MULTICULTURAL PERSONALITY TRAITS AND EMPLOYEE-PERCEIVED SERVICE QUALITY IN THE HOSPITALITY INDUSTRY: THE MEDIATING ROLE OF CROSS-CULTURAL PSYCHOLOGICAL CAPITAL

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Revista de cercetare și intervenție socială, 2019, vol. 65, pp. 60-81

https://doi.org/10.33788/rcis.65.5

Published by:
Expert Projects Publishing House

On behalf of:
„Alexandru Ioan Cuza” University,
Department of Sociology and Social Work
and
HoltIS Association

 REVISTA DE CERCETARE SI INTERVENTIE SOCIALA
is indexed by Clarivate Analytics (Web of Science) -
Social Sciences Citation Index
(Sociology and Social Work Domains)
Multicultural Personality Traits and Employee-Perceived Service Quality in the Hospitality Industry: The Mediating Role of Cross-Cultural Psychological Capital

Ahmet MASLAKCI\textsuperscript{1}, Harun SESEN\textsuperscript{2}

Abstract

Because of globalization, the accommodation sector is increasingly international in terms of both its customers and employees. To ensure sustainable competition, intercultural workplace relationships must be understood, supported, and developed. In this study, the effects of multicultural personality traits and cross-cultural positive psychological capital on employee perceived service quality were investigated. Data were obtained from 346 employees from different five-star hotels in Northern Cyprus. The data were analysed using structural equation modelling. Analyses results showed that the understanding and development of multicultural personality traits of employees from different cultures in the hospitality sector, which has a multicultural structure, positively affects the service quality and collective cross-cultural psychological capital directs this relationship mediates. The theoretical dimensions of these relationships are discussed and recommendations to help multicultural service sector management are introduced, to ensure sustainable growth. This study aims to provide valuable contributions to the existing literature by examining multicultural personality traits in the service sector and testing a mediational model.

Keywords: service quality, multiculturalism, sustainability, tourism, psychological capital, social cognition, social initiative.

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Introduction

With continued globalization, the hospitality industry is relying on an ethnically diverse labor force to manage seasonality and fluctuating demands (Baum, 2012). The wave of immigration in the Middle East, following an increase in new memberships in the European Union, caused an increasing number of foreign employees to join the hospitality sector (Baum, 2012). Thus, the hospitality sector has rapidly become increasingly internationalized and is transforming into a fully multicultural market and structure, particularly with respect to its customers and employees (Li, 2014). These changes and differences that have been instigated by global growth in the hospitality industry are creating opportunities and challenges for hospitality businesses (Li, 2014). Some reasons for these challenges, as noted by cultural researchers, are differences in behavior across cultures and the difficulty experienced in managing different cultural groups with their diverse values and assumptions within organizations (Legohérel, Daucé, Hsu, & Ranchhold, 2009). Li (2014) revealed the aforementioned trends in the hospitality sector and indicated that more research is required to understand cross-cultural relationships and their impact on business outcomes in the tourism industry.

This multicultural structure in the hospitality industry reflects the diversity of people within a group (Van Knippenberg & Schippers, 2007). In the hospitality sector, to effectively develop the skills of employees from different cultural backgrounds, it is insufficient to equip them only with empirical information, such as the language and traditions of the place where they work (Zopiatis, Constanti, & Theocharous, 2014). In multicultural organizations such as those in the hospitality sector, strategies to create psychological resources should be implemented, like managing stress and confidence issues, establishing positive relationships, and adapting to new situations (Dollwet & Reichard, 2014). To achieve competitive advantages in the hospitality sector, employees should be supported to maintain positive psychological conditions (Wu, Cheng, & Ai, 2018). This will improve employee creativity and promote sustainable service quality, thereby meeting the different needs of customers from different cultures (Lee, Hsu, Han, & Kim, 2010; Wu et al., 2018). By using these strategies, sustainable service quality and service culture can be created and supported on a global scale in the hospitality business (Maxwell, Watson, & Quail, 2004; Serafni & Szamosi, 2015). The positive psychological capital (PsyCap) concept, which has been developed from the perspective of positive organizational behavior, has been shown as the most fundamental strategy affecting internal work performance in the hospitality industry accommodation sector (Chen & Wu, 2017).

