



The role of positive psychological capital in the effect of leadership styles on organizational commitment: A study of hospitality services

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Abstract

This study examined the role of positive psychological capital in the effect of different leadership behaviours on organizational commitment (OC). Research was conducted at 372 five-star hotel employees operating in the Turkish Cypriot community. A conceptual model was developed including structural relationships among three leadership styles (transformational, transactional and laissez-faire), positive psychological capital and organizational commitment was tested using structural equation modelling. The findings are included after explaining the theoretical background for the variables that constitute the model. The results and conclusions are discussed and evaluated to include administrative contributions to hotels in the tourism sector.

Keywords: Leadership, leadership styles, positive psychological capital, organizational commitment

Introduction

The hospitality industry is a labour-intensive industry dependent on the skills and motivation of its employees. With the construction of new hotels, the worldwide hospitality industry has entered a highly competitive era (Rothfelder et al., 2012). Hotels constantly struggle to remain sustainable in a rapidly changing global environment and to achieve competitive advantage (Dahie et al., 2017).

The uniqueness, complex and changing structure of the hospitality industry has had a negative effect on employees and managers (Kara et al., 2013, Zopiatis et al., 2014). Significant turnover rates have been found in the hospitality industry at both the operational and administrative levels (Davidson et al., 2010). Such mobility increases costs for hospitality firms (Gunlu et al., 2010). Hotels must reduce employee turnover to maintain their competitiveness in the long term (Wong et al., 2014). The negative relationship of organizational commitment with absenteeism and turnover, which are high-cost behaviours for hotels, gives tourism companies a strategic competitive edge in the long term and provides significant cost savings (Davidson et al., 2010). Organizational commitment in the hospitality sector is vital to individual and organizational outcomes, because hotel success is largely dependent on positive interactions among employees and customers (Patiar & Wang, 2016). Research on the organizational commitment of employees is thus significant for the hospitality industry (López-Cabarcos et al., 2015). The study by Patiar and Wang (2016) on hospitality found that leadership style and organizational commitment types interact in different ways, but different



commitment types (such as affective, normative and continuance commitment) are not distinguished and the lack of relevant empirical research has been emphasized. Zopiatis et al. (2014) stated that there was not enough research on hospitality in Cyprus to examine organizational commitment.

The excessive dependence of tourism on human capital requires the effective and efficient use and management of human resources (Zopiatis et al., 2014). Appropriate leaders can provide effective management, as has repeatedly been emphasized by researchers (Khan et al., 2016). Leadership is an important function of management, helping to maximize productivity and achieve organizational goals (Dahie et al., 2017). Leaders constitute the core of service production and have a large impact on employees (Gunlu et al., 2010). The use of an effective leadership style, an important determinant of organizational commitment, will thus increase the productivity of both managers and hospitality organizations (Erkutlu, 2008). Rothfelder et al. (2012) has emphasized that leadership has been subject to empirical studies in various industries, but has been rather neglected in the hospitality industry.

Avolio et al. (2004) believes that positive psychological capital (PsyCap) not only encourages employees to commit themselves to doing their jobs, but also encourages positive behaviours such as taking on challenging work. It is important to investigate the antecedents of PsyCap by assessing the organizational or relational characteristics of employees (Avey, 2014). Although PsyCap is a new approach in creating a unique and long-term competitive advantage for organizations (Luthans et al., 2007a), empirical evidence for the antecedents of PsyCap is relatively inadequate, as has been discussed by several authors (Avey, 2014; Avey et al., 2011). Research has shown that leaders have a significant effect on the PsyCap of their followers (Anderson & Sun, 2017; Avey, 2014; Ghafoor et al., 2011; Gyu Park et al., 2017; Malik & Dhar, 2017; Rego et al., 2017; Şeşena et al., 2019). It is therefore important to investigate how leadership affects employees' psychological states and behaviours (Gyu Park et al., 2017). This study therefore considers leadership style as a possible antecedent of PsyCap. The number of studies on the impact of PsyCap on hotel establishments is limited (Paek et al., 2015). Many studies on leadership originate from the USA (Rego et al., 2012). Our study also refers to the call for research on culturally different samples.

This study sought to identify PsyCap's mediating role in the relationship between leadership and organizational commitment by applying surveys to employees of 5-star hotels. As highlighted by several authors, research on hotels is insufficient (Rothfelder et al., 2012). This study in the hotel sector is useful and important for at least two reasons. First, it helps remedy the lack of data arising from the lack of empirical research in the hotel sector. Second, this study provides hotel managers with administrative implications to contribute to the country's economy through the development of the hospitality industry. The next section reviews the literature on organizational commitment, leadership styles and positive psychological capital to provide arguments based on the theoretical background and defines our hypotheses.

