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Governance configurations and customer satisfaction in international tourism reception: Human resource management implications from Shanghai travel agencies under China's visa-free policy

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Abstract: Against the background of China's expanded visa-free policies, this study examines how contractual, relational, and administrative governance are associated with customer satisfaction in international tourism reception projects, and clarifies the implications of these governance arrangements for human resource management in travel agencies. Using 235 customer questionnaires from three Shanghai travel agencies, the study combines partial least squares structural equation modeling (PLS-SEM) with fuzzy-set qualitative comparative analysis (fsQCA). PLS-SEM identifies risk sharing, information disclosure, and collaborative problem solving as significant positive predictors, although the model explains a modest proportion of the variance in customer satisfaction ($R^2 = 0.154$). fsQCA identifies ten equifinal high-satisfaction configurations with overall solution coverage of 0.864, showing that governance conditions with insignificant average net effects can still be important when combined with complementary conditions. The study extends the conventional contract-relationship governance framework by incorporating administrative governance and by explaining how governance effectiveness depends on employee competencies, coordination routines, training, performance management, and service culture. These HRM mechanisms are proposed as implementation implications rather than directly tested employee-level outcomes.

Keywords: international tourism reception projects; governance configurations; customer satisfaction; human resource management; service workforce management; PLS-SEM; fsQCA

1. Introduction

1.1 Background Introduction

In recent years, to promote the recovery of the tourism industry and international exchange, China has implemented a series of unprecedented entry facilitation policies. Especially since 2024, the visa-free transit stay period has been significantly extended, the scope of unilateral visa-free countries has continued to expand, and port visa conditions have been further relaxed. These policies have released a powerful *visa-free dividend*, directly stimulating significant growth in the inbound tourism market. Taking Shanghai as an example, in 2024, it received over 6 million inbound tourists, with orders from some source countries showing exponential growth. Against this backdrop, domestic travel agencies, especially major travel service providers in Shanghai, as the *first stop* for inbound travelers, have ushered in tremendous market opportunities.

However, policy dividends and market surges are also accompanied by severe challenges. Inbound tourism projects are typically characterized by policy sensitivity, service integration, and stakeholder complexity. The rapid increase

in orders in the short term places higher demands on travel agencies' project operations, resource coordination, risk control, and cross-cultural service quality. Traditional project management models often fall short in dealing with such complexities. Therefore, how to seize opportunities and meet challenges through systematic project optimization and governance, thereby effectively improving the satisfaction of international tourists, has become a core practical issue of common concern to both industry and academia.

1.2 Research Questions

Although existing research generally agrees that good governance is crucial for project success, the underlying mechanisms by which the governance of international tourism reception projects specifically affects customer satisfaction remain unclear. First, governance is a multi-dimensional construct, typically encompassing contractual governance (such as risk sharing), relational governance (such as information communication), and administrative governance with Chinese contextual characteristics (such as government supervision and coordination). Existing research mostly focuses on the *net effect* of a single governance dimension, lacking an integrated framework to explore how these dimensions synergistically or alternatively affect customer satisfaction. Second, customer satisfaction itself is a multi-dimensional perception of experiential value; in the new market context brought about by visa-free policies, its driving mechanisms may be more complex and non-linear. Therefore, this study aims to explore: during the period of international tourism visa-free policy benefits, how does the multi-dimensional optimization governance of travel agencies' international tourism reception projects influence the improvement of customer satisfaction through linear and/or complex causal paths?

1.3 Research Objectives and Significance

The objective of this study is to construct an integrated framework of contractual, relational, and administrative governance and to identify the linear and configurational pathways through which these governance mechanisms are associated with customer satisfaction. Because governance arrangements are enacted through frontline employees, project teams, and cross-organizational coordinators, the study also develops an explicit HRM interpretation of how recruitment, training, performance management, employee empowerment, and organizational culture can support the implementation of different governance configurations.

The theoretical significance of the study is threefold. First, it extends the conventional contract–relationship governance framework by incorporating administrative governance, which is especially relevant in policy-sensitive service settings. Second, it shifts attention from isolated net effects to the complementarity, substitution, and equifinality of governance conditions. Third, it connects project governance with HRM by treating employee competencies, role clarity, coordination behavior, and service climate as the organizational mechanisms through which governance arrangements are translated into customer-facing outcomes. The study does not claim to test these employee-level mechanisms directly; rather, it establishes an HRM-relevant implementation framework that can guide subsequent multilevel research.

Methodologically, the study combines PLS-SEM and fsQCA because the two approaches answer different but complementary questions. PLS-SEM estimates the average net association between each governance dimension and customer satisfaction, whereas fsQCA identifies combinations of conditions that are sufficient for high satisfaction. Practically, the findings provide travel agency and HR managers with a basis for matching workforce practices to different governance configurations, while also helping policymakers improve the precision,

coordination, and visibility of administrative support.