In studies on PsyCap in the hospitality industry, although the results of PsyCap have been mentioned at the individual level (Bouzari & Karatepe, 2017; Karatepe & Talebzadeh, 2016), few studies have investigated PsyCap at the collective level (Chen & Wu, 2017; Mathe et al., 2017). The positive emotions created by the collective PsyCap in the hospitality sector can be positively communicated.
to customers (Hatfield, Cacioppo, & Rapson, 1993). More specifically, employee positivity can produce positive affective states that may then induce positive emotional contagion in customers, which in turn may result in a better service quality as perceived by the customers (Mathe et al., 2017). Mathe et al. (2017) found that PsyCap’s mediation relationship in the service sector was effective on customer satisfaction and service quality.

Despite these efforts, a research gap still exists in the hospitality sector regarding the role of collective PsyCap among multicultural employees in service quality. The importance of service quality has been stressed in the hospitality literature (Wu et al., 2018). In the hospitality sector, culture is the most important factor affecting the quality of service resulting from the comparison of customer expectations and perceptions (Lee et al., 2010; Li, 2014; Wu et al., 2018). As mentioned in the study by Zopitas et al. (2014), the management of this difference in the hospitality sector, which is expected to provide services to customers from different cultures, has an impact on service quality and customer satisfaction.

Determining the impact of these characteristics on service quality and improving the positive aspects of collective cross-cultural PsyCap will increase competitive advantage in the hospitality sector and ensure sustainable service quality. Within this perspective, the impact of multicultural personality traits on the hospitality industry was included in this study. Studies have shown that personality is the most important factor for achieving organizational outcomes and integration in multicultural structures (Dollwet & Reichard, 2014; Maxwell et al., 2004). The development of cross-cultural psychological skills of multicultural employees in the hospitality sector is important to ensure successful interactions between employees and to ensure the integrity of the organization (Dollwet & Reichard, 2014). For this reason, we included cross-cultural PsyCap, which helps with evaluating intercultural competencies and developing generalizable psychological competencies beyond our existing structures. We included perceived service quality in our research model to better understand the effect of these two variables on the organizational outputs in the hospitality industry.

The aim of our study was to examine the perceived service quality and the collective cross-cultural PsyCap model of multicultural personality traits. Our goal was to provide two important contributions. First, we examined the relationship between multicultural personality traits and perceived service quality at the collective level of analysis to expand our understanding of the value and details of cross-cultural PsyCap. As such, we contribute to the research gap regarding the role of understanding multicultural personality traits in today’s hospitality industry by evaluating PsyCap in an intercultural context. Second, in terms of practical applications, the mediating role of the collective cross-cultural PsyCap can serve as a reference for hospitality sector management decision-making and implementation for employees from different cultures. We emphasize the importance of evaluating the intercultural dimension of PsyCap practices in decision making processes, which strengthen the positive outlooks of the
employees by increasing the understanding of the behaviors and attitudes of employees with cultural differences in the hospitality industry.

Theoretical Background and Development of Hypotheses

Multicultural Personality Traits

Globalization has increased the interactions between people from different cultures and has increased their interdependency (Korzilius, Bücker, & Beerlage, 2017). Consequently, individuals must manage cultural differences effectively, whether at work, at school, or in their private lives (Van der Zee et al., 2013). Due to the presence of different people and cultures worldwide, multiculturalism has always been a global feature (Cáceres Del Castillo, 2014). However, multiculturalism has grown over the years with the movement of people, globalization, and the increase in immigration (Van Niejenhuis, Otten, & Flache, 2018). Schalk-Soekar, van de Vijver, and Hoogsteder (2004) defined multiculturalism as “ideology that refers to the acceptance of different cultures in a society and also to the active support of these cultural differences by both the majority and minority group members”. They defined the three main elements of multiculturalism as personality, politics, and attitudes. Many studies revealed that different personality traits are important for facilitating the integration of multicultural structures (Van Niejenhuis et al., 2018; Van Oudenhoven & Van der Zee, 2002), and emphasized the importance of personality traits and individual differences in facilitating cultural integration (Van Niejenhuis et al., 2018). Van der Zee and Van Oudenhoven (2002) evaluated the definition in the context of the multicultural personality concept. In their study, they emphasized the importance of having “a personality that can successfully deal with the challenges of cross-cultural interaction and integration” in multicultural organizations.