Literature Review

Organizational Commitment in Hospitality Services

Organizational commitment is when organizational workers want to be members of an organization because they believe that the organization represents their objectives or values (Golabdost & Rezaei, 2017). In the highly competitive hospitality industry, it is important that employees are well-motivated and productive to ensure customer satisfaction (Blayney & Blotnick, 2010). García-Almeida et al. (2015) has emphasized that hotel employees with high organizational commitment in the tourism sector are more successful in providing customer service. Organizationally committed employees have high motivation and better work performance (Al-Daibat, 2017). Organizational commitment thus constitutes the backbone of successful organizations (Dikko, 2017). Past empirical research tends to think that employees who are highly committed to organizations are more productive, more responsible and have a positive effect on organizational performance (Wang & Wong, 2011).



To measure organizational commitment, Allen and Meyer (1990) proposed a three-component model of commitment that includes affective, normative and continuance commitment. This is a versatile model that explores the most comprehensive organizational commitment and has also been highly supported empirically (Meyer et al., 2002). Affective commitment is defined as a person's psychological or emotional attachment, identification with and involvement in an organization (Meyer & Herscovitch, 2001). This means that when employees identify with the organization, they will be emotionally linked to the organization and contribute more to the organization's objectives (Veeriah et al., 2017). Normative commitment represents a commitment derived from a sense of obligation (Meyer & Herscovitch, 2001). Employees with high normative commitment believe that they should stay in the organization. Continuance commitment refers to the awareness of the cost of leaving the organization (López-Cabarcos et al., 2015).

Organizational commitment has been well researched (Veeriah et al., 2017). Organizational success as a primary reason for popularity is largely due to the fact that it stems from the high organizational commitment of employees. Strengthening the organizational commitment of employees of luxury hotels, which put quality first, therefore plays a strategic role in the industry. A leader who motivates employees and makes them feel that they are important and an asset is a key variable in strengthening organizational commitment (Al-Daibat, 2017). Numerous studies on the importance of organizational commitment to organizations have focused on identifying its antecedents (Celep & Yilmazturk, 2012). Previous research has shown that effective leadership has an effect on achieving organization goals and increasing employee commitment (Mohamad et al., 2012). In their meta-analysis, Jackson et al. (2013) reported that 'commitment theorists define leadership as an important factor in the development of organizational commitment'.

Leadership and Organizational Commitment

Leadership can, to a large extent, determine the behaviours of employees (Malik & Dhar, 2017), and it is a topic of interest for many researchers because of its significant contribution to organizational success (Al-Daibat, 2017). Leadership is an important management function that helps maximize productivity and achieve organizational objectives (Dahie et al., 2017). Organizational success depends on how effectively leaders motivate their followers (Khan, 2017). Leaders are especially important for hospitality firms because leadership failure has high costs for the organization (Kara et al., 2013). A sense of the influence of leaders has vital importance in the effective management of hotel employees (Clark et al., 2009). Hotel managers should also choose an appropriate style of leadership to achieve organizational goals (Clark et al., 2009). Adopting a proper leadership style and thus good leader role modelling, increases employee satisfaction and increases their efforts to support the organization (Golabdost & Rezaei, 2017). This provides a sustainable competitive advantage for organizations.

Studies have shown that certain leadership styles have a higher impact on employee outcomes than other styles (Saleem et al., 2017). In practice, there are many leadership styles, but the research has examined transformational, transactional and laissez-faire leadership styles, as described in the full-range leadership theory of Bass and Avolio (1997).

Transformational leaders inspire their subordinates and direct them to overcome their personal interests in favour of the organization (Al-Daibat, 2017; Şeşena et al., 2019). They also encourage their subordinates to be loyal to the organization; their commitment depends on affective commitment rather than logical calculation. It is especially important to perform transformational leadership in luxury hotels, which require a stable and flexible workforce.

The current literature on leadership suggests that transformational leadership is one of the most influential leadership styles of the century (Bass & Riggio, 2006; Günzel-Jensen et al., 2017). 'The Full Range Leadership Model' has revealed that transformational leadership is the most effective leadership style for boosting employee morale (Álvarez et al., 2014). There is



also evidence that transformational leadership has a positive effect on organizational commitment (Al-Daibat, 2017; Dahie et al., 2017; Dikko, 2017; Khan et al., 2016; Patiar & Wang, 2016; Veeriah et al., 2017). The following hypothesis has therefore been developed for testing in accordance with the previous research:

Hypothesis 1: Transformational leadership has a significant and positive effect on the organizational commitment of hotel employees.

