well-being of service providers, i.e., people working in travel agencies and tour operator organisations. The data was drawn from Haridwar and Dehradun destinations in India.

Social Exchange Theory and Employee's Economic Well-Being

George Homans, in 1958, made a cognisant attempt to uncover and advance the grounds for the social exchange theory (Emerson, 1976). He described social behaviour as an exchange of material and non-material goods (e.g., approval or prestige). In his words, "For a person engaged in exchange, what he gives may be a cost to him, just as what he gets may be a reward (or benefit) …" (Homans, 1958, p. 606). Social Exchange Theory (SET) refers to utilising resources through social processes in exchange for a valued return (Emerson, 1976). The core idea behind SET explains that social exchange includes activities reliant on rewards from others, which eventually result in mutual and beneficial transactions and relations (Cropanzano & Mitchell, 2005).

Social exchanges positively and negatively affect well-being (Cheng et al., 2011). The relationship between the social exchange theory and employee well-being is well-pronounced in the extant literature (e.g., Ko & Hur, 2014; Marescaux et al., 2019). In work settings, the the social exchange takes place between employees and employers, where employers provide benefits to employees in exchange for their contributions, which also results in various behavioural implications (Cropanzano & Mitchell, 2005). In this way, positive social exchange leads to a mutually beneficial outcome for both employee and employer (Gould-Williams & Davies, 2005; Ko & Hur, 2014). The rewards/benefits and costs associated with given employment including remuneration, work conditions, social intercourse, and work allocation, has a significant impact on employee's well-being (Mafini, 2016). As noted by Noblet & Rodwell (2007), developing a healthier work environment by thoroughly observing

the needs of employees results in an improved level of employees' performance and well-being.

The present study attempts to investigate the economic well-being of tourism employees through the lens of SET. As discussed in the preceding paragraph, the engagement of people in exchange through social processes involve costs and rewards, which are both monetary and non-monetary (Cherry, 2022). For investigation, the researchers bifurcated the rewards of tourism employment into two domains: "Income" and "Benefits". While different types of costs associated with employment were studied under a single domain viz. "Cost". In simpler terms, it implies that employees receive income and other benefits from their employers in exchange for the cost including time, effort, money, etc., that they apply to meet their job obligations. As such, measuring employees' exchange in terms of their jobs at travel and tourism organisations was carried out with the help of three variables: Income, Costs, and Benefits.

On the other hand, the impact of this social exchange mechanism on the economic well-being of employees was measured with the help of the fourth variable, i.e., "Expenditure". The framework presented by the Organisation for Economic Co-operation and Development (OECD) (2013) and the Australian Bureau of Statistics (2015) mentions three components of economic well-being: income, expenditure, and wealth. The extent of expenditure on goods and services consumed is a significant driver of an individual's and household's economic well-being (Noll & Weick, 2015).

The basic principle behind SET posits that individuals receive benefits for their actions, and they compare these benefits against the cost of such actions to determine the worth of their actions (Cherry, 2022). The costs and benefits may involve material and non-material aspects like money, time, respect, opportunity, power, etc., and people repeat/continue their actions only if the benefits exceed the cost. According to Cherry (2022), cost includes negatives such as time, effort, and money employed to perform a given behaviour, and benefits include positive things from such behaviour. Thus, individuals seek to maximise rewards (both monetary and non-monetary) and minimise costs to secure optimal well-being. From the above discussion, in the context of tourism employees' well-being, SET can effectively comprehend different costs such as workload, amount of working hours, workplace stress, etc. and rewards, including remuneration, fringe benefits, medical benefits, etc. Specifically, employees' economic well-being depends significantly on their financial strength to improve their living standards (Thomas & Gupta, 2021), which depends on expenditure (Johnson, 2004), i.e., the capacity to spend on various goods and services. At this juncture, Noll and Weick (2015) also found that well-being increases with increased expenditure. However, if low expenditure is a voluntary decision of individuals, then well-being does not reduce. As such, examining the impact of

costs/benefits arising from exchange mechanism on employees' overall expenditure is significant to generate insights into tourism employment's well-being (economic) impact on employee households.