2. Literature Review and Theoretical Framework

2.1 Tourism Project Governance and Customer Satisfaction: Core Concepts and Multidimensional Perspectives

Project governance originates from corporate governance theory and concerns the institutional arrangements through which authority, responsibility, accountability, and control are organized to achieve project objectives [1,2]. In tourism, governance has expanded beyond single contract management toward a multidimensional system that must coordinate interdependent service providers and stakeholders across the tourism supply chain [3]. This study therefore integrates three core dimensions: contractual governance, relational governance, and administrative governance.

Contractual governance emphasizes the formal specification of responsibilities, risks, cost allocation, incentives, and control mechanisms, thereby reducing ambiguity and constraining opportunism [4,5]. Relational governance relies on informal mechanisms such as trust, information exchange, joint problem solving, and shared norms that help partners coordinate under uncertainty [4,6]. Administrative governance is particularly important in policy-sensitive markets such as China and refers to the influence of public authorities through decision guidance, supervision, regulation, and coordination [7], providing legitimacy and institutional support for project implementation.

Customer satisfaction is a key indicator of tourism service quality and project success. It represents a post-consumption evaluation as well as a broader assessment of the value derived from the tourism experience [8,9]. Consistent with experience-oriented tourism research, this study captures satisfaction through functional evaluations (e.g.,), itinerary arrangement, pricing transparency, professional service, safety guarantees, and after-sales response, emotional value (experience enjoyment), and social/evaluative value (environmental contribution and willingness to recommend) [10,11]. The international tourism reception project optimization and governance structure framework is shown in **Figure 1**.

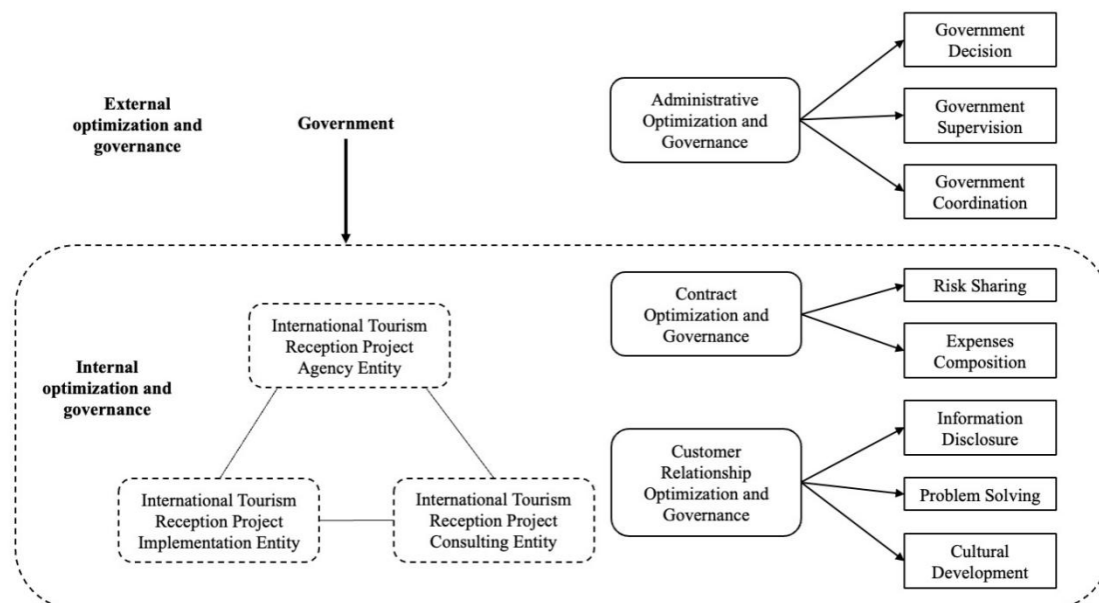


Figure 1. International Tourism Reception Project Optimization and Governance Structure Framework

2.2 Research Gaps

Although governance and customer satisfaction have both received substantial attention, three gaps remain. First, existing studies often examine

contractual, relational, or administrative governance separately, making it difficult to explain how these mechanisms complement or substitute for one another. Second, the HRM implementation process is underdeveloped. Governance provisions do not influence customers automatically; they must be enacted through employee role clarity, communication, service recovery, policy interpretation, teamwork, and organizational culture. Third, reliance on linear models alone may conceal equifinal and asymmetric relationships in which a condition has little average net effect but becomes important within a specific combination. These limitations are particularly salient in international tourism reception, where rapid policy changes, cross-cultural service demands, and interorganizational coordination place substantial pressure on the service workforce.

Accordingly, this study treats customer satisfaction as a distal service outcome and governance as an organizational system whose effectiveness depends on both institutional arrangements and workforce implementation. The integrated framework, therefore, combines governance theory, stakeholder theory, configuration theory, and an HRM implementation perspective.

2.3 Governance Configurations as HRM Implementation Systems

In service organizations, governance mechanisms become operational only when employees understand expected behaviors and possess the ability, motivation, and opportunity to carry them out. Contractual governance can strengthen role clarity, accountability, and performance standards; relational governance depends on communication, teamwork, employee involvement, and service-recovery behavior; and administrative governance requires policy knowledge, compliance competence, and cross-boundary coordination. This logic is consistent with the ability–motivation–opportunity perspective and with research showing that a strong HRM system creates shared understandings of expected and rewarded behavior [12,13].

