

Psychological Capital and Leadership Styles in Tourism Enterprises

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Abstract

Within the framework of positive organizational behaviour, psychological capital has emerged as a form of human capital encompassing employees' levels of hope, optimism, self-efficacy, and psychological resilience. High levels of psychological capital among employees in tourism enterprises are associated with a wide range of positive organizational outcomes, including job satisfaction, organizational commitment, trust in work, high performance, and service quality. Leadership styles play a crucial role in the formation and development of psychological capital. Accordingly, this study aims to examine the concept of psychological capital in tourism enterprises within its conceptual framework and to analyze the effects of different leadership styles on psychological capital based on the existing literature. In this regard, the study emphasizes the importance of psychological capital in the tourism sector and discusses the decisive role of leadership behaviour in supporting employees' psychological well-being.

1. Introduction

In today's tourism and hospitality industry, competition is increasingly intense. Tourism enterprises seeking to gain a competitive advantage are well aware of the difficulties involved in attracting qualified employees and fostering their organizational commitment. For this reason, they strive to create appealing work environments and cultivate a positive organizational atmosphere (Chan, 2010). Due to the nature of service production, the tourism sector stands out as an industry in which the human element occupies a central position and organizational success largely depends on employees' attitudes and behaviours. The high level of face-to-face

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interaction with customers, the continuity of emotional labor, and constantly changing environmental conditions highlight not only employees' technical competencies but also their psychological capacities in tourism enterprises (Luthans, Youssef, & Avolio, 2006; Paek et al., 2015). Consequently, approaches that go beyond traditional management perspectives and place employees' psychological well-being and internal resources at the center have gained increasing importance.

In recent years, positively oriented approaches in the organizational behaviour literature have emphasized employees' developable strengths rather than their weaknesses. Within this framework, psychological capital provides a valuable explanatory lens for understanding individuals' attitudes, motivation levels, and performance when confronted with challenges in working life (Luthans, 2002; Luthans et al., 2007). Considering the structural characteristics of tourism enterprises, - such as high stress levels, uncertainty, and perceptions of job insecurity- the strategic importance of psychological capital for the sector becomes even more evident (Ergun et al., 2023).

However, employees' psychological resources cannot be evaluated independently of the organizational context and managerial practices. In particular, leaders' behaviours play a fundamental role in shaping employees' perceptions of themselves, their work, and the organization. Leadership in tourism enterprises is not merely a managerial function that ensures task coordination; rather, it is a critical factor that reveals employees' potential, provides support, and shapes the organizational climate (Bass & Avolio, 1994; Avolio & Gardner, 2005). Accordingly, the relationship between leadership styles and employees' psychological capital levels emerges as an important research area that deserves examination from both theoretical and practical perspectives (Olgar, 2024).

Although the existing literature includes studies addressing the relationship between psychological capital and leadership, comprehensive evaluations that take into account the distinctive characteristics of the tourism sector remain limited. Factors such as labor intensity, constant pressure to maintain service quality, and continuously evolving customer expectations necessitate a more in-depth examination of this relationship in tourism enterprises (Karatepe & Karadaş, 2014; Tsaur et al., 2019). Drawing on this gap, the present book chapter aims to conceptually examine the relationship between psychological capital and leadership styles within the context of tourism enterprises.

Within this scope, the chapter discusses the significance of psychological capital for the tourism sector and evaluates the potential effects of different leadership styles on employees' psychological resources in light of the relevant literature. In doing so, the study aims to contribute to the strengthening of a human-centered management approach in tourism enterprises and to the reconsideration of leadership practices.

2. Psychological Capital: Conceptual Framework

2.1. Definition, Significance, and Components

Luthans (2002) introduced the concept of Positive Organizational Behavior (POB) in the workplace and proposed the notion of Psychological Capital (PsyCap). This concept regards the positive orientation of human resources' strengths and psychological capacities as the core element of POB (Huang et al., 2023). Luthans (2002, p. 59) defined psychological capital (PsyCap) as *"the study and application of positively oriented human resource strengths and psychological capacities that can be measured, developed, and effectively managed for performance improvement in today's workplace."* Emphasis is placed on the importance of measuring psychological tendencies through PsyCap in order to ensure the effective utilization of human resources, enhance employee performance, and achieve organizational goals (Ergun et al., 2023).

The concept of psychological capital highlights a psychological state that places positivity at its center and extends beyond intellectual capital in enabling organizations to gain competitive advantage. This psychological state does not represent a stable personality trait; rather, it varies and differentiates according to conditions and situations. All these situational characteristics within the organizational context are collectively referred to as organizational psychological capital (Kızanlıklı & Çöp, 2017).