Hypotheses Development

Salaries earned through tourism employment become a significant source of household income and significantly impact household expenditure on luxury and necessary goods (Snyman, 2012). In this manner, income earned from tourism substantially impacts the quality of life or well-being of employees (Nopiyani & Wirawan, 2021). Income from tourism employment is even supportive for people with limited skills to raise their standard of living (Marcouiller & Xia, 2008), which hinges on household income and expenditure (Martin, 2017). Snyman (2019) argued that tourism employment affects household well-being by providing salaries/wages to support household expenditure on luxury and necessary goods. Based on the preceding discussion, the following hypothesis is derived:

> *H1: Income from tourism employment directly and positively impacts employee's overall expenditure.*

In addition to regular salary and wages, some organisations' tourism employees receive fringe benefits such as social security, room, insurance, etc., that are just as significant as monetary benefits for an employee's well-being (Adiyia et al., 2017). Such benefits associated with a job add to the quality of employment and have implications for employees' well-being (Weaver, 2009). Various non-monetary benefits associated with tourism employment, such as healthcare coverage, paid vacations, pension plans, employment conditions, etc., significantly affect household well-being (Gartner & Cukier, 2012). As such, non-monetary benefits also have a significant effect on household expenditure. The availability of employer-provided transportation, insurance, pension plan, etc. have a cost-saving effect on employees' budgets, as it helps them to reduce their spending on these expenditure heads (Mura et al., 2019). However, the researchers in the present study did not find any evidence in the extant literature about how the cost-saving effect of employer-provided benefits affects the overall expenditure of the employee. Therefore, the following hypothesis can be stated:

> *H2: Benefits associated with tourism employment significantly impact employee's overall expenditure.*

Employees put in a lot of time and effort at work to fulfil their duties and responsibilities and expect fair returns for it (Ramlall, 2004). Tourism employees

often encounter irregular, long working hours and heavy workloads (Deery & Jago, 2009). There is always a cost of time and effort that employees invest at their workplace. However, returns regarding employee benefits like medical insurance are only provided by some organisations, and tiny enterprises (Galanaki, 2019). There exists a disparity between small and large organisations in terms of providing healthcare benefits to employees (Galanaki, 2019). The need for workers to put in excessive efforts and work for an unjustified number of hours creates work-related stress which has venomous consequences on employees' physical and mental health (Sönmez et al., 2020). Therefore, it may be asserted that various types of costs associated with employment, such as travel costs, cost of relocation, health-related costs, etc., would increase employees' overall expenditure.

H3: Costs associated with tourism employment increase the employee's overall expenditure.

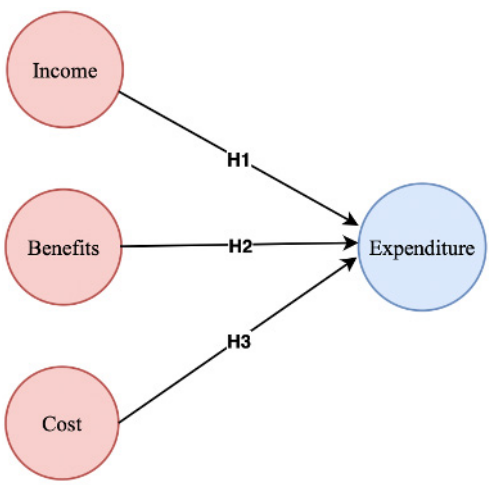

Figure 1. Conceptual framework of research

Methodology

The present study aims to investigate the well-being impact of tourism employment through the lens of SET. Three different hypotheses reflected in Figure 1 have been developed for this purpose. Therefore, a hypothetico-deductive (HD) approach was adopted in the present study as an appropriate method to achieve the research objective. According to Martini (2017), HD has been proposed by methodologists and philosophers to insinuate the scientific practice of testing theories by developing hypotheses and deriving conclusions. A quantitative research design grounded on

logical positivism and questionnaire-based data collection was applied to test the aforementioned hypotheses deductively.

A non-probability snowball sampling technique was used for data collection, as it helps in effectively probing and sampling the linked individuals through sociometric questions (Audemard, 2020). Sampling units included individuals employed in travel agencies and tour operations in Haridwar and Dehradun, in the Uttarakhand state of India. The data collection process was carried out online with the help of Google Forms. To ensure the authenticity of the responses collected, the researchers utilised two filter questions: the respondent must have intermediate-level education and have at least one year of work experience in travel and tourism enterprises. As such, a total number of 372 samples were collected from the target population. According to the government website of Uttarakhand Tourism, 349 travel companies (249 in Haridwar and 100 in Dehradun) operated in the study area. The average employment per travel agency/tour operator was found at 10.5 employees (Uttarakhand Tourism, 2008). Accordingly, a total number of 3,664 employees were estimated at both the destinations under investigation. Using Cochran's Formula at a 95% confidence level, a sample size of 346 was estimated. Thus, the sample size of the present study, i.e., 372, shall be considered valid.