The three governance patterns identified in this study, therefore, imply different HRM bundles. A comprehensive-collaboration configuration requires broad cross-cultural, communication, and coordination capabilities; a government-led configuration places greater emphasis on policy interpretation, compliance training, liaison roles, and formal reporting; and a streamlined configuration requires multiskilling, employee empowerment, and rapid problem solving. These links are theoretically relevant because employee service performance and service climate can connect internal management arrangements with customer outcomes [14]. However, the present data are customer-based, so these HRM mechanisms are interpreted as implementation implications rather than as empirically estimated mediators.

2.4 Theoretical Framework and Research Hypotheses

This study integrates project governance theory, stakeholder theory, configuration theory, and an HRM implementation perspective. Project governance explains the allocation of authority, responsibility, and control; stakeholder theory explains coordination among travel agencies, tourists, suppliers, and public authorities [15]; configuration theory explains equifinality and causal asymmetry [16]; and the HRM perspective explains how employees enact governance through competencies, communication, service recovery, compliance, and teamwork. **Figure 2** presents the empirically tested governance-to-satisfaction relationships. The HRM layer is conceptual and is not modeled as an additional statistical path because employee-level data were not collected.

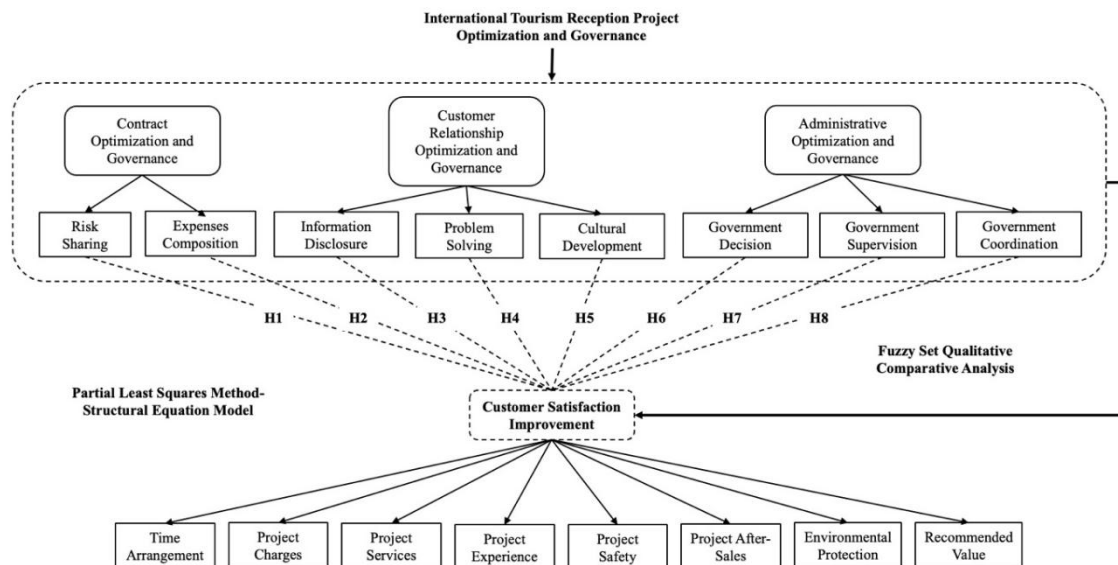


Figure 2. Theoretical framework

Based on the above framework and literature, we first propose the following research hypotheses regarding the linear impact of each governance dimension on customer satisfaction:

- H1a: The clarity of risk sharing (RS) has a positive impact on customer satisfaction (CS).
- H1b: Transparency and reasonableness of expenditure composition (EC) have a positive impact on customer satisfaction (CS).
- H2a: Adequacy and timeliness of information disclosure (ID) have a positive impact on customer satisfaction (CS).
- H2b: Collaborativeness and proactivity in problem-solving (PS) have a positive impact on customer satisfaction (CS).
- H2c: Depth of cultural development (CD) has a positive impact on customer satisfaction (CS).
- H3a: Scientific participation in government decision-making (GD) has a positive impact on customer satisfaction (CS).
- H3b: Effectiveness of government oversight (GS) has a positive impact on customer satisfaction (CS).
- H3c: Adequacy of government coordination (GC) has a positive impact on customer satisfaction (CS).

Configuration theory suggests that high customer satisfaction may arise from multiple combinations of governance conditions. The absence of one condition does not necessarily prevent a favorable outcome when other conditions compensate for it, and the same condition may have different implications across configurations. The linear hypotheses therefore estimate average net associations, whereas the configurational analysis evaluates complementarity, substitution, and equifinality.

Therefore, this study combines PLS-SEM and fsQCA to integrate variable-oriented and configuration-oriented evidence [16,17]. The two methods are treated as complementary rather than interchangeable.

3. Materials and Methods

3.1 Research Design

To test the integrated model and examine both average and configurational relationships, this study combines partial least squares structural equation modeling (PLS-SEM) and fuzzy-set qualitative comparative analysis (fsQCA).