A transactional leader is important for achieving organizational effectiveness and is more widely used as a leadership style than transformational leadership (Liu et al., 2011; Şeşena et al., 2019). Unlike transformational leadership, transactional leadership is based on a process of change (Günzel-Jensen et al., 2017) and motivates followers by influencing employee performance using a reward-oriented approach (Sürücü & Yeşilada, 2017). Incorrect performance evaluation, non-objective rewards and weak administrative skills have a negative effect on organizational commitment. Transactional leadership also cannot provide the desired results in various organizations, particularly when followers cannot fully perceive the reasons behind the leaders' award criteria (Erkutlu, 2008). Yulk (2010) found that transactional leaders did not increase organizational commitment in employees, while García-Almeida et al. (2015) reported that organizational commitment had no clear and significant antecedent. The research findings on transactional leadership are thus not clear and further study is needed to clarify the theoretical stance (Dikko, 2017). It has, however, been observed that transactional leaders (Bass & Riggio, 2006) who exhibit consistent behaviours that can affect their follower commitment increase their organizational commitment (Avolio et al., 2004). The following hypothesis has therefore been developed for testing in accordance with the previous research:

Hypothesis 2: Transactional leadership has a significant and positive effect on organizational commitment

Laissez-faire leadership refers to a lack of effective leadership that prevents decision-making, ignores existing problems, refuses to intervene and avoids attempts to interact with group members (Al-Daibat, 2017). Laissez-faire leaders refrain from taking responsibility or making decisions, and only interfere with the activities of employees when there are problems that are difficult to prevent (Che et al., 2017). Such leaders constitute the ground for negatively affecting the psychological well-being of organization members (Nguyen et al., 2017). Previous research has demonstrated that laissez-faire leadership has a negative effect on employee perceptions (Hinkin & Schriesheim, 2008) and employee prosperity (Kelloway et al., 2012), as well as increasing stress levels (Che et al., 2017). Laissez-faire leadership is particularly associated with role conflict and uncertainty (Hinkin & Schriesheim, 2008), psychological distress (Skogstad et al., 2007) and lower security behaviours in employees (Mullen et al., 2011). Jackson et al. (2013) have noted that some researchers are not highly interested in the links between organizational commitment and laissez-faire leadership styles, while Erkutlu (2008) has emphasized that a laissez-faire leadership style has a negative relationship with subordinates' job satisfaction in the hospitality environment and reduces organizational commitment. Thus the following hypothesis has been developed:

Hypothesis 3: Laissez-faire leadership has a significant and negative effect on organizational commitment.

Mediating Role of Positive Psychological Capital

Positive PsyCap is a positive state that develops organizations and allows employees to change attitudes as demanded (Joo et al., 2016). Previous research indicates that PsyCap increases employee satisfaction while reducing work stress, turnover (Avey et al., 2009) and burnout (Luthans et al., 2007b). PsyCap thus has a major impact on hotel employees' organizational commitment (Şeşena et al., 2019). Luthans and Youssef (2004) and Luthans et al. (2007a) have reported that PsyCap consists of hope, self-efficacy, optimism and psychological resilience. These four elements have been studied as independent concepts,



and their empirical validity has been accepted (Youssef & Luthans, 2007). Individuals with self-efficacy have the motivation and energy necessary for success in the face of challenging tasks, and they have the self-confidence to be successful (Hur et al., 2016). Individuals with hope determine specific goals and identify methods to achieve those goals (Avey et al., 2009). Optimist individuals expect a positive future for themselves, regardless of their personal traits. Employees with a high level of psychological resilience continue to struggle to achieve success when they face challenges and adversity (Şeşen et al., 2017). These personality variables are valid for today's competitive work environment and lead to improved performance and better customer service (Luthans et al., 2008). To ensure organizational success, hotel employees thus need to have a sense of self-sufficiency, optimistic thoughts, hope and enough resilience to overcome the problems they face (Jung & Yoon, 2015).

Kaplan and Biçkes (2013) have noted that optimism is of great importance for the satisfaction of hotel employees, Yavas et al. (2013) have suggested that the high hopes of hotel employees reduce stress and turnover, while Chow et al. (2007) reported that the optimism of hotel employees strengthened their intention to stay with the organization and, in their meta-analysis, Avey et al. (2011) found that positive PsyCap improved organizational commitment. Thus, the following hypothesis has been developed:

Hypothesis 4: PsyCap has a significant and positive effect on organizational commitment of hotel employees.