The questionnaire used for data collection in the present study included a total of 39 items. A 5-point Likert scale with response values ranging from 1 as "Strongly disagree" to 5 as "Strongly agree" was used as a measurement scale for all 39 items in the questionnaire. The measurement scale was built on four variables, namely, Income (11 items), Expenditure (9 items), Cost (9 items), and Benefits (10 items). These 39 items used to test the research hypotheses were derived from existing literature, comprising Adiyia et al. (2017), Deery and Jago (2009), Gartner and Cukier (2012), Goodwin (2007), Medina-Muñoz et al. (2016), Snyman (2019), Tohmo (2018), and Weaver (2009).

After selecting scales, their appropriateness was discussed with tourism scholars and industry professionals. Before starting data collection, the researchers conducted a pre-test among 50 respondents comprising tourism students, professors, and industry stalwarts. The data collected during the pre-test phase of the study was checked for reliability with the help of Cronbach's alpha test and all the values were found above the benchmark value of 0.7. Also, the pre-test data's AVE (average variance extracted) values were found above the minimum threshold of 0.5 (Djakasaputra et al., 2021). Notably, the pre-test results helped refine the questionnaire items further.

Data analysis was carried out by employing partial least squares-based structured equation modelling (PLS-SEM) with the help of the SmartPLS 4 software. It was carried out in two stages: measurement model and structural model. Construct reliability, convergent, and discriminant validity were evaluated during the

measurement model analysis stage. Whereas results of path analysis, bootstrapping, and blindfolding procedure were used in the phase of structural model analysis. PLS path modelling has been established as a highly reliable technique (Ali & Omar, 2014) for investigating research models in social sciences, especially in tourism and hospitality (Ali et al., 2018).

Results

Table 1 represents the demographic profile of the respondents. Findings reveal more male respondents (62.37% of 372) than females (37.63%). A maximum number of 121 (32.53%) respondents were aged between 20 to 30 years, while the lowest number of 4 (1.08%) respondents were above 60. In terms of education, 53 (14.25%) respondents were educated up to the intermediate level, 207 (55.65%) respondents were graduates, and the remaining 112 (30.11%) respondents had a postgraduate or above level of education. Most respondents (163 i.e., 43.82%) had work experience between 1 to 5 years, whereas the lowest number of 17 (4.57 %) employees had more than 15 years of experience. This implies that people find tourism an exciting profession in the early years of their careers but switch to other professions later. The highest number of 126 (33.87%) employees earned a monthly income between ₹26,000 and ₹50,000, followed by 123 (33.06 %) employees making between ₹51,000 to ₹100,000 in a month. Most of the employees sampled were employed in either travel agencies or tour operator firms, except for 20 (5.38%) respondents who were working in other types of enterprises. Concerning enterprise type, the highest number of 167 (44.89%) firms were private limited, while only 4 (1.08%) firms fell outside proprietorship, partnership, private limited, or multinational company. A maximum number of 275 (73.92%) respondents were employees, followed by 57 (15.32%) managers and 40 (10.75%) owners.

Table 1. Respondents' profile

Profile	Demographic Items	Frequency	Percentage (%)(N=372)
Gender	Male	232	62.37
	Female	140	37.63
Age	Below 20	68	18.28
	20 to 30	121	32.53
	31 to 40	97	26.08
	41 to 50	58	15.59
	51 to 60	24	6.45
	Above 60	4	1.08

Table 1. (con't)

Profile	Demographic Items	Frequency	Percentage (%)(N=372)
Education	Intermediate	53	14.25
	Graduate	207	55.65
	Postgraduate and above	112	30.11
Work Experience	1 to 5 years	163	43.82
	6 to 10 years	53	14.25
	11 to 15 years	139	37.37
	More than 15 years	17	4.57
Monthly Income	Less than ₹ 25,000	102	27.42
	₹26,000 to ₹50,000	126	33.87
	₹51,000 to ₹1,00,000	123	33.06
	More than ₹1,00,000	4	1.08
Nature of Enterprise	Travel agency	251	67.47
	Tour operator	101	27.15
	Others	20	5.38
Type of Enterprise	Proprietorship	84	22.58
	Partnership	24	6.45
	Private Ltd.	167	44.89
	MNC	93	25.00
	Others	4	1.08
Job Role	Owner	40	10.75
	Manager	57	15.32
	Employee	275	73.92