PLS-SEM evaluates the linear net associations specified in H1a–H3c and assesses the predictive performance of the structural model, whereas fsQCA examines whether different combinations of governance conditions are sufficient for high customer satisfaction. PLS-SEM asks whether a condition matters on average while holding other predictors constant; fsQCA asks how conditions work together across cases. This complementary design is appropriate for governance phenomena characterized by interdependence, equifinality, and causal asymmetry [17–19].

3.2 Sample and Data Collection

Research data were collected through a questionnaire survey. The questionnaire design followed a four-stage process: literature review to determine initial indicators, internal discussion within the research team, revision through interviews with tourism industry experts, and small-scale pre-testing to ensure content validity and clarity. All questionnaire items used a 5-point Likert scale (1 = strongly disagree, 5 = strongly agree). Before participation, respondents were informed of the research purpose, the voluntary nature of participation, the anonymous and confidential handling of responses, and their right not to participate. All respondents included in the final sample provided informed consent before completing the questionnaire.

The research subjects focused on three representative travel agencies in Shanghai's inbound tourism market. Respondents were clients of these three travel agencies who had participated in their international tourism reception projects within the past year. To improve data quality, respondents were screened: their most recent project participation was required to be within the past year; questionnaires were distributed through the authors' and research team's networks; and response time was monitored to exclude perfunctory questionnaires. Ultimately, 240 questionnaires were distributed and 240 were returned. After discarding 5 invalid questionnaires (incomplete answers, obvious plagiarism, or excessively short response time), 235 valid questionnaires were obtained, resulting in a valid response rate of 97.9%. The sample consisted of 46.0% males and 54.0% females; the 31–40 age group accounted for the largest proportion (39.1%); and those with a bachelor's degree or above accounted for 87.2%. Common method bias was tested using Harman's one-way factor test (the first factor explained 20.262% of the variance) and the latent variable correlation coefficient method (maximum correlation coefficient 0.281). The results showed no CMV problem, and the data can be used for subsequent analysis.

3.3 Variable Measurement

The study involved one outcome variable (Customer Satisfaction, CS) and eight antecedent condition variables within the three-dimensional governance framework. The questionnaire did not copy a single omnibus instrument verbatim; instead, items were adapted from published governance and tourism-satisfaction measurement approaches and then contextualized for international tourism reception. **Table 1** identifies the principal measurement sources for each construct. Adaptation followed two rules: preserving the substantive meaning of the original construct and rewriting the referent so that tourists could evaluate observable or experience-based aspects of the reception project.

Table 1. Measurement Sources and Contextual Adaptation of Constructs

Construct	Principal measurement source(s)	Adaptation to the international tourism reception context
Risk sharing (RS)	[4,6]	Formal allocation of responsibility and risk was reframed as tourists' perceived clarity of responsibility, risk handling, and response arrangements during reception.
Expenditure composition (EC)	[4,6]	Contract specification and control were contextualized as tourists' perceptions of the transparency, reasonableness, and comprehensibility of project charges and cost composition.
Information disclosure (ID)	[3,4]	Information-exchange content was rewritten to capture the adequacy, timeliness, accuracy, and accessibility of information provided to tourists before and during reception.
Problem solving (PS)	[4,6]	Joint problem-solving and relational coordination were reframed as tourists' perceptions of collaborative, proactive, and timely handling of service problems.
Cultural development (CD)	[10,11]	Experience-related content was adapted to the depth, meaningfulness, and perceived cultural enrichment embedded in the international tourism reception experience.
Government decision-making (GD)	[7]	Governmental governance indicators were translated from project-level governance to tourists' perceived visibility and consequences of policy guidance and decision support.
Government supervision (GS)	[7]	Regulatory oversight was reframed in terms of tourists' perceived effectiveness and visibility of supervision, compliance, and service-order safeguards.
Government coordination (GC)	[7]	Cross-departmental coordination was adapted to tourists' perceived smoothness and effectiveness of public-sector coordination affecting reception procedures and services.
Customer satisfaction (CS)	[8,9,20]	Satisfaction items were contextualized to the reception project and covered functional service evaluation, overall experience, perceived value, and recommendation-oriented evaluation.

The administrative governance constructs (government decision-making, supervision, and coordination) were assessed from the tourist perspective. The resulting scores should therefore be interpreted as tourists' perceived visibility and perceived consequences of administrative governance rather than as objective evaluations of governmental processes. Because many administrative activities occur behind the scenes, limited respondent awareness may attenuate their linear associations with satisfaction. This respondent-position constraint is considered in the interpretation of both the PLS-SEM and fsQCA results.

4. Results

4.1 PLS-SEM Analysis Results

PLS-SEM analysis was performed on 235 valid questionnaires. First, the measurement model test showed that the combined reliability (CR) of all constructs was above 0.70, the mean variance extracted (AVE) was above 0.50, and the discriminant validity met the Fornell-Larcker criterion and the HTMT standard, indicating that the measurement model has good reliability and validity.