Perceptions of positive leadership serve as a catalyst for employee motivation and shape their efforts towards future goals and positive perceptions (Gooty et al., 2009) because even when employees face negative problems, the leader acts as a powerful contextual resource increasing employee trust and motivation to set and achieve goals (Bass, 1990). This motivational aspect of leadership integrates with the motivational disposition of PsyCap. The perspective as a whole shows that leaders have a direct impact on the development of positive PsyCap among employees by creating a working environment that increases employee psychological capacity (Adil & Kamal, 2019). Previous research has shown that leaders can improve the psychological performance of organization members (Ghafoor et al., 2011) and their prosperity (Kelloway et al., 2012), as well as playing a significant role in developing PsyCap (Şeşena et al., 2019) and affecting PsyCap (Zaman et al., 2017). The following hypothesis has been developed to investigate these points within the current literature:

Hypothesis 5: Perceived leadership style has a positive effect on the positive psychological capital of followers.

In accordance with the current literature, it can be said that leadership is linked with organizational commitment both conceptually and empirically. This is due to the behavioural model of the leader. However, because of the inconsistency of previous research findings related to leadership and organizational commitment, Avolio et al. (2009) called for further work in this field to understand the role of the moderating or mediating variables, which will increase the commitment of employees.

There are many antecedents of organizational commitment, such as personal characteristics (e.g. optimism, hope; Allen & Meyer, 1990). Avolio et al. (2009) believe that some of these antecedents have mediating roles for organizational commitment. Considering that PsyCap is associated with leadership, it is likely that PsyCap will mediate the relationship between leadership styles and organizational commitment. Rego et al. (2016) stated that PsyCap had a mediating role in the influence of authentic leadership on organizational commitment. The empirical evidence is strengthening the possibility of a mediating role. Thus, the following hypothesis was developed.

Hypothesis 6: PsyCap has a mediating role on the relation between leadership and organizational commitment.



Methodology

Sample

A stratified random sampling method was used to select a sample to represent the working universe in this study. The rate of 95% confidence and the number of people to be interviewed with 5% sampling error from the 4471 employees working in 5-star hotels in Northern Cyprus is 354. For this purpose, 400 questionnaires were applied to hotel employees, and the research was completed using 372 questionnaires obtained by removing incorrect and incomplete questionnaires from the scope of the survey.

Of the participants, 35% were female and 65% were male; 25% were aged 25 and under, 32% were aged between 26–30, 17% were aged between 31–35 and 26% were aged 36 and over. Furthermore, 15% were primary school graduates, 15% junior high school graduates, 33.3% were high school graduates, 14% were associate degree graduates and 23% were educated at the undergraduate or graduate level. Regarding citizenship, 17% of respondents were Turkish Cypriot citizens, 67% were Turkish citizens, 12% were both Turkish Cypriot and Turkish nationals and 5% were citizens of other countries. Finally, 22% of participants held managerial positions and 78% worked in employee positions.

Ethical Considerations

In order to conduct the research, HR managers of the hotels were contacted individually. HR executives have agreed to initiate the research, provided that the hotel name is not specified in the research and that the data for the hotel will not be shared with another company. After obtaining the necessary permissions, the purpose of the research was explained to the employees, they are guaranteed for using the data only within the scope of the research and to keep their personal information confidential. In order to increase the number of participants, the researchers visited the hotels in three shifts and conducted the survey on a voluntary basis. In order to maximize the reliability of the research and reduce the anxiety of employees, questionnaires were delivered in closed envelopes and asked to be left in a special box.

Scales

First, face (or content) validity is provided by the professional opinion of the survey. The experts included hotel managers and academics from three different universities. Experts examined the questionnaire and provided feedback to accommodate more openness and structure dimensions. The feedback led to the modification of several statements, and some elements were removed or combined. The second phase of the preliminary research involved the distribution of the survey to employees in the tourism sector. After the first 100 questionnaires were collected, factor analysis and scale reliability were conducted. The first results were meaningful, and the participants continued to gather data because of the absence of worrying comments. An informative e-mail asking hotel management to participate in the research was sent, and face-to-face implementation of the survey was carried out by expert interviewers with official authorization from the hotel managers. Surveyors were prepared to address the questions or concerns of those filling out the surveys (10–15 min). The study consisted of 65 questions in four different scales.

Demographic structure: consists of 8 questions to identify the characteristics of the employees.