Earlier studies in the field of organizational psychology primarily focused on employee satisfaction and well-being. In recent years, however, there has been a growing body of research emphasizing the importance of positive psychology in working life. As a result, the concept of Psychological Capital (PsyCap) has emerged, shifting attention away from problematic, dysfunctional, and performance-deficient experiences and instead emphasizing employees' positive self-related attributes and strengths (Karaduman, 2017).

Several key aspects are emphasized in the concept of psychological capital. First, PsyCap is grounded in the positive psychology paradigm,

which underscores optimism and the value of human strengths. Second, it is based on psychological states that meet the criteria of positive organizational behaviour (e.g., being unique and state-like). Third, PsyCap goes beyond the concepts of human capital (e.g., *what I know*) and social capital (e.g., *whom I know*) by addressing the question of “*who I am*.” Finally, it emphasizes investments and developmental initiatives that enhance performance and provide a competitive advantage (e.g., improved economic performance) (Kesen & Kaya, 2016).

Psychological capital consists of four psychological components: hope, optimism, resilience, and self-efficacy (Tsaur et al., 2019). These components are explained below, followed by a discussion of the key characteristics of PsyCap.

Self-efficacy refers to an individual’s confidence in accepting challenging tasks and exerting the necessary effort to accomplish them. Stajkovic and Luthans (1998) defined workplace self-efficacy as “*an individual’s belief or confidence in their ability to mobilize motivation, cognitive resources, and the courses of action needed to successfully execute specific tasks.*”

Optimism is defined as the ability to make positive attributions regarding current and future success. An optimistic perspective is a learnable process and supports individuals in approaching events from a positive viewpoint and acting accordingly (Örgün et al., 2017).

Hope refers to perseverance in pursuing goals and the ability to identify alternative pathways toward goal attainment when necessary. This concept comprises two dimensions: pathways (the perceived ability to generate routes to achieve goals) and agency (the motivational energy to pursue those goals). A hopeful stance enhances individuals’ motivation toward their objectives and facilitates goal achievement (Örgün et al., 2017).

Resilience is defined as the ability to recover from or overcome adverse conditions and challenging problems (Huang et al., 2023). Each of these subcomponents of psychological capital reinforces the others, and as one component strengthens, positive changes are also observed in perceptions related to the others (Kesen & Kaya, 2016).

Self-efficacy, hope, optimism, and resilience constitute the core dimensions of psychological capital and should be evaluated holistically. For instance, the combined presence of self-efficacy and optimism is considered broader and more effective than either self-efficacy or optimism alone. Each dimension encompasses cognitive and motivational processes that enhance performance (Kızanlık & Çöp, 2017).

Organizations characterized by strong psychological capital tend to exhibit higher levels of well-being, performance, and success. Accordingly, practices aimed at developing employees' PsyCap are considered effective in sustaining organizational viability, growth, and prosperity. For example, PsyCap has been shown to help employees in casino hotels cope with job insecurity. Similarly, a study conducted in Ireland identified a relationship between PsyCap and job insecurity. Moreover, experimental research has demonstrated that PsyCap strengthened through targeted interventions reduces stress and job insecurity among individuals (Ergun et al., 2023).

Positive psychology focuses on individuals' strengths and positive attributes rather than their weaknesses, aiming to foster positive emotions and behaviours and thereby maintain and enhance individual well-being (Kesen & Yayla, 2016).

2.2. Psychological Capital in Tourism Enterprises and Its Importance

The labor-intensive nature of tourism enterprises and the difficulties they face in remaining competitive have made it necessary to place greater emphasis on human-centered capital alongside physical resources. Within this framework, positive psychological capital has gained prominence as a key factor that supports employees' psychological well-being and performance. Particularly in the service sector, the fact that employees' attitudes and behaviors have a direct and positive impact on the quality of services delivered further underscores the importance of this concept (Açıkgöz & Arıkan Saltık, 2025). In today's highly competitive business environments, concepts encompassing human, social, and psychological capital are recognized as approaches that aim to reveal employees' strengths rather than focusing on their deficiencies. In the tourism sector, encouraging employees to recognize their strengths and fostering a belief in their own success—rather than criticizing their weaknesses—can have a significant positive effect on their productivity (Örgün et al., 2017).

Psychological capital not only strengthens individuals' internal resources but also contributes to sustainable organizational success. Employees with high levels of psychological capital—particularly in terms of self-efficacy and hope—tend to exhibit more optimistic and resilient attitudes and play more active roles in achieving organizational goals (Açıkgöz & Arıkan Saltık, 2025).