The structural model explains 15.4% of the variance in customer satisfaction ($R^2 = 0.154$), which indicates modest explanatory power. The model should therefore not be interpreted as a comprehensive prediction of satisfaction. Rather, it estimates the partial average associations of governance dimensions within a broader outcome that is also likely to depend on service quality, price fairness, destination attributes, prior expectations, trip complexity, cultural distance, and employee service performance. The reported Q^2 value of 0.319 and GoF value of 0.338 indicate predictive relevance and moderate overall fit under the procedures used, but they do not remove the limitation implied by the modest

R². Consequently, the practical value of the model lies primarily in identifying specific governance levers and in combining them with the fsQCA results, rather than in claiming strong overall prediction.

The results of testing the research hypotheses (see **Table 2**) show that, among the eight antecedents, only three dimensions had a statistically significant linear positive impact on customer satisfaction (CS):

Risk sharing (RS) → CS ($\beta = 0.163$, $p < 0.05$): Hypothesis H1a is supported. Clearly defined rights, responsibilities, and risks in contracts can effectively improve customer satisfaction.

Information disclosure (ID) → CS ($\beta = 0.236$, $p < 0.001$): Hypothesis H2a is supported. Timely, accurate, and sufficient information disclosure is positively associated with customer satisfaction.

Problem solving (PS) → CS ($\beta = 0.151$, $p < 0.05$): Hypothesis H2b is supported. Collaborative and proactive problem solving is positively associated with customer satisfaction.

The path coefficients for expenditure composition (EC), cultural development (CD), and the three administrative governance dimensions (GD, GS, and GC) were not statistically significant ($p > 0.05$). Accordingly, H1b, H2c, H3a, H3b, and H3c were not supported. The effect-size results further indicate that the significant linear associations of ID, PS, and RS are small. These findings should be interpreted as partial average effects within a model with modest explanatory power.

Table 2. Structural Path Coefficients and Significance Test Results

Influence Path	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values
CD - > CS	0.099	0.102	0.065	1.526	0.127
EC - > CS	0.001	0.013	0.07	0.014	0.989
GC - > CS	0.022	0.031	0.067	0.321	0.748
GD - > CS	-0.009	0.002	0.081	0.107	0.915
GS - > CS	0.043	0.054	0.082	0.519	0.604
ID - > CS	0.236	0.236	0.07	3.367	***
PS - > CS	0.151	0.159	0.072	2.086	*
RS - > CS	0.163	0.167	0.07	2.318	*

Note: *, **, and *** indicate P less than 0.05, less than 0.01, and less than 0.001, respectively.

4.2 fsQCA Configuration Analysis Results

To explore the complex concurrent causal relationships among governance dimensions, this study further conducted fsQCA analysis.

4.2.1 Necessary Condition Analysis

Problem solving (PS) has a reported necessity consistency of 0.921, which is above the commonly used 0.90 screening benchmark [17], whereas the other conditions remain below that threshold. However, consistency alone is not sufficient to establish empirical necessity. Because necessity coverage and calibration/robustness statistics are not reported in the available analysis output, this study does not classify PS as a necessary condition. The value of 0.921 is therefore reported only as an indication that PS is a candidate for further necessity testing, and no definitive necessity claim is made.

4.2.2 Sufficient Condition Configuration Analysis

Using a case-frequency threshold of 3 and a consistency threshold of 0.80,

the truth-table analysis identified sufficient configurations associated with high customer satisfaction. The empty parsimonious solution does not determine whether an individual condition is necessary; rather, it indicates that no universal simplified sufficient configuration was obtained under the selected analytical settings. The intermediate solution produced 10 highly consistent equifinal configurations (overall solution consistency = 0.907; coverage = 0.864), accounting for approximately 86.4% of the high-satisfaction cases.

Based on the composition and logical patterns of the core conditions, these 10 paths can be grouped into three main types, as summarized in **Table 3**.

The occurrence frequencies reported in **Table 4** are descriptive only. They indicate how often each condition appears across the reported configurations and should not be interpreted as measures of causal importance or effect size.

Table 3. Configuration Analysis of Customer Satisfaction Improvement in International Tourism Reception Projects

Conditional Configuration	I	II	III	IV	V	VI	VII	VIII	IX	X
RS	•		•	•		•	•		•	
EC	•	•		•	•	•		•		
ID	•	•	•		•	•	•	•		•
PS	•	•	•	•	•		•		•	•
CD	•	•	•	•	•			•	•	•
GS	•	•	•			•	•	•	•	•
GD		•		•	•	•	•	•	•	•
GC			•	•	•	•	•	•	•	•
Raw Coverage	0.6706	0.6837	0.6677	0.6885	0.6910	0.6759	0.6830	0.6826	0.6834	0.6809
Unique Coverage	0.0026	0.0036	0.0008	0.0043	0.0048	0.0024	0.0076	0.0058	0.0067	0.0023
Consistency	0.9395	0.9353	0.9447	0.9372	0.9319	0.9438	0.9479	0.9329	0.9446	0.9403

Note: • indicates that the condition variable appears and is a marginal variable; blank indicates that the condition variable may or may not appear in the configuration path.