Leadership styles: to assess the perceptions of employees about the leadership styles of their supervisors, the “Multifactor Leadership Questionnaire (MLQ)” by Bass and Avolio (1995) was used. All four measurement items used a “5-point Likert scale (1 = strongly disagree, 5= strongly agree)”. Example statements include ‘my manager creates an example for employees’, ‘my manager rewards me personally for my success’ and ‘my manager delays making decisions’. The Cronbach alpha reliability coefficients for the subscales of this scale were .87, .86 and .81, respectively.

Organizational Commitment: commitment perceptions of employees were evaluated with a three-dimension scale developed by Allen and Meyer (1990) that was adapted to Turkish. The



dimensions are named as affective, continuance and normative commitment. All measurement items used a “5-point Likert scale (1 = strongly disagree, 5= strongly agree)”. Sample statements included ‘I don’t feel like part of the family in my organization’, ‘I would feel guilty if I left my organization now’ and ‘If I wanted to, it’s very hard for me to leave my organization right now’. The Cronbach alpha reliability coefficients for the subscales of this scale were .89, .88 and .87, respectively.

Positive PsyCap: positive PsyCap was evaluated with a scale developed by Luthans et al. (2007a), which has previously been used for research in many countries and adapted to Turkish by Çetin and Basım (2011). The scale consisted of 24 questions and had three sub-dimensions. All dimensions are measured with a 5-point Likert scale (1 = strongly disagree, 5= strongly agree). As noted by previous research (e.g. Kara et al., 2013; Patiar & Wang, 2016), the scale can be used as a one- or four-dimension construct. For our purposes and to support the results of confirmatory factor analysis (CFA), we used it as a one-dimension construct. Sample statements included ‘I always see the good side of things about work’, ‘I generally manage the stress of the work in a calm manner’ and ‘I can undertake the work myself if I have to’. The Cronbach alpha reliability coefficient of the scale was .91. The reliability of the scales used in the scope of research was, overall, very high.

Confirmatory Factor Analysis

To test the construct validity of the research variables, CFA was conducted using the AMOS software. In the test, the maximum likelihood estimate of the covariance matrix was undertaken. On the leadership style and commitment scales, we tested one-factor and three-factor models separately. As hypothesized, the three-factor models for leadership styles ($\chi^2 = 33.23$, $p < .01$; $df = 21$, goodness of fit [GFI] = .92, comparative fit index [CFI] = .90, root mean square error of approximation [RMSEA] = .05, incremental fit index [IFI] = .91) and commitment ($\chi^2 = 43.81$, $p < .01$; $df = 28$, GFI = .90, CFI = .92, RMSEA = .06, IFI = .91) fit the data. The one-dimension construct of the positive PsyCap indicated a good fit ($\chi^2 = 69.80$, $p < .01$; $df = 41$, GFI = .91, CFI = .92, RMSEA = .05, IFI = .91).

Findings

The Pearson correlation coefficient was calculated to determine the correlation between the variables, and the results are presented in Table 1. Table 1 shows that transformational leadership and transactional leadership have significant and positive relationships with all sub-dimensions of organizational commitment and PsyCap, while laissez-faire leadership has a negative and significant relationship with affective commitment, continuance commitment and PsyCap.

Table 1. Means, Standard Deviations, Correlations

Variable	Mean	SD	1.	2.	3.	4.	5.	6.	7.
1. Transformational leadership	3.72	0.90	(0.87)						
2. Transactional leadership	3.34	0.85	0.67**	(0.86)					
3. Laissez-faire leadership	2.72	1.08	-0.10*	0.27**	(0.81)				
4. Affective commitment	3.57	0.66	0.41**	0.21**	-0.31**	(0.88)			
5. Continuance commitment	3.66	0.69	0.51**	0.33**	-0.12*	0.63**	(0.89)		



6. Normative commitment	3.20	0.95	0.15**	0.26**	0.35**	0.02	0.29**	(0.87)	
7. PsyCap	4.96	0.73	0.41**	0.23**	-0.16**	0.45**	0.38**	0.06**	(0.91)