Measurement Model

The measurement model testing stage involved the evaluation of *construct reliability*, *convergent validity*, and *discriminant validity*. Cronbach's alpha (α) and composite reliability statistic — "the measures of internal consistency" were used to assess the reliability of different constructs, where values above 0.7 are considered satisfactory. As presented in Table 2, Cronbach's alpha (α) and composite reliability values concerning each of the four constructs are significantly greater than 0.7. It reveals that the study's model qualifies for *construct reliability* standards. A loading-based approach was used in PLS-SEM to assess convergent validity, which analyses the association between question statements (indicators or questionnaire items) and

latent variables (construct). As Shou et al. (2016) suggested, factor loadings above 0.4 are considered reasonable and can be retained for further analysis. The results in Table 2 indicate that the factor loadings for all the items/indicators are significantly greater than 0.4. Moreover, average variance extracted (AVE) —"a measurement of how much variance is captured by a latent variable/construct compared to the extent of variance resulting from measurement error" was calculated to confirm *convergent validity*. All the AVE values in Table 2 are above the recommended benchmark of 0.5 (Djakasaputra et al., 2021). This indicates that the constructs under the present study satisfy convergent validity.

Table 2. Reliability and validity statistics

Constructs	Indicators	Factor Loadings	Cronbach's alpha (α)	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted (AVE)
Benefits	BE1	0.662	0.903	0.907	0.920	0.538
	BE2	0.755				
	BE3	0.635				
	BE4	0.731				
	BE5	0.790				
	BE6	0.791				
	BE7	0.791				
	BE8	0.815				
	BE9	0.735				
	BE10	0.596				
Cost	CO1	0.830	0.904	0.911	0.921	0.567
	CO2	0.833				
	CO3	0.759				
	CO4	0.630				
	CO5	0.697				
	CO6	0.777				
	CO7	0.733				
	CO8	0.780				
	CO9	0.718				

Table 2. (con't)

Constructs	Indicators	Factor Loadings	Cronbach's alpha (α)	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted (AVE)
	EX1	0.469				
	EX2	0.738				
	EX3	0.689				
	EX4	0.785				
Expenditure	EX5	0.791	0.872	0.882	0.898	0.501
	EX6	0.665				
	EX7	0.665				
	EX8	0.788				
	EX9	0.719				
	IN1	0.804				
	IN2	0.764				
	IN3	0.807				
	IN4	0.768				
	IN5	0.870				
Income	IN6	0.800	0.924	0.930	0.937	0.578
	IN7	0.785				
	IN8	0.779				
	IN9	0.838				
	IN10	0.557				
	IN11	0.508				

The present study employed the Fornell-Larcker and Heterotrait-Monotrait ratios to assess the discriminant validity of constructs. The Fornell-Lacker criterion compares the square root of AVE against the correlation coefficients of the constructs and recommends that the construct's √AVE value should be greater than its correlation with other latent constructs (Hair et al., 2017). In Table 3, √AVE values are depicted in diagonals while the correlation between constructs is depicted in off-diagonals. On comparison according to the Fornell-Larcker criterion, three values i.e., 0.728, 0.755, and 0.785 were found not to fulfil the criterion, while the remaining three satisfied it. However, for the values not satisfying the Fornell-Larcker criterion, the difference is smaller than 0.09 for each value and can be overlooked (Ab Hamid

et al., 2017). Thus, overall discriminant validity is acceptable for the measurement model under this investigation.

The researchers performed the Heterotrait-Monotrait (HTMT) analysis to validate discriminant validity further. The HTMT ratio estimates the average correlation of the indicators/items across constructs. Avoiding the most conservative criterion of HTMT0.85, the present study employed the HTMT0.90 threshold (Ab Hamid et al., 2017) to establish discriminant validity. As depicted in Table 3, all the values under the HTMT matrix are less than 0.9. which finally establishes discriminant validity. Thus, the proposed model has successfully passed the measurement model testing phase by establishing construct reliability, convergent validity, and discriminant validity. According to Djakasaputra et al. (2021), this model now becomes eligible to be utilised for evaluating the research hypothesis.