Analysis of eight conditional variables—Risk Sharing (RS), Cost Composition (EC), Information Disclosure (ID), Problem Solving (PS), Culture Building (CD), Government Supervision (GS), Government Decision-Making (GD), and Government Coordination (GC)—revealed a highly complex causal mechanism for improved customer satisfaction (CS):

- The empty parsimonious solution indicates that no universal simplified sufficient configuration was obtained under the selected calibration and thresholds; it should not be interpreted as a necessity test.

- The intermediate solution containing 10 main paths and 2 special paths indicates that multiple equifinal configurations can produce high customer satisfaction.

- Strong overall explanatory power: these paths collectively explain 86.4% of successful cases, with an overall consistency of 90.7%.

Table 4. Analysis of the Frequency of Occurrence of Conditions

Condition	The Frequency of Occurrence in the 10 Paths	Occurrence Rate	Descriptive Recurrence Score
RS	10	100%	5
EC	10	100%	5

Continued table:

Condition	The Frequency of Occurrence in the 10 Paths	Occurrence Rate	Descriptive Recurrence Score
ID	8	80%	4
PS	8	80%	4
CD	8	80%	4
GS	7	70%	3
GD	6	60%	3
GC	6	60%	3

Based on the composition and logical pattern of the core conditions, these 10 paths can be summarized into three main types:

Type 1: Comprehensive Collaboration (Paths 1–5)

These paths emphasize the synergistic effect of multiple factors and are the most common successful models:

Path 1: RS*EC*ID*PS*CD*GS

Characteristics: Emphasizes the combination of enterprise-side conditions (risk sharing, cost composition) and government supervision.

Suitable Scenarios: Environments where enterprises have strong capabilities and government supervision is effective.

Path 2: EC*ID*PS*CD*GS*GD

Characteristics: Highlights the role of government decision-making, downplays enterprise risk sharing.

Suitable Scenarios: Government-led projects with strong enterprise execution capabilities.

Path 3: RS*ID*PS*CD*GS*GC

Characteristics: Emphasizes government coordination, downplays cost composition.

Suitable Scenarios: Complex projects requiring multi-departmental coordination.

Path 4: RS*EC*PS*CD*GD*GC

Characteristics: Downplays information disclosure, emphasizes internal coordination and decision-making.

Suitable Scenarios: Projects involving trade secrets or sensitive information.

Path 5: EC*ID*PS*CD*GD*GC

Characteristics: Downplays risk sharing, emphasizes information transparency, and government collaboration.

Suitable scenarios: Public service projects with controllable risks and high transparency requirements.

Type 2: Government-Led Model (Paths 6–8)

These paths emphasize the comprehensive exercise of government functions:

Path 6: RS*EC*ID*GS*GD*GC

Characteristics: De-emphasizes problem-solving and culture building, emphasizes the three major government functions (supervision, decision-making, and coordination)

Suitable Scenarios: Regulated industries with deep government involvement

Path 7: RS*ID*PS*GS*GD*GC

Characteristics: De-emphasizes culture building but emphasizes the entire problem-solving process

Suitable Scenarios: Emergencies requiring rapid response and resolution

Path 8: EC*ID*CD*GS*GD*GC

Characteristics: De-emphasizes problem-solving, but emphasizes culture building and information disclosure

Suitable Scenarios: Long-term, culture-shaping service projects

Type 3: Streamlined and Efficient (Paths 9–10)

These paths demonstrate comparatively streamlined combinations of governance conditions:

Path 9: RS*PS*CD*GS*GD*GC

Characteristics: De-emphasizes information disclosure and cost composition but retains other core conditions.

Suitable Scenarios: Well-established internal management system, low requirement for external transparency.

Path 10: ID*PS*CD*GS*GD*GC

Characteristics: De-emphasizes enterprise-side conditions (risk sharing, cost composition), emphasizes government functions and transparency.

Suitable Scenarios: Public service outsourcing projects, secondary role of the enterprise.

Analysis of Two Special Paths

Path 11: RS*EC*~ID*PS*GS*GD*~GC

Characteristics: Success achieved through a combination of other conditions in the absence of information disclosure and government coordination.

Consistency as high as 97.4%: Indicates this combination is a very strong sufficient condition.

Coverage only 10.3%: A special case.

Management Implications: In some organizations with high confidentiality requirements or simple hierarchical structures, high satisfaction may still be associated with configurations in which transparency and coordination mechanisms are absent.

Path 12: ~RS*~EC*ID*PS*CD*GS*~GD*~GC

Characteristics: Both corporate and government functions are significantly weakened, relying solely on information disclosure, problem-solving, culture building, and government oversight.

Consistency 100%: A completely sufficient special path.

Coverage only 7.1%: Very rare.

Management Implications: Under the simplest conditions, success can also be achieved by ensuring core execution (PS) and basic oversight (GS), combined with transparency (ID) and culture (CD).

4.3 Comparison and Integration of Core Findings

PLS-SEM and fsQCA provide complementary evidence because they evaluate different forms of causation. PLS-SEM shows that RS, ID, and PS have significant positive average net associations with customer satisfaction, whereas the remaining dimensions do not have statistically detectable independent effects. fsQCA shows that some of these statistically insignificant dimensions, including CD, GD, GS, and GC, can still participate in sufficient configurations. This is not a contradiction: a condition may have little independent average effect but may become consequential when it complements, substitutes for, or enables other conditions. For managers, the linear results identify broadly useful baseline practices, while the configurational results indicate how additional governance mechanisms can be matched to specific organizational resources, policy environments, and workforce capabilities.