*p<0.10 **p<0.05, (N=372), Cronbach Alpha's are given in parentheses diagonal

Regression analysis was performed to determine the effect of leadership style on organizational commitment. In the first stage of the regression analysis, the demographics for determining age, gender and tenure were included in the models for control and then independent variables were included in the second stage. While demographic variables were controlled, it was found that transformational leadership had a significant and positive effect on affective commitment ($\beta = .28, p < .001$), continuance commitment ($\beta = .44, p < .001$) and normative commitment ($\beta = .11, p < .10$). Transactional leadership had a significant and positive effect on affective commitment ($\beta = .11, p < .10$), and laissez-faire leadership had a significant and positive effect on normative commitment ($\beta = .34, p < .001$), but laissez-faire leadership also had a significant and negative effect on affective commitment ($\beta = -.30, p < .001$) and continuance commitment ($\beta = -.08, p < .10$). The leadership style with the highest positive effect on organizational commitment was transformational leadership. It was also obvious that transactional leadership had no significant effect on continuance commitment ($\beta = .05$) and normative commitment ($\beta = .09$). Hypothesis 1 is thus accepted, Hypothesis 2 is rejected and Hypothesis 3 is partially accepted.

Table 2. Regression Results

Variables	Affective commitment		Continuance commitment		Normative commitment	
	Model 1	Model 2	Model 1	Model 2	Model 1	Model 2
Gender	-0.24**	-0.18**	-0.22***	-0.16***	-0.05	-0.07
Age	0.10**	0.05	0.03	-0.01	-0.01	-0.01
Tenure	0.01	0.06	0.01	0.06	0.07	0.05
Transformational leadership		0.28***		0.44***		0.11*
Transactional leadership		0.11*		0.05		0.09
Laissez-faire leadership		-0.30***		-0.08*		0.34***
<i>F</i>	9.753***	25.267***	6.854***	25.497***	0.978	12.944***
<i>R</i> ²	0.07	0.29	0.05	0.29	0.01	0.17

Note: The entries in the table are standardized β s.

*p<0.10 **p<0.05 ***p<0.001

A structural equation model was designed to determine the influence of leadership style on organizational commitment and the mediating role of positive PsyCap in terms of the effect of leadership style on organizational commitment. The designed model is presented in Figure 1. The model was tested with AMOS 16.0 software using maximum likelihood estimation. First, the direct effects of leadership styles on organizational commitment were tested, and coefficients are shown in parentheses; the second model then tested the effects of mediating variable, and second model's coefficients are presented outside of parentheses.

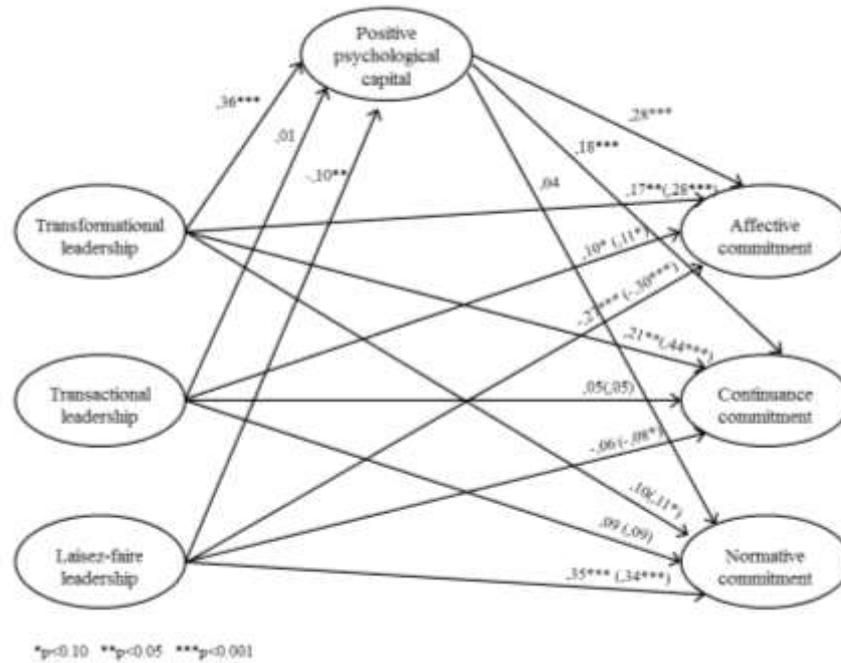


Figure 1. Mediation Model Test

Analysis of Figure 1 indicates that transformational leadership ($\beta = .36$, $p < .001$) had a significant and positive effect on PsyCap, while laissez-faire leadership ($\beta = -.10$, $p < .05$) had a significant and negative effect and transactional leadership ($\beta = .01$) had no significant effect on PsyCap. PsyCap had a significant and positive effect on the sub-dimensions of organizational commitment, affective commitment ($\beta = .28$, $p < .001$) and continuance commitment ($\beta = .18$, $p < .001$), while it had no significant effect on normative commitment ($\beta = .04$). Hypotheses 4 and 5 are thus partially accepted.