Table 3. Discriminant validity based on Fornell–Larcker criterion and HTMT ratio

Fornell-Larcker				
	Benefits	Cost	Expenditure	Income
Benefits	**0.734**			
Cost	0.591	**0.753**		
Expenditure	0.728	0.633	**0.707**	
Income	0.755	0.639	0.785	**0.760**
Heterotrait–Monotrait ratio (HTMT)				
	Benefits	Cost	Expenditure	Income
Benefits				
Cost	0.640			
Expenditure	0.813	0.703		
Income	0.818	0.692	0.867	

Structural Model

To test the structural model of the present study, the bootstrapping procedure with 2,000 sub-samples was employed at a 5% significance level. The p-values in Table 4 reveal that the three hypotheses under investigation are significantly supported. The results of hypothesis testing revealed a direct and positive impact of income from tourism employment on employee's overall expenditure. This hypothesis was supported by a β value of 0.472 and a t-statistic of 5.665. Findings further acknowledged a significant positive impact of benefits associated with tourism employment on employees' overall expenditure, with a β value of 0.267 and a t-statistic of 3.879. Furthermore, results have determined a significant positive

impact of different types of costs associated with tourism employment on employee's overall expenditure. This hypothesis was supported by a β value of 0.174 and a t-statistic of 2.171.

Table 4. Hypothesis testing results

Relationships	VIF	Q^2	R^2	f^2	β	t-value	p-value	Test Results
Income → Expenditure (H1)	2.682			0.256	0.472	5.665	0.000	Supported
Benefits → Expenditure (H2)	2.443	0.328	0.675	0.090	0.267	3.879	0.000	Supported
Cost → Expenditure (H3)	1.771			0.052	0.174	2.171	0.015	Supported

The results in Table 4 also present the R^2 value of 0.675. It infers that the exogenous variables of the model, i.e., income, benefits, and cost, effectively explain 67.5% variance in the endogenous variable, viz., expenditure. Furthermore, the f^2 values representing a change in R-square on removing a latent variable from a model were calculated as 0.256 (income), 0.090 (benefits), and 0.052 (cost). As Cohen (1988) suggested, the effect size (f^2) of 0.02, 0.15, and 0.35 are considered small, medium, and large, respectively. The effect size (f^2) of the three constructs in the model exists between 0.02 and 0.35, indicating a moderate effect size.

The variation inflation factor (VIF) values in Table 4 are presented to check for the issue of multicollinearity, which determines the strength of correlation between the explanatory variables. Hair et al. (2017) stated that the threshold VIF values must be less than 5. As the VIF values for all explanatory variables in our model are less than 5, so, it can be stated that the structural model does not suffer from the problem of multicollinearity. To determine the predictive relevance (Q^2) of the endogenous construct, a blindfolding procedure with an omission distance of 7 was performed. The results show a Q^2 value of 0.328, which is greater than 0, representing the predictive relevance of the endogenous variable (Pangesti et al., 2016). The key PLS-SEM results are presented in Figure 2, showing β values (path coefficients), outer factor loadings, and the R-square value.

