

# An Empirical Approach of Positive Psychology Cap in Hospitality in Greece

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## Abstract

The present paper aimed to highlight the need for the application of Positive Psychology in the hospitality industry of Greece to improve the competitiveness of the industry and the tourism sector overall. Thus, a literature review was conducted to present the concepts of Positive Psychology and Psychological Capital in the context of the tourism sector with more emphasis on the Greek hospitality industry. In the international bibliography, there is a limitation in research made upon the topic of Psychological Capital in hospitality; thus, a great need emerges for further investigation and thorough research about the interlinking of Positive Psychology with the development of emerging skills, values, and thinking. That will lead to creating a comparative advantage on a business level but also a national level in an attempt to improve the services within the tourism sector. Positive psychology has not been applied in the hospitality sector within Greece and it is clearly a field that is needed to be explored in depth with further studies and research.

## Keywords

Positive Psychology, Psychological Capital, Hospitality, Tourism

## 1. Introduction

The sector of hospitality, during its effort of recovery, has come up against some quite intense competition, as well as significant changes in human psychology, new needs on behalf of the visitors and new challenges in the workplace. However, in an era where the speed of change is constantly racing, the competitiveness of the hospitality industry will depend on its ability to promptly adapt to new conditions and will be significantly determined by its flexibility in the use of intangible resources.

In recent years, one of the most critical challenges that hospitality businesses

had to face was the continued decline in hospitable behaviors in the hospitality sector amidst an unstable environment (Usman, Ali, Ogbonnaya, & Babalola, 2021). The human presence in the sector of hospitality will continue to be a very important factor for the smooth operation of businesses and customer service. Managing, finding, and retaining competent and valuable staff will be crucial to business development and growth. For example, in luxury hotels, guests have high expectations from the employees when it comes to the level and type of service. Any divergence will adversely affect the hotel's reputation and revenue. Service personnel must be extremely swift to meet customer demands with a positive attitude (Dai, Zhuang, Lu, & Huan, 2020).

Taking into consideration all the above, the purpose of this paper is to highlight and document the need to apply Positive Psychology in the hospitality industry in Greece. Although empirical research related to Psychological Capital in hospitality is still in its infancy on an international level, its application is undeniably more imperative than ever before. The overall approach consists of interlinking the science of Positive Psychology with the development of emerging skills, values, and thinking, but also of connecting it to all stages in the workplace (management, recruiting, and retaining staff). The effects of the application of Positive Psychology will provide a decisive comparative advantage at the business level as well as at the domestic-national level, through the implementation of collective actions that will upgrade the competitiveness of tourism on the whole.

### **The Discipline of Positive Psychology**

Coming into the 21<sup>st</sup> century, during which, indisputably, numerous economic and social developments have taken place and everyday life has become quite complex, it is particularly evident that the main field of focus of the discipline of Psychology has ceased to be a mental illness and its treatment. Psychology is now called upon to answer questions concerning the development of individuals, conferment of meaning to their lives and, in general, the accomplishment of their psychological prosperity (Stalikas & Mytskidou, 2011).

Within this framework a newly established discipline, Positive Psychology, founded in 1998 by Seligman, aims to promote human health at a mental and physical level, to develop potential, to create harmonious relationships, both interpersonal and at work, and to realize the personal goals set by everyone (Hefferon & Boniwell, 2019). More broadly, it could be defined as the scientific study of the factors that drive individuals and societies to progress and prosper (Sheldon & King, 2001).

Positive Psychology focuses on the effect that the presence of a range of positive variables, such as happiness, hope, love, optimism, prosperity, meaning of life, psychological resilience, and character virtues have on the lives of people of different age groups and nationalities. Moreover, this field studies the positive experiences of the individual in three moments of time which comprise three axes: 1) the past where well-being and the sense of pleasure and satisfaction are

examined, 2) the present, where happiness and interest are examined, and 3) the future, where the notions of optimism and hope are examined (Hefferon & Boniwell, 2019). Its subject content is also divided into two levels. The individual includes the variables of interpersonal skills, capacity for love and giving, creativity, talent, persistence, and wisdom. The collective level, respectively, pertains to the variables of altruism, responsibility, tolerance, and work ethic (Sheldon & King, 2001).