Following the addition of PsyCap as mediating variable, transformational leadership had a less significant effect on affective commitment ($\beta = .17$, $p < .05$) and continuance commitment ($\beta = .21$, $p < .05$), and laissez-faire leadership had a less significant effect on affective commitment ($\beta = -.27$, $p < .001$) and no significant effect on continuance commitment ($\beta = -.06$).

Discussion and Conclusion

Many studies have shown that leadership has a significant effect on organizational commitment (Avolio et al., 2004; Patiar & Wang, 2016; Veeriah et al., 2017). There is also evidence in the literature that positive PsyCap has a positive effect on organizational commitment (Luthans et al., 2007b). The lack of attention paid to the interactions among these variables and the types of mediating relationships can be considered a gap in the literature. Avolio et al. (2009) began to address this gap in their research. Trying to fill out that gap, this study was conducted on employees working in 5-star hotels operating in the tourism sector. This study therefore answers the need mentioned by Zopiatis et al. (2014) for adequate research investigating organizational commitment in hotels in Cyprus and the call of Rothfelder et al. (2012) that leadership research has been neglected in the hotel sector. Based on the findings, it is estimated that this study will not only eliminate the gaps in the literature, but will also make administrative contributions for the effective use of human capital in hotels operating in the hospitality industry.

Having analysed the findings, it appears that PsyCap has a positive effect on organizational commitment. This finding is in line with previous research (Avey et al., 2011). The nature of



positive PsyCap consists of hope, self-efficacy, optimism and psychological resilience. The peace and satisfaction of hotel employees with such positive psychological characteristics improves the business environment, and their organizational commitment will also increase. PsyCap is an important antecedent to organizational commitment. Human resources management therefore has a great responsibility to support hotel employees' organizational commitment, as the psychological features that constitute PsyCap can be improved by training.

The most important finding of this study is that transformational leadership has the greatest influence on employees' positive PsyCap and organizational commitment, which is in line with previous research. The self-sacrificing and devoted approach of transformational leaders, with a broad vision for their subordinates and their moral nature, has a positive effect on the trust and commitment of organization members, as well as promoting positive PsyCap. Transformational leaders ensure that employees are able to overcome psychological disruptions and that they have the necessary power to overcome the future challenges (Kelloway et al., 2012). Based on the current research findings, accepting transformational leadership as the most effective leadership style for managing employees and the adoption of a transformational leadership style by hotel managers are important for organizational success.

Another result of this study is that transactional leadership has no significant effect on positive PsyCap, although it does have a positive effect on organizational commitment. Transactional leadership is based on an exchange process between leaders and followers, as leaders intensively assess the members of the organization and their achievement of tasks. Employees considered unsuccessful in these inspections and controls are generally condemned or punished. This situation is contrary to the nature of positive psychology, which focuses not on what is wrong with people, but on what is right and how it can be improved (Luthans et al., 2006). Having evaluated the results in terms of accommodation enterprises in particular, it is clear that organizations with transactional leadership will not have strong positive PsyCap.

The positive effect of transactional leadership on organizational commitment is in line with previous research (Al-Daibat, 2017; Dikko, 2017; Khan et al., 2016). Transactional leaders usually reward members of the organization with salary rises, promotions or appreciation when employees provide exemplary service – otherwise, members are condemned or punished (Walumbwa et al., 2010). When we evaluate the research findings in the context of the hotels of Northern Cyprus, it is found that the employees perceive the rules and procedures within the organization correctly and that the managers act fairly. This is acceptable when considering that the research was conducted on five-star hotels that are members of a hotel chain. Li and Hsu (2016) state that large hotels, which are members of the hotel chain, have a professional management approach and their institutionalization levels are high. The duties, powers and responsibilities of the employees are clearly and precisely written in the hotels where the institutionalization is high. This enables hotel employees to appropriately perceive the rules and procedures in the organization. However, these rules and procedures also apply to managers. Thus, a hotel manager will be prevented from managing their employees with arbitrary decisions and they will treat the subordinates equally.

Having analysed the findings regarding laissez-faire leadership style, this type of leadership has a negative effect on positive PsyCap and organizational commitment. Laissez-faire leaders, who refrain from taking responsibility or making decisions and who do not interfere with the activities of employees even when there are problems (Che et al., 2017) cause role conflict and ambiguity among employees. This condition increases work stress (Che et al., 2017) and psychological distress (Skogstad et al., 2007) among employees, adversely affecting employee welfare (Kelloway et al., 2012). Having considered the negative effects on the organization, the negative effect of laissez-faire leadership on positive PsyCap and organizational commitment is to be expected.