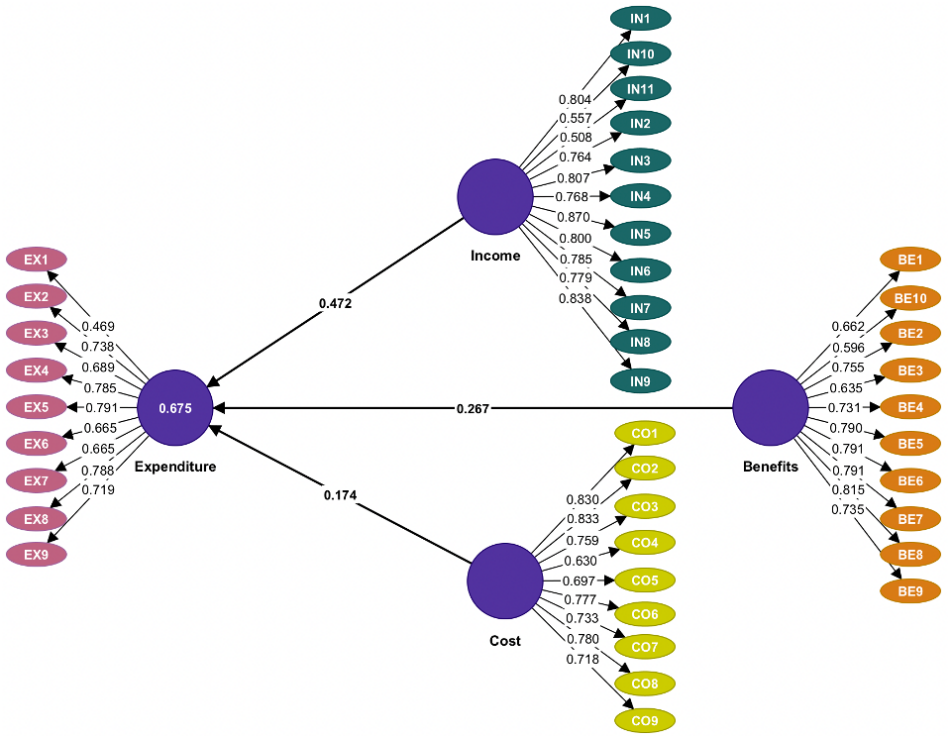

Figure 2. PLS-SEM results

Discussion

This research was undertaken with the prime objective of examining the impact of tourism employment on the economic well-being of households. For this reason, SET propounded by Homans (1958), was adopted as the theoretical base for the present study. Though the existing literature presents various instances of SET and employee well-being in terms of employee performance, satisfaction, work attitude, human resource management practices, and psychological outcome (e.g., Ko & Hur, 2014; Marescaux et al., 2019), the research on the application of SET to determine the economic well-being of employees is scanty with exceptions including the conceptual work of Thomas & Gupta (2021).

The conceptual framework represented in Figure 1 is grounded on three predictor variables (income, benefits, and cost) derived from SET (Cherry, 2022; Homans, 1958) and one response variable (expenditure) chosen from the suggested framework of OECD (2013) and the Australian Bureau of Statistics (2015) to measure economic well-being. Though the variables seem very common, their theoretical underpinnings

and logical grounds make the conceptual framework of the present investigation the first of its kind.

The three distinct hypotheses developed in the present study were tested with the help of PLS-SEM. The first hypothesis was supported with a β value of 0.472 and a t-statistic of 5.665, revealing a significant and positive relationship between the two latent variables: income and expenditure. It helps to show that the monetary benefits in terms of salary and wages received by tourism employees in exchange for their contributions directly and positively impact their overall expenditure. Such an addition to the employees' overall spending would translate into enhanced economic well-being of the employees. The expenditure level on various goods and services is a significant determinant of the economic well-being of individuals or families (Noll & Weick, 2015). This finding partly corroborates the results of Adiyia et al. (2017), who found that income from tourism employment improves the livelihood sources of households. Still, they also noted such income as lower than that of other off-farm activities. The results of Snyman (2012) also highlighted the significance of tourism employment in improving the welfare of resident households. Another study on the expenditure patterns of African tourism industry employees by Snyman (2019) also found that tourism employment has significant potential to support the long-run stability of households.

The second hypothesis was supported with a β value of 0.267 and a t-statistic of 3.879, representing a significant relationship between the latent variables viz. benefits and expenditure. The availability of non-monetary benefits to tourism employees like healthcare, insurance, school fees, paid vacations, pension plans, etc., have a positive impact on household's well-being (Gartner & Cukier, 2012). Moreover, these employer-provided benefits influence employee's budgets by helping them to reduce their expenditure on services (Mura et al., 2019). Non-monetary benefits are as significant as monetary benefits (Adiyia et al., 2017), which add to the quality of employment and help determine employee's well-being (Weaver, 2009). However, during the hypothesis development stage, the authors could not understand whether the employer's provision of various non-monetary benefits increases or decreases the overall expenditure of employees. Thus, a bi-directional research hypothesis was proposed. Interestingly, the β value of 0.267 indicates that the availability of non-monetary benefits to the employees positively impacts their overall expenditure. One of the possible reasons might be that the provision of essential benefits by employers, like healthcare, insurance, school fees, pension plans, etc., encourages employees to increase their expenditure on luxury goods to experience a better quality of life. Nevertheless, future researchers need more evidence to support this argument.