Role theory constitutes the theoretical background of the concept of multicultural personality (Van Oudenhoven & Van der Zee, 2002). The theory focuses on the dimensions of human characteristics to explain the behavioral aspects of multicultural personality traits (Fietzer, Mitchell, & Ponterotto, 2018). Many studies attempted to explain multicultural personality traits (Ponterotto, 2010). The expatriate model of multicultural personality, which was operationalized by the Multicultural Personality Questionnaire (MPQ) (Van Der Zee & Van Oudenhoven, 2000), focuses on the construction of multicultural activity defined as “success in the fields of professional activity, personal adjustment, and cross-cultural interactions” (Van Der Zee & Van Oudenhoven, 2000).

In addition to clarifying personality traits through the use of cultural indicators, research revealed that experiencing different cultures plays an important role in understanding the communication process in multicultural contexts (Harrison-Walker, 2012). In multicultural structures, including those in the hospitality
sector, a reinforced (cross-cultural) communication process enhances customer satisfaction and improves relational exchange among employees (Harrison-Walker, 2012; Ihtiyar & Ahmad, 2014). This contributes to the better understanding and prediction of customer behaviors in a multicultural service environment (Wu & Chen, 2015). In other words, in multicultural service environments, service providers should consider the personalities and communication processes of their employees and customers to increase positive customer experiences (Harrison-Walker, 2012; Ihtiyar & Ahmad, 2014; Wu & Chen, 2015).

**Multicultural Personality Traits and Perceived Service Quality**

The hospitality literature emphasizes the importance of the quality of service (Mohsin & Lockyer, 2010). Hospitality businesses highly value service quality, particularly to showcase their service standards (Kotler & Keller, 2012). Service quality theory is rooted in product quality and customer satisfaction (Grönroos, 1982). The initial phases of the disconfirmation paradigm, which were shaped by the studies of Grönroos (1982), Parasuraman, Zeithaml, and Berry (1985), and Zeithaml, Parasuraman, and Berry (1985), have been employed in the physical goods literature. The disconfirmation paradigm is the basis of the SERVQUAL model developed by Parasuraman et al. (1985) to measure service quality (Kotler & Keller, 2012).

Steers and Porter (1991) argued that employees’ perception of service quality is more straightforward and appropriate in examining organizational behaviors. The perceived service quality structure of employees has become an important structure that has attracted the attention of many researchers (Yavas, 2007). Schneider, Parkington, and Buxton (1980) established a link between customer perceptions of service applications and service quality, service quality and its perception by employees, and the procedures related to service quality.

Weiermair (2000) showed that deficiencies in service quality in the tourism sector caused by cultural differences arose from two types of discrepancies between customers and employees from different cultures: the most significant gap in perceived service quality is caused by a disparity between the expectations of customers from different cultures and how employees perceive these customer behaviors.

In this context, in the hospitality sector, recognizing the dynamics of cultural differences between guests and employees serving these guests from different cultures is crucial in improving the quality of service (Li, 2014). Studies have shown how encounters between groups with different cultural values can impact customer satisfaction, preferences, expectations, perceived service quality, and feedback intentions (Li, 2014). Weiermair (2000) reported that increasing the quality of service in the tourism sector depends on the appropriate understanding of the personalities of employees from different cultures. Weiermair emphasized that understanding themes and concepts from a multicultural perspective and
evaluating the personality traits within this structure can be important when implementing competitive marketing strategies, improving the employee-perceived service quality of service, and increasing customer satisfaction (He, Murrmann, & Perdue, 2010).