5. Discussion

This study examines how contractual, relational, and administrative governance are associated with customer satisfaction under China's visa-free policy context. The findings show that governance has both average net associations and configuration-specific effects. The discussion, therefore, focuses on three issues: the meaning of the significant linear paths, the interpretation of insignificant and weakly perceived governance dimensions, and the theoretical and HRM implications of the configurational results.

5.1 Interpretation of Significant Linear Paths: The Core Role of Risk, Information, and Collaboration

PLS-SEM identifies risk sharing (RS), information disclosure (ID), and problem solving (PS) as significant positive predictors of customer satisfaction. From an HRM perspective, these dimensions correspond to three workforce requirements: clear roles and accountability, accurate and timely employee communication, and the capability and discretion to resolve service problems.

Risk sharing clarifies responsibilities and response procedures. Internally, this can be translated into job expectations, escalation protocols, and performance standards that reduce ambiguity for frontline employees and project teams. Its positive association with satisfaction, therefore, reflects not only contract design but also the consistency with which employees enact contractual commitments.

Information disclosure has the largest significant coefficient ($\beta = 0.236$). Its implementation depends on employee access to reliable information, digital communication tools, policy updates, and training that enables staff to communicate changes accurately across languages and service channels. HRM systems can support this mechanism by making information accuracy and timeliness explicit components of training and performance appraisal.

The positive association of problem solving with satisfaction emphasizes service-recovery capability. Collaborative problem solving requires cross-functional coordination, employee empowerment, and a climate in which staff can report difficulties and mobilize support quickly. Recruitment for problem-solving and cross-cultural communication skills, scenario-based training, and team-based rewards can therefore strengthen the practical effect of this governance dimension.

Taken together, RS, ID, and PS represent a service-delivery infrastructure of role clarity, information quality, and adaptive coordination. Their coefficients are statistically significant but small, and they should be viewed as baseline governance and HRM practices rather than as a complete explanation of customer satisfaction.

5.2 Re-examining the Insignificant Linear Path: Contextual Constraints and Perceived Gap

The non-significant paths for EC, CD, GD, GS, and GC should not be interpreted as evidence that these conditions are irrelevant. They indicate that the study did not detect independent average associations after the other predictors were considered. Their effects may be indirect, delayed, weakly perceived by tourists, or dependent on complementary conditions.

Expenditure composition and cultural development may influence satisfaction through threshold, indirect, or context-specific mechanisms. Cost transparency may be taken for granted unless a dispute occurs, while cultural development may require deeper interaction before it becomes salient. These dimensions may also depend on employee communication and cultural competence, neither of which was directly measured in the model.

The administrative governance results require particular caution because

tourists evaluate processes that are often not directly observable. The GD, GS, and GC measures, therefore, capture perceived visibility and perceived consequences rather than objective government decision-making, supervision, or coordination. Limited awareness may attenuate their PLS-SEM coefficients. At the same time, their presence in several fsQCA configurations suggests that perceived administrative support can matter conditionally when combined with enterprise and relational mechanisms. These configurational associations should not be interpreted as proof that objective government activity independently causes satisfaction. Future studies should combine tourist responses with data from employees, managers, and public officials.

5.3 Theoretical Implications of the Configurational Findings

The fsQCA results extend governance theory by showing that effectiveness is configurational rather than universally additive. High satisfaction can be associated with multiple combinations of contractual, relational, and administrative conditions, and no single governance dimension provides a complete explanation across all cases.

Equifinality and strategic alternatives: The comprehensive-collaboration, government-led, and streamlined configurations represent different ways of organizing governance resources. Their theoretical significance lies in demonstrating that governance mechanisms can compensate for one another and that the same outcome may be reached through different institutional and organizational arrangements. This extends the integrated governance framework beyond the search for a single best practice.

Complementarity and substitution: A condition that lacks an independent average effect may still enable another condition or become effective only when a complementary mechanism is present. Administrative governance, for example, may provide legitimacy, coordination, or boundary-spanning support that increases the usefulness of enterprise-level practices. The configurational results therefore explain why insignificance in PLS-SEM does not imply irrelevance in all organizational contexts.

Contextual applicability: The configurations imply different resource and capability requirements. Government-led arrangements may be more applicable when policy uncertainty and interdepartmental coordination are high, whereas streamlined arrangements may be more feasible in standardized services with mature internal processes. Managers should therefore diagnose the project context before selecting a governance configuration, rather than attempting to maximize every governance dimension simultaneously.

5.4 Human Resource Management Implications of Governance Configurations

The governance configurations have direct implementation implications for HR practitioners even though employee variables were not included in the empirical model. The comprehensive-collaboration configuration requires employees who can work across organizational and cultural boundaries. HR practices should therefore emphasize cross-cultural communication, teamwork, digital information management, and joint problem-solving through competency-based recruitment, cross-functional training, and team-level performance indicators.