2.3. Leadership Styles and Psychological Capital in Tourism Enterprises

Employees' job performance, attitudes and behaviors toward leaders and the organization, as well as the level of trust they experience, are of critical importance for organizations in achieving their goals. At the same time, leadership behaviors play a direct and decisive role in shaping these factors. This directly influences employees' performance and, consequently, organizations' ability to attain their intended outcomes. Organizational success is therefore closely linked to variations in leaders' behaviors. In other words, the degree to which employees' psychological capital is affected is directly proportional to the leadership styles exhibited by managerial leaders within the organization (Olgar, 2024).

The tourism industry is a labor-intensive sector characterized by high levels of customer interaction and seasonality, and it operates in a highly competitive environment that relies heavily on human resources (Luthans et al., 2006). According to Luthans & Youssef (2004), psychological capital refers to individuals' internal resources, namely hope, optimism, self-efficacy, and resilience. It has been emphasized that employees' psychological capital can be enhanced by leaders who help reveal employees' potential, raise awareness of their strengths, and provide continuous support. Job satisfaction among employees depends largely on the degree of congruence between individuals' expectations and the rewards they obtain from their work, and the leadership style adopted within the organization plays a determining role in achieving this alignment (Açıkgöz & Arıkan Saltık, 2025).

Transformational leadership, in particular, has a structure that supports and positively influences all dimensions of psychological capital. Accordingly, this leadership style is effective in increasing employee motivation, strengthening employees' perceptions of self-efficacy, enhancing levels of hope, and fostering an optimistic organizational culture through positive feedback.

Bass & Avolio (1994) also Avlio & Gardner (2005) demonstrated that transformational leadership produces positive outcomes. Moreover, they concluded that this leadership style positively affects employees' organizational commitment, job satisfaction, and performance, and ultimately contributes to overall organizational performance.

Özarallı (2003) examined the effects of transformational leadership on team members and employee empowerment within the context of hospitality enterprises. The findings indicated that transformational

leadership has a positive impact on empowering employees, increases employees' sense of self-efficacy through visionary and inspirational behaviors, and thereby encourages them to assume greater responsibility. In addition, transformational leadership was found to enhance closeness among employees and promote cooperation.

2.4. Related Studies

2.4.1. Studies on Psychological Capital in Tourism

Psychological capital has a positive effect on improving employees' performance by supporting their individual development within organizations. Moreover, it is a key factor that enhances organizational efficiency and competitiveness. For this reason, when employees are encouraged in their work and operate within a supportive organizational structure, they tend to develop positive feelings toward the organization. Through the positive climate created, they are more likely to display cooperative and trust-enhancing behaviours (Örgün et al., 2017). Identifying employee behaviours and determining how these behaviours affect job performance is particularly important in the tourism sector, where the service factor constitutes a prominent variable and the effective and efficient utilization of human resources is essential. Accordingly, psychological capital is regarded as a significant factor influencing both employee and organizational outcomes.

In their study aimed at measuring the psychological capital levels of hotel kitchen employees, Örgün et al. (2017) collected data through questionnaires administered to employees working in the kitchens of four- and five-star hotels operating in Nevşehir. The findings revealed that employees' psychological capital levels differed according to their demographic characteristics. For example, male employees were found to have higher levels of psychological capital than female employees. With respect to age, the results indicated that psychological capital levels increased as the age of kitchen employees increased.

In a study conducted by Kahraman (2023), the relationships among personality traits, psychological capital, and entrepreneurial tendencies of undergraduate students receiving tourism education were examined. The findings showed that the personality traits of extraversion and openness to experience had a significant effect on entrepreneurial tendencies. Additionally, agreeableness was found to influence psychological capital. Finally, the study concluded that psychological capital has a significant effect on entrepreneurial tendencies.

Kızanklıklık & Çöp (2017) investigated the relationship between positive psychological capital—defined as the set of individuals’ positive and developable characteristics—and job performance. Furthermore, the effects of the sub-dimensions of positive psychological capital, namely self-efficacy, optimism, hope, and resilience, on job performance were examined. The findings indicated that the effect of overall positive psychological capital on job performance was stronger than the effects of its individual sub-dimensions.

Finally, numerous national and international studies have demonstrated that psychological capital increases individual performance, job and life satisfaction (Luthans et al., 2007; Paek et al., 2015), trust (Norman, Avolio, & Luthans, 2010), and work engagement (Avey, Wernsing, & Luthans, 2008), while reducing absenteeism, turnover intention, and work–family conflict (Avey, Patera, & West, 2006; Karatepe & Karadaş, 2014).