The third hypothesis was also supported with a β value of 0.174 and a t-statistic of 2.171, suggesting a significant positive impact of the exogenous variable (cost) on the endogenous variable (expenditure). Here, cost refers to the time, effort, and

money employees have to incur to fulfil their job role, such as the need to put in excessive effort, long working hours, travelling costs, the cost of relocation, etc. At times, excessive efforts and working for an irregular and unjustified number of hours harm employees' physical and mental health (Sönmez et al., 2020). In the absence of employer-funded healthcare and other fringe benefits, especially in small enterprises (Galanaki, 2019), workplace stressors could result in increased health expenditure of employees. However, an important point to note is that such increased expenditure should not be understood as improving employees' economic well-being. Instead, it must be considered a balancing factor in employees' lives. When researchers use the term balancing, it means making up for the well-being loss in terms of declining mental and physical health by significantly spending on healthcare services. Additionally, in the presence of workplace stressors and other health concerns, the inability of the employees to avail of healthcare benefits can worsen their well-being. This argument presents a question to be addressed by future researchers.

Conclusion

This study explored the economic well-being of tourism workers through the social exchange theory. Drawing on the theory's premise that social behaviour depends on the exchange of rewards and costs (Cherry, 2022), the research framework in Figure 1 was evaluated with the help of PLS-SEM. The results elucidate that income, stemming from exchange mechanisms, enhances the economic well-being of employees by providing them the opportunity to spend on diverse goods and services. The level of expenditure on various goods and services is a crucial indicator of a household's economic well-being (Noll & Weick, 2015). Conversely, non-monetary benefits from the exchange process directly contribute to households' well-being (Adiyia et al., 2017; Gartner & Cukier, 2012; Weaver, 2009). Non-monetary perks like paid vacations, pension plans, healthcare, childcare, school fees, etc., confer a cost-saving impact on employees' budgets (Mura et al., 2019). The analysis underscores the positive influence of such benefits on employees' overall expenditure. So, there arises a need to understand how non-monetary benefits of employment increase employees' overall expenditure.

Findings also indicate that costs involved in the exchange mechanism also positively impact the overall expenditure of employees. However, the researchers argue that, in the presence of costs in terms of workplace stressors and other health-related concerns, the increase in expenditure on healthcare has a balancing effect on the well-being of employees. Whereas, those employees who cannot afford to spend on healthcare facilities can experience reduced well-being, which is a matter of concern.

Well-being is a crucial component of any employee's life, and employers must concentrate on improving their employees' well-being to maximise their job satisfaction and thereby, enhance productivity. As such, the findings of the present

research are crucial to look into the economic aspect of employees' well-being in the tourism sector. That said, it becomes crucial to comprehend how non-monetary benefits contribute to the overall expenditure of employees. The findings also suggest that costs associated with the exchange process positively influence employees' overall expenditure. Nevertheless, the researchers contend that in the presence of workplace stressors and health-related issues incurring costs, the increased expenditure on healthcare serves as a balancing factor for employee well-being. Conversely, those unable to afford healthcare expenses may experience diminished well-being, raising concerns. Employee well-being is a vital facet of their lives, prompting employers to focus on enhancing well-being for increased job satisfaction and productivity. Consequently, the current research shall be considered imperative, as it contributes to understanding the economic dimension of tourism employees' well-being.

Theoretical Implication

The present research makes one of the earliest attempts to empirically investigate the economic well-being of tourism employees through the lens of SET. It offers a novel way of looking at employees' economic well-being through SET. Additionally, it generates an insight into the impact of exogenous latent variables (adopted from the essence of SET) on employees' overall expenditure (chosen to denote economic well-being).

Practical Implication

Particularly in the tourism industry, the different elements related to costs, benefits, income, and expenditure discussed in the preceding sections of this article can be imperative for employers to optimise the economic well-being of their employees. This research also unveils various opportunities for future investigation in the chosen field of research.

Limitations and Future Research Directions

A more intricate framework could be devised by expanding dimensions within each variable and identifying additional factors to gain a deeper understanding of the economic well-being of tourism employees. The study primarily explored direct causality between dependent and independent variables, but causality is only sometimes straightforward. Future researchers could enhance the conceptual model by incorporating relevant mediator/moderator variables into Figure 1. Specifically, in H2, there is a need for research to elucidate why employer-provided non-monetary benefits directly and positively impacts employees' overall expenditure. Additionally, the research is based on responses from 372 employees in travel companies in

Haridwar and Dehradun, India. Future researchers could consider larger sample sizes and explore diverse geographical regions to bolster the study's findings.

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