As for the assumptions of Positive Psychology, this concern living a life with meaning and purpose. More specifically, in this condition individuals experience a variety of positive emotions due to various reasons, and these emotions are discernable in terms of the various characteristics and effects they induce. Besides, individuals are considered to be adaptive beings; they pursue social intercourse and can prosper and progress. Their psychological well-being is based on their abilities and virtues while happiness is a social good. Finally, negative emotions bear equal gravity as positive ones and hedonism (pleasure seeking) does not constitute a single positive condition for achieving psychological prosperity (Stalikas & Mytskidou, 2011).

The importance of Positive Psychology lies in the fact that happiness, mental health and living a balanced life are based on positive emotions and the positive dimensions of human existence. For example, the positive variables of joy, interest, pleasure, enjoyment, optimism, of expressing positive emotions are responsible for feeling satisfied with life and forming strong and meaningful interpersonal connections. As a result, individuals instantaneously become more productive, receive greater satisfaction from their profession, and are more likely to realize their goals and enjoy a good level of physical health (Stalikas & Mytskidou, 2011).

The significance of positive psychology in enhancing positive organizational behavior is beyond dispute and has gained increasing recognition in recent years (Seligman et al., 2005). Organizations and companies design their strategies and policies with the objective of recognizing the positive characteristics of their employees, such as trustworthiness, loyalty, and resilience, in order to achieve their business goals and maintain long-term viability (Fryer, 2004).

Given that positive psychology places emphasis on human strengths, such as positive traits and individual strengths, there has been belief that there is a positive impact in creating an organizational environment that values its employees' potential (Peterson & Spiker, 2005).

Accordingly, positive psychology has flourished in recent years and its application has been observed at various levels, however specifically in the tourism sector in Greece has not been applied and it would be extremely interesting to explore the possibilities and the multiple benefits it has to offer.

## 2. Positive Psychological capital

Psychological Capital or PsyCap, for short, is defined as “an individual’s positive

psychological state characterized by four components—self-efficacy, hope, resilience, and optimism” (Luthans, Avolio, Avey, & Norman, 2007a: p. 10). It is noted that resilience refers to a person's ability to resolve and adapt to the relevant conditions when dealing with difficult or negative situations (Luthans, 2002).

Psychological capital and its four components create a positive psychological mindset that increase employee effectiveness at work and therefore constitutes a vital resource for increasing positive results in the workplace (Sweetman & Luthans, 2010). Employees who have a high level of PsyCap can effectively manage problems in the workplace, demonstrate a more positive attitude at work and exhibit a weaker intention to leave the organization (Abbas, Raja, Darr, & Bouckenoghe, 2014).

The application of Positive Psychology can boost the potential of employees, enable them to handle stress, solve problems, acquire knowledge and skills, adapt to multicultural interactions, and improve their adaptive performance. By cultivating the Psychological Capital, employees can decrease work-caused fatigue and stress, rouse positive energy, overcome negative emotions, and excite creativity (Yan, Mansor, Choo, & Abdullah, 2021).

As regards the direct effect of Positive Psychology on employees with a high PsyCap, this lies in their beliefs about the positive development of their work (optimism), goal setting towards success (hope and efficacy), and the ability to deal with changes (resilience) (Avey et al., 2011). Finally, those with a high degree of PsyCap are shown to be more loyal to organizations (Luthans et al., 2008) and are more satisfied with their work (Luthans et al., 2007a).

### **3. The Role and the Connection of Positive Psychology with Hospitality**

The role of Positive Psychology in the hospitality sector is part of the decisive role it has in the wider workplace. Maximizing the positive elements of personality, skills, knowledge and experience is achieved through the application of Positive Psychology. It impacts on the personal and professional development of employees and the development of hospitality companies. However, even though the hospitality industry should, by definition, be one of the primary areas of application, it is only in recent years that the significant role of Positive Psychology has emerged.