Within the framework of these studies, the following hypothesis was proposed:

**Hypothesis 1:** Multicultural personality traits affect positively employee perceived service quality.

**Mediating Role of Cross-Cultural Psychological Capital**

In the dynamic and ever-changing environment of the service sector, employees are the main source of service quality and should have the ability to satisfy the needs of the customers (Lee et al., 2010; Wu et al., 2018). Employees in labor-intensive service sectors such as the hospitality sector are an important part of the product and form the core of the service experience of customers (Bakker & Demerouti, 2008). Empirical studies have shown that developing the positive behavior of employees is critical for the success of service organizations and businesses in the hospitality sector (Bakker & Demerouti, 2008; Luthans & Youssef, 2007; Wu et al., 2018).

Many researchers, particularly Luthans and Youssef (2007), indicated positive PsyCap as a tool for the development, measurement, and effective management of the positive behaviors of employees in organizations. Luthans and Youssef (2007) described PsyCap as “the positive psychological state of positive development of the individual”. PsyCap is considered a comprehensive theory that encompasses Bandura’s (1986, 2007) social cognition and agentic theories. PsyCap includes the dimensions of hope, resilience, self-efficacy, and optimism. Studies have shown that collective PsyCap has a stronger effect compared to the effects of each of its components (Luthans, Avolio, Avey, & Norman, 2007). Luthans, Youssef, and Avolio (2007) asserted that PsyCap, in addition to being a higher-order construct, is context-specific and is anchored to a variety of constructs such as cross-cultural interactions. Dollwet and Reichard (2014) emphasized that the structure of PsyCap could positively affect cross-cultural relationships in organizations. The theoretical foundations of PsyCap support its use in cross-cultural studies, and Dollwet and Reichard defined this superstructure as cross-cultural PsyCap (Dollwet & Reichard, 2014). Cross-cultural PsyCap is composed of cross-cultural self-efficacy, cross-cultural hope, cross-cultural optimism, and cross-cultural resilience.

Since working in different cultural settings, such as the hospitality industry, and interacting with people from different cultures can cause many difficulties and uncertainties, individuals in these sectors must have higher cross-cultural PsyCap than those in other sectors (Mak & Tran, 2001). Earlier studies confirmed that those who interact with people from different cultures and have international experiences have more refined cross-cultural skills including better cross-cultural PsyCap (Dollwet & Reichard, 2014). The mental status, emotional states, and behavior of
employees working in multicultural environments - such as the hospitality sector - affect customer satisfaction and service quality (Paek, Schuckert, Kim, & Lee, 2015). With respect to the service and hospitality sectors, employee effort results in increased customer satisfaction, enhanced service quality, and better financial performance (Mathe et al., 2017; Zeithaml, 2000). Positive emotions created by PsyCap can be positively transmitted to customers (Hatfield, Rapson, & Le, 2011). Specifically, employee positivity can create positive emotional states that lead to positive emotional transmission to customers, which increase customer perception of higher service quality ((Mathe et al., 2017).

Based on the aforementioned theories and the empirical evidence, we expected that cross-cultural PsyCap will affect the relationship between multicultural personality traits and employee-perceived service quality. Therefore, we propose the following hypothesis.

Hypothesis 2: Cross-cultural PsyCap mediates the relationship between multicultural personality traits and employee-perceived service quality.

Materials and Methods

We designed a research frame work to examine the interactions between the variables discussed in Figure 1. The model proposed in this study explains the impact of multicultural personality traits on employee-perceived service quality in a multicultural service environment such as the hospitality sector. Additionally, we examined the mediating effect of cross-cultural PsyCap in this relationship. Therefore, we developed a model to help foster more sustainable services in the competitive environments of the hospitality sector and to provide guidance to large and small hotels.
Sample

Data were collected via paper-based questionnaires. Most of the employees received the survey by hand and a professional research assistant contacted the employees. Data were collected from respondents in five different international five-star hotels located in the Kyrenia region of the northern part of Cyprus. The selection of five-star hotels was a conscious decision since they are considered to employ people from many different cultures. To reduce social desirability bias, the respondents were assured of anonymity and were told to provide honest responses that included their observations and perceptions.