2.4.2. Research on Leadership Styles in the Tourism Industry and Empirical Studies in the Relationship between Leadership Styles and Psychological Capital

In their study, Bouzari and Karatepe (2017) proposed a research model examining the mediating role of psychological capital in the relationship between servant leadership and outcomes such as lateness behaviour, intention to stay, service–sales ambidexterity, and service-oriented organizational citizenship behaviours. The findings revealed that psychological capital fully mediates the effects of servant leadership on these outcomes. Accordingly, servant leadership strengthens the psychological capital of sales employees; in turn, these employees exhibit lower levels of lateness behaviour and express stronger intentions to remain with the organization. Moreover, they demonstrate more positive perceptions of service–sales ambidexterity and display higher levels of service-oriented organizational citizenship behaviours.

Yukl (2009) emphasized that leadership styles within organizations play a critical role in achieving organizational success. The study further concluded that leaders’ behaviours characterized by honesty, empathy, and motivation can positively influence employees’ job satisfaction and organizational commitment.

In a study conducted by Şeşen et al. (2017), the mediating role of positive psychological capital (PPC) in the relationship between different leadership styles and organizational commitment was examined among employees working in a five-star hotel operating in the Turkish Republic

of Northern Cyprus. The findings indicated that PPC has a positive effect on organizational commitment. One of the most notable results of the study was that transformational leadership exerted the strongest influence on increasing employees' PPC and organizational commitment. Another important finding was that transactional leadership had no significant effect on PPC. In transactional leadership, leaders continuously and intensively monitor subordinates in their efforts to achieve goals and fully perform their tasks, and employees who fail to meet expectations are subjected to negative sanctions such as reprimands or penalties. This approach appears to be inconsistent with the nature of positive psychology, which focuses not on what is wrong with individuals, but on what is right and how it can be developed. Particularly in the context of hospitality enterprises, it can therefore be argued that in organizations where transactional leadership predominates, the development of strong positive psychological capital may be limited.

3. Conclusion and Recommendations

In this section, the interaction between psychological capital and leadership styles in the context of tourism enterprises has been examined based on a comprehensive review of the literature. Considering the labour-intensive nature of the tourism sector, high levels of customer interaction, the requirement for continuous emotional labour, and working conditions characterized by uncertainty, it becomes evident that not only employees' technical skills but also their psychological resources are critical to organizational success. Within this framework, psychological capital, comprising hope, optimism, self-efficacy, and resilience, emerges as a fundamental component of human capital that shapes employees' attitudes and behaviours in working life (Luthans, 2002; Luthans et al., 2007).

The literature review indicates that psychological capital in tourism enterprises is associated with a wide range of positive outcomes, including job satisfaction, organizational commitment, work engagement, performance, service quality, and organizational citizenship behaviours (Paek et al., 2015; Karatepe & Karadaş, 2014; Tsaor et al., 2019). At the same time, strong empirical evidence suggests that psychological capital reduces negative outcomes such as job insecurity, job stress, lateness behavior, and turnover intention (Avey et al., 2006; Ergun et al., 2023).

The findings further demonstrate that leadership styles play a decisive role in the formation and development of employees' psychological capital. In particular, contemporary leadership approaches—such as transformational,

authentic, and servant leadership—are shown to strengthen employees' psychological resources and contribute to the creation of a positive organizational climate (Bass & Avolio, 1994; Avolio & Gardner, 2005; Bouzari & Karatepe, 2017). In contrast, more control-oriented approaches, such as transactional leadership, tend to have limited or weak effects on psychological capital and, in some cases, may even conflict with the principles of positive psychology.

In this regard, it can be concluded that achieving sustainable competitive advantage in tourism enterprises requires a holistic examination of the interaction between leadership behaviors and psychological capital. The present study demonstrates that psychological capital should be regarded not merely as an individual attribute, but as a strategic organizational resource that can be developed through appropriate leadership approaches.

Based on the theoretical findings, the following recommendations can be proposed for tourism enterprises and industry stakeholders:

Managers in tourism enterprises should consciously adopt leadership behaviours that support employees' psychological capital. Promoting transformational, authentic, and servant leadership styles can strengthen employees' self-efficacy perceptions, enhance their levels of hope and optimism, and contribute to the development of more resilient individuals in the face of challenges (Bouzari & Karatepe, 2017; Avolio & Gardner, 2005). Incorporating psychological capital-focused training programs into human resource management practices may serve as an effective tool for developing these psychological resources.

It is recommended that psychological capital components be taken into consideration in recruitment, performance appraisal, and career planning processes. Given that employees with high levels of psychological capital demonstrate more adaptive and resilient behaviors during periods of crisis (Ergun et al., 2023), this approach may provide tourism enterprises with a strategic advantage in terms of long-term sustainability.

In conclusion, strengthening the relationship between psychological capital and leadership styles in tourism enterprises should be considered a strategic management domain capable of generating positive outcomes at both individual and organizational levels.

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