#### **3.1. The Obvious Connection to Hospitality**

Positive employee psychology is critical to success in the hospitality industry. Except for the development of the employees themselves and the enhancement of company performance, interaction with the customers is also another very important reason for the application of Positive Psychology, as long as human interaction in the hospitality sector continues to be a valuable comparative advantage for businesses and the overall visitor experience.

Hence, human interaction is directly linked to the application of Positive Psychology since it is hospitality staff who creates the most profound impressions and memories for the guests, while at the same time the means of communication and handling of an emergency is cause enough to turn a negative situation into an extremely positive one.

### **3.2. The Issue of Turnover in Hospitality**

The high rate of staff turnover is one of the gravest challenges in the wider sector of hospitality and, in particular, in the hotel industry. This high rate causes considerable additional costs (recruitment-selection-training processes), it has negative consequences on business operation, service quality, customer satisfaction (Holtom & Burch, 2015; Kashif et al., 2017) and adversely affects the image and reputation of the company (brand image & reputation).

Seasonality on the other hand and the fact that the hospitality sector belongs to the low-paid sectors aggravate the existing high staff turnover, while the new conditions indicate that the problem will further worsen. The application of Positive Psychology appears to be the most recommended approach to dealing with the problem. The development of Positive Psychology training programs, on the one hand, will contribute resolutely to the creation of employees' psychological capital and, on the other hand, to the retention of competent employees. In recruitment processes special attention should be given to the psychological state of candidates in order to promote employees with high PsyCap and at the same time see to their improvement through special training programs. Beyond training, the benefits of applying Positive Psychology to a business are maximized when the approach is holistic (staff - executives - management).

### **3.3. The Application Is Conducted According to the New Trends and Needs**

It is widely accepted that due to the pandemic, the global travel sector is heading towards a more human centric approach to visitors. This human-centered approach starts principally with the hospitality staff of businesses and the establishment of Positive Psychology.

### **3.4. The Connection with the Reputation of Greece**

Greece has always belonged to highly reputable countries in terms of hospitality. The application of Positive Psychology contributes conclusively to maintaining the reputation of the country, individual destinations, businesses (brand reputation & image) but also the overall competitiveness of the Greek product.

### **3.5. The Importance of Organizational Citizenship Behavior and Its Connection to the Hospitality Sector**

Organizational citizenship behavior (OCB) is a term used in the case of the repercussions of Positive Psychology in the sector of hospitality. The term focuses on the positive and edifying behaviors of employees which, however, are not part

of their contractual responsibilities (job description). It concerns any action or behavior of employees performed out of their own free will, supporting colleagues, and providing a significant benefit to the company. This interpretation constitutes a timeless challenge in the hospitality sector and is also dependent on the way employees are treated by their employers.

Nevertheless, OCB has positive effects on visitors as well. The voluntary and willful behavior of employees acquires special importance in communication and customer service and confers significant benefits on a company (service quality, brand reputation & image and so on). Subject to circumstances (e.g., workload), succeeding in OCB can have an infinite number of benefits on a business (e.g., during the low and medium seasons). In the hospitality industry accordingly, the psychological condition of the employee plays a decisive role in guest experience and positive unexpected behaviors are a basic principle of psychology as well as in marketing (exceeding expectations).

### 3.6. Particularities in Greece

The application of Positive Psychology, in addition to the influence of cultural civilization, should also take into consideration the particularities of the hospitality industry in the country in question.

Focusing on Greece, some of the most important particularities directly related to the application of Positive Psychology include the following:

- The problem of finding hospitality staff, which has been acutely evident in the last 5 years or so. The difficulty of finding staff can be attributed to many factors and is related to the lack of competent staff, the mentality and the mindset of the prospective employees and the behavior and management on behalf of the administration. The issue was brought out vehemently in 2022 and acquired international and national attention through several publications. The main causes highlighted by the media were the living conditions and the low remuneration. The overall publicity created an unprecedented negative outlook in the workplace of the wider hospitality sector and hotels in particular. The application of Positive Psychology becomes even more imperative and will additionally have to address the growing negative employee attitude towards the industry.
- Small and medium-sized accommodation dominates the Greek market; these businesses have however very limited access to knowledge development, and their size does not allow for expertise recruitment. These particularities have considerable consequences on the way of operation, as the employee is required to have several qualifications and accountabilities. The operational needs of small and medium-sized businesses are sometimes not consistent with the attitude of the prospective employee who either wishes to strictly practice his expertise or embrace the fact that part of his responsibilities does not suit his professional status, his values, and his social image.
- Hiring of new employees is dominant in recruiting for a variety of reasons. In addition to the expected lack of experience, young people fall short in terms