The surveys were distributed to every participant in different time periods. Perceptions of multicultural personality traits and cross-cultural PsyCap were gathered at time-1 and employee-perceived service quality measured two weeks later (time-2) to prevent common method variance. At time-1, we obtained lists of all of the employees in the hotels, and with the support of hotel management, we distributed 500 questionnaires using the stratified random sampling method, and collected 368 responses (response rate 73%). At time-2, all the previous participants were reached in person to complete the questionnaires again, but 22 were not returned; thus, 346 valid questionnaires were collected (response rate 94%).

To understand whether nonresponse bias existed, we reviewed the archival records of respondents and non-respondents as suggested by Rodelberg and Stanton (2007). Since we had a list of all employees and assigned special codes to every randomly selected employee, it was easy to analyze the demographic factors (sex, education level, position) for nonresponse bias. There was no systematical or significant difference between the two groups; thus, there was no nonresponse bias.

The mean age of the participants was 30.26±8.06 years, and 37.0% of the participants were women. Notably, 27.7% of the individuals included in the study had an educational level lower than high school, 26.3% had a high school education, and 46% had a college education. Additionally, 4.6% worked as managers, 15.9% as assistant manager, and 79.5% as non-managerial employees.

Measures

Employee-Perceived Service Quality. To measure the perceived service quality perceptions of employees, we used the SEVQUAL scale of He, Murrmann and Perdue (2012). The scale uses nine items to measure five dimensions of service quality: tangibles, reliability, responsiveness, assurance, and empathy. Sample items of the scale include “appearance of physical facilities”, “performing services right the first time”, and “courteousness of employees”. For this scale, the Cronbach’s alpha value was 0.929.

Multicultural Personality Traits. To measure the multicultural personality traits, we used the 40-item instrument of the short form of the MPQ scale developed by
Van der Zee et al. (2013). The five-point Likert scale had a range from 1 denoting “totally not applicable” to 5 denoting “completely applicable”. Higher scores on the scale indicate stronger identification. The scale measures personality on the dimensions of cultural empathy, flexibility, social initiative, open-mindedness, and emotional stability. Sample items of the scale include “starts a new life easily”, “enjoys getting to know others profoundly”, and “works according to plan.” For this scale, the Cronbach’s alpha value was 0.913.

Cross-Cultural Psychological Capital. We used a 20-itemscale developed by Dollwet and Reichard (2014) to measure the cross-cultural PsyCap in the hospitality sector, which is characterized by cultural diversity. A seven-point Likert-type scale (ranging from 1 = never to 7 = all the time) was used to measure the items. The scale measures the cross-cultural PsyCap with cross-cultural hope, self-efficacy, optimism, and resilience dimensions. Sample items include “I feel confident when interacting with individuals from different cultures”; “when facing difficulties in cross-cultural interactions, I usually expect the best”, and “even when things are tough, I can perform quite well when working with individuals from different cultures”. The Cronbach’s alpha value was 0.962.

Control Variables. In order to characterize the sample, participants were asked to provide basic demographic information including their sex, age, education, and nationality.