Our study showed that PsyCap is an important mediating variable in the effect of perceived leadership style on organizational commitment. The literature has often emphasized that the



leader plays an important role in increasing the organizational commitment of employees, and that employee PsyCap is an important variable in increasing organizational commitment. This finding shows that the development of employee PsyCap, as well as the leadership effect, is important for improving organizational commitment among employees. Our research findings provide a more holistic approach to understanding how PsyCap, which belongs to both leaders and employees, increases organizational commitment. This is important for HR managers, who will find it helpful to understand and determine the importance of employee PsyCap as well as the leadership effect to increase the organizational commitment among employees and thus increase organization success.

The final finding of this study to be taken into consideration is that positive PsyCap has no effect on normative commitment. This can be explained in two ways: first, given the natural structures of the hospitality industry in which the research was conducted, opportunities for job and career development are limited for existing employees in the sector (Saydam & Arasli, 2013). This means that the hotel employees, who are aware of this fact, do not consider staying permanently with the organization due to the lack of loyalty that could have been derived from a sense of responsibility towards the organization with which they are affiliated. Indeed, this also reveals why the rates of turnover among hotel staff are high. Second, the period of the research may also have affected the findings. The study was conducted during the summer, which is a period with high employee work stress during which many employees are only temporarily seasonally employed, due to the intense workload of the hotel sector at such times. Employees, who are aware of the temporary nature of their employment, do not feel obliged to stay with the organization, despite their high PsyCap.

Managerial Implications

In the hospitality industry in general, it is the leader (manager) influences the PsyCap and organizational commitment of organization members. Implementing the right leadership style will therefore increase employee satisfaction and commitment and ensure that employees stay with the organization. This reduces the cost of personnel and provides competitive advantage for the hospitality industry without sacrificing local needs and resources. It would be useful for leaders in the tourism sector to stay aware of existing problems by keeping in touch with their subordinates, thus preventing role uncertainties in conflicts, and to form an evaluation system for subordinates using a punishment and reward system. Transactional leaders can be effective in situations where the organizational environment is stable and predictable, but the tourism sector is more complex and variable. For this reason, especially if the goal is to succeed in a rapidly changing business environment such as tourism, managers should adopt transformational leadership behaviours rather than transactional and laissez-faire leadership approaches to increase the performance of hotel employees. Managers demonstrating these behaviours efficiently will improve organizational success.

It can clearly be seen that transformational leaders are the most effective for PsyCap and organizational commitment, which provide success in organizations. Brown and May (2012) have noted that transformational leadership features could be improved by training. Hotel managers should thus regularly organize training programmes such as seminars and conferences to train all level of managers to gain greater competence as transformational leaders. This information may be useful for those responsible for human resource management in the tourism sector.

Employees with high organizational commitment in hotel establishments are more productive and responsible and have a higher positive effect on organizational performance. Employees with high PsyCap also actively help their colleagues or managers and remain committed to their organization (Jung & Yoon, 2015). Taking the significant relationship between PsyCap and organizational commitment, it is important to develop PsyCap among hotel employees. Given that PsyCap is not a general feature from the outset, it can be improved through training (Jung & Yoon, 2015). Hotels should develop the PsyCap of its employees by creating a friendly



working environment. Individuals with self-efficacy, optimistic thoughts, hopes and positive psychological feelings should be employed by human resource management, and trainings should be planned to develop these traits among current employees, thus enhancing their ability to overcome problems and increasing employee commitment. Empirical research has shown that investments made in the development of PsyCap provide higher returns. Studies have shown that only a 2% increase in the PsyCap of organizational leaders could provide a high return on the investment (Toor & Ofori, 2008). Accordingly, hotels should develop PsyCap among both its employees and its leaders.

Limitations of the Study and Recommendations for Future Studies

The findings of this study should be seen in light of its limitations. First, the research was conducted using employees working in 5-star hotels in the service sector, so generalizing the data obtained to other sectors (production, marketing, etc.) may not give accurate results. Further studies should therefore be conducted to collect data from other sectors that would yield more general results.

Second, it is possible to draw conclusions from this regarding the hospitality sector only in the Turkish Cypriot community. Tourism sectors may vary by country and culture, and culture may affect the nature of the relationships between leadership behaviours and organizational commitment (Jackson et al., 2013). Further research in different countries and cultures may yield new results.

It is important to mention the static nature of this research, as it does not take into account the development of positive psychological capital and organizational commitment over time.

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