of knowledge (especially in a casual or part-time context), and the description of responsibilities is not a consistent practice on the part of the management. The area of psychology in hospitality human resources remains a significant oversight in tourism education, which focuses mainly on consumer behavior and psychology.

- High tourism revenue rates (over 80%) occur in the summer season. This element also establishes the seasonality of Greek tourism. Due to the pandemic, the seasonal operation has shrunk further. Seasonal employment is a quite significant disincentive for employees, so the application of Positive Psychology by the management of hospitality businesses, can considerably moderate the lack of interest.
- Other important particularities are the lack of training in the workplace and the presence of a strong individualism in employees (vs teamwork).

### 3.7. The Connection of Positive Psychology with Culture

The notion of culture has many interpretations and connections with Positive Psychology. Broadly speaking, culture refers to the features of a society that concern behaviors, customs, values and beliefs.

The discipline of cultural psychology examines the ways in which culture shapes the way people think, behave, and relate with each other. Therefore, cultural psychology is inextricably linked to the utilization and application of Positive Psychology in the sector of hospitality. Additionally, there are other significant factors which not only strengthen its connection with culture, but also indicate its reciprocal relationship with the cultural heritage of a place and with the hospitality industry.

#### 3.7.1. The Connection with the International Greek Cultural Heritage

Aristotle's influence on Positive Psychology is universally known and recognized. His views on virtues, eudaimonia and happiness are timeless and embellish today thousands of scientific writings and texts. This global cultural heritage, which is also associated with cultural tourism, conveys a unique particularity that indirectly necessitates the urge to utilize Positive Psychology in the Greek hospitality sector.

Culture is also linked to the cultural identity of each destination separately. However, this connection also self-evidently shows the prospects of an all-inclusive approach to Positive Psychology for the employees and the businesses of a destination.

#### 3.7.2. Cross-Cultural Positive Psychology

Cultures around the world have a great deal in common but are also characterized by significant differences that implicate their cultural background. In this framework, cross-cultural Positive Psychology refers to the research and applications of Positive Psychology (Seligman, 2011; Wong, 2011). This field specifically examines how cultural factors impact human behavior and studies the ways in

which culture influences different aspects of development, thinking, and behavior.

In addition to the direct connection, the application of cross-cultural Positive Psychology is related to the workplace, to visitors, but also to future developments in the workplace of Greek hospitality. In the near future actually, due to the lack of staff, the presence of foreigners in the sector of Greek hospitality is estimated to be very strong. The new generations of foreigners, even though they will have been accustomed to the Greek way of life, will unquestionably maintain the cultural values of their country of origin. Knowledge of the cultural background (of the specific countries) on the part of the domestic workforce will contribute decisively to the effectiveness of Positive Psychology.

What's more, the hospitality industry points, by definition, to the interculturality of the guests. Sufficient knowledge of the cultural background (of selected main markets linked to Greece's inbound tourism) will maximize the benefits of positive employee psychology at all levels (personal development, behavior at work, customer satisfaction, company image and growth, etc.).

#### 4. Conclusion

Considering all the above, it might be said that the application of the discipline of Positive Psychology is multidimensional and multifaceted, in the context of businesses and tourist destinations in the various countries of the world. In an uncertain environment, in fact, where the discipline of psychology emerges internationally as a challenge of great importance for human development, Positive Psychology acquires an equally prominent role. More specifically, it is apparent that Positive Psychology is one of the most notable strategies that can improve both the competitiveness of the hospitality industry and the wider tourism sector.

#### Conflicts of Interest

The authors declare no conflicts of interest regarding the publication of this paper.

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