Validity of the Scales. To test the construct validity of the research variables, confirmatory factor analysis (CFA) was conducted using IBM AMOS 18.0 software. In the test, maximum likelihood estimation of the covariance matrix was applied. On the perceived service quality scale, we only tested a first-order one-factor model. As hypothesized, this model fit the data ($\chi^2 = 23.23, p<0.01$; degrees of freedom (df) = 15, goodness of fit (GFI) = 0.91, comparative fit index (CFI) = 0.90, root–mean–square error of approximation (RMSEA) = 0.06, and incremental fit index (IFI) = 0.89). To test the construct validity of the multicultural personality traits and cross-cultural PsyCap scales, we followed the recommendations of various authors (Arbuckle & Wothke, 1999; Byrne, 2001) and used a two-step modeling procedure. Due to the sample size, the parsimony of the model had to be used as much as possible. Thus, for the latent variables of “multicultural personality” and “cross-cultural PsyCap”, the scores of the sub dimensions were taken as indicators. Previous research findings and the conceptualization of multicultural personality (Leone, van der Zee, van Oudenhoven, Perugini, & Ercolani, 2005; Ponterotto et al., 2007) and PsyCap (Rebelo et al., Palácio, 2018; Walumbwa et al., 2010), as a higher-order core construct, strengthened this approach. Consequently, we tested first-order and second-order models independently to test whether the second-order models had a better fit. The results indicated that the second-order models for multicultural personality traits ($\chi^2 = 66.42, p<0.01$; df = 44, GFI = 0.90, CFI = 0.89, RMSEA = 0.05, IFI = 0.90) and cross-cultural PsyCap ($\chi^2 = 18.52, p<0.01$; df = 12, GFI = 0.91, CFI = 0.91, RMSEA = 0.05, IFI = 0.91) scales had a better fit than the first-order models.
Procedure

The data used for this study were collected during August and September in Cyprus. Due to the exposure of the hospitality sector to seasonal influences, the data were collected during the peak business season. The study was carried out in the hospitality sector, which was thought to most vividly reflect the multicultural personality characteristics. The hospitality sector is known for multicultural employment models; in addition, many of the major chain hotels and restaurants offer graduate management programs, thus providing a quick path to attaining managerial positions and experience in a number of operations. Such positions often involve gaining international business experience. However, this training is only provided for lower- and mid-level employees. In the five-star hotel where the study was carried out, training to develop the psychological capital of the middle- and lower-level employees and their personality traits were not considered. Therefore, the respondents did not receive special training to interact with people from different cultural backgrounds. However, these employees were considered to have the ability to work in multicultural contexts in view of labor turnover and the globalization of the sector.

The questionnaires were distributed in English to department managers in closed envelopes and were collected in boxes from the various departments after completion. Thus, the confidentiality of the surveys was ensured.

Results

For the statistical analysis of research data, we examined the participants’ scores for multicultural personality traits, cross-cultural PsyCap, and employee-perceived service quality with a normal distribution using the Kolmogorov-Smirnov test and skewness-kurtosis values. We established that since the number of samples was high and the skewness-kurtosis values were less than ±1.5, the data set conformed to normal distribution.

Preliminary Analysis

As shown in Table 1, age was negatively correlated with education and insignificantly correlated with sex; thus, older participants tended to be less educated than younger ones. Education was also negatively correlated with sex (coded as a dummy: (0) male and (1) female); men tended to be more educated than women. None of the demographic characteristics were correlated with either of the research variables. Perceived service quality was positively correlated with multicultural personality traits and cross-cultural PsyCap; employees with more multicultural personality traits and more cross-cultural PsyCap tended to perceive the provision of higher service quality.
Table 1. Multicultural personality traits, cross-cultural psychological capital (PsyCap), and employee-perceived service quality: means, standard deviations, and correlations with age, sex, and education.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Mean</th>
<th>SD</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Age</td>
<td>30.26</td>
<td>8.06</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Sex</td>
<td>1.63</td>
<td>0.48</td>
<td>0.09</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Education</td>
<td>5.43</td>
<td>1.42</td>
<td>-0.15</td>
<td>** -0.15</td>
<td>** 1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. PSQ</td>
<td>4.14</td>
<td>0.83</td>
<td>-0.07</td>
<td>-0.08</td>
<td>-0.00</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. MPT</td>
<td>3.42</td>
<td>0.55</td>
<td>0.06</td>
<td>0.07</td>
<td>-0.06</td>
<td>0.19</td>
<td>** 1</td>
<td></td>
</tr>
<tr>
<td>6. CCPsyCap</td>
<td>5.39</td>
<td>1.07</td>
<td>-0.08</td>
<td>0.05</td>
<td>0.04</td>
<td>0.24</td>
<td>** 0.45</td>
<td>** 1</td>
</tr>
</tbody>
</table>

PSQ: Perceived service quality; MPT: Multicultural personality traits; CCPsyCap: Cross-cultural psychological capital. N = 346; ** p < 0.01.