The government-led configuration requires a different workforce profile. Travel agencies need employees who can interpret policy changes, maintain compliance, coordinate with public authorities, and translate administrative requirements into customer-facing procedures. Relevant HR practices include recurring policy briefings, compliance simulations, liaison-role development, documentation standards, and appraisal criteria that value accuracy and coordination rather than sales outcomes alone.

The streamlined configuration relies more heavily on multiskilling, empowerment, and rapid service recovery. HR managers can support this configuration through broader job design, scenario-based problem-solving training, decentralized decision authority, and rewards for response quality and team learning. Across all configurations, a strong service climate should communicate which behaviors are expected, supported, and rewarded. These recommendations are implementation implications derived from the governance findings and should be tested directly in future employee-level and multilevel studies.

5.5 Methodological Contribution: Complementary Net-Effect and Configurational Evidence

The hybrid design contributes by separating two analytical questions that are often conflated. PLS-SEM estimates the average net association of each governance dimension with customer satisfaction, while fsQCA identifies combinations that are sufficient for the outcome. This distinction allows the study to identify broadly useful baseline conditions without assuming that every governance mechanism has an additive and context-invariant effect.

fsQCA adds evidence on concurrency, equifinality, and causal asymmetry. It shows how conditions with weak or insignificant average effects may become relevant within a specific combination. The two methods should therefore be interpreted jointly but not merged into a single ranking of variable importance: PLS-SEM provides information on average partial associations, whereas fsQCA provides information on set-theoretic sufficiency across cases.

In summary, customer satisfaction in international tourism reception is associated with a multidimensional governance system rather than a single universal mechanism. The findings support a shift from isolated variables toward context-matched governance configurations and show that workforce capabilities and HR practices are central to implementing those configurations.

6. Conclusions and Implications

6.1 Research Summary

Against the background of China's expanded visa-free policies, this study develops an integrated framework of contractual, relational, and administrative governance and examines its association with customer satisfaction using PLS-SEM and fsQCA. The linear model identifies RS, ID, and PS as significant positive predictors, but its R^2 of 0.154 indicates modest explanatory power. The configurational analysis identifies ten equifinal high-satisfaction pathways with an overall coverage of 0.864 and shows that conditions without significant average net effects may still contribute within complementary combinations. The results, therefore, support a contextual, configuration-based view of governance and highlight HRM as the implementation interface between governance arrangements and customer-facing service.

6.2 Theoretical Contributions

This study makes three theoretical contributions. First, it extends the conventional contract-relationship model by incorporating administrative governance into a unified framework suited to policy-sensitive service contexts. Second, it explains governance effectiveness as a configurational phenomenon characterized by complementarity, substitution, and equifinality, thereby distinguishing the theoretical contribution from the study's individual empirical paths. Third, it connects governance theory with HRM by specifying how role clarity, employee competencies, communication routines, empowerment, performance standards, and service climate can translate governance arrangements into customer-facing outcomes. The hybrid method supports these contributions by revealing both average net associations and configuration-specific sufficiency,

but methodological combination is not presented as the sole theoretical contribution.

6.3 Practical and HRM Implications

The findings offer differentiated implications for travel agency managers, HR practitioners, and public authorities.

For travel agencies and HR managers, governance choices should be aligned with workforce capabilities. Comprehensive-collaboration configurations require cross-cultural communication, teamwork, and coordination competencies; government-led configurations require policy interpretation, compliance, and public-sector liaison capabilities; and streamlined configurations require multiskilling, empowerment, and rapid problem solving. Recruitment profiles, training content, job design, appraisal indicators, and reward systems should be adjusted accordingly. Across all configurations, performance management should evaluate information accuracy, response quality, coordination, and learning in addition to sales or volume targets.

For government departments and regulatory agencies, administrative support should be accurate, coordinated, and visible to both travel agencies and tourists. Digital policy communication, standardized guidance, rapid interdepartmental escalation, and joint training with travel agency employees may help convert administrative governance into consistent service practices. Because the current measures reflect tourist perceptions, these recommendations should be evaluated with multi-source evidence before strong causal claims are made.

6.4 Research Limitations and Future Prospects

This study has several limitations. First, the PLS-SEM model explains only 15.4% of the variance in customer satisfaction, so the findings identify partial governance associations rather than a comprehensive predictive model. Future studies should include service quality, price fairness, destination attributes, prior expectations, trip complexity, cultural distance, and employee service performance. Second, administrative governance was measured through tourist perceptions. Because many governmental processes occur behind the scenes, the results may reflect limited visibility rather than objective governance quality; multi-source designs involving tourists, employees, managers, and public officials are needed. Third, the HRM mechanisms proposed in this revision—employee competencies, training, empowerment, performance management, and service climate—were not directly measured and should be tested as mediators or boundary conditions in future multilevel research. Fourth, the sample is limited to three Shanghai travel agencies, and the cross-sectional design restricts causal and cross-regional generalization. Longitudinal, cross-regional, and cross-cultural studies should examine whether the configurations remain stable across policy stages, project types, organizational sizes, and labor-force conditions.

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