Hypotheses Testing

We used structural equation modeling (SEM) to test our hypothesis. To test whether multicultural personality traits positively affected employee-perceived service quality, we looked at the direct effects, and to understand the mediating role of cross-cultural PsyCap in the relationship between multicultural personality traits and employee-perceived service quality, we checked the indirect effects. Since the demographic variables were not related to employee-perceived service quality, they were not included in the analysis. The results of the model test are presented in Table 2, and the paths are shown in Figure 2.

Figure 2. Model test results

On analyzing the regression results depicted in Table 2, multicultural personality traits were found to statistically predict employee-perceived service quality at a significant level (β = .183; p < .001). This result showed that multicultural personality traits positively affected employee-perceived service quality; hence, Hypothesis 1 is accepted.
Table 2. Test of mediation of cross-cultural psychological capital on the relationship between multicultural personality traits and perceived service quality: bootstrap results.

<table>
<thead>
<tr>
<th>Path</th>
<th>Standardized β</th>
<th>SE</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>MPT → E-PSQ</td>
<td>0.183</td>
<td>0.061</td>
<td>0.001</td>
</tr>
<tr>
<td>MPT → CCPsyCap</td>
<td>0.940</td>
<td>0.113</td>
<td>0.000</td>
</tr>
<tr>
<td>CCPsyCap → E-PSQ</td>
<td>0.171</td>
<td>0.098</td>
<td>0.021</td>
</tr>
<tr>
<td>Indirect effect (MPT → CCPsyCap → E-PSQ)</td>
<td>0.160</td>
<td>0.065</td>
<td>0.022</td>
</tr>
</tbody>
</table>

Hypothesis 2 proposed that cross-cultural PsyCap would mediate the relationship between multicultural personality traits and employee-perceived service quality. The significance test required a prediction of an indirect effect of: multicultural personality traits $\rightarrow$ cross-cultural psychological capital $\rightarrow$ perceived service quality. The test revealed that multicultural personality traits predict cross-cultural psychological capital ($\beta= 0.940$, $SE= 0.113$, $p< 0.001$) and cross-cultural psychological capital predicted perceived service quality ($\beta= 0.171$, $SE= 0.098$, $p< 0.05$). Multicultural personality traits have an indirect effect on perceived service quality through the mediation of cross-cultural psychological capital ($\beta= 0.940 \times 0.171= 0.160$, $SE= 0.065$, $p< 0.05$). Hypothesis 2 was thus supported: cross-cultural psychological capital mediates the relationship between multicultural personality traits and employee-perceived service quality. The fit indices for the overall model were in the acceptable range ($\chi^2 = 9.67$, $p< 0.01$; $df = 4$; GFI = 0.97, CFI = 0.96, IFI = 0.91, RMSEA = 0.05).

Discussion

We identified the multicultural personality factors that increase the sustainable service quality provided by employees, which affect the service dynamics in the hospitality sector. We ascertained whether cross-cultural PsyCap has a mediating role in this relationship. The results indicate that multicultural personality traits affect employee-perceived service quality and that cross-cultural PsyCap acts as a mediator in this relationship.

We observed a positive relationship between multicultural personality traits and cross-cultural PsyCap. This finding corresponds to the results reported by other studies. Individual traits, such as disposition, target-orientedness, and motivation, are important factors that impact cross-cultural activity (Liao et al., 2009). The added value created by cross-cultural PsyCap in the development of cross-cultural skills, cross-cultural empathy, and openness has been supported by empirical studies. These results coincide with our findings. Certain aspects of cross-cultural PsyCap promote and complement multicultural personality traits, which emphasizes the importance of positive psychological resources (Dollwet & Reichard, 2014). Our findings show that increasing the cross-cultural PsyCap
levels of employees working in multicultural environments such as the hospitality sector improves their cultural empathy, develops their resilience in the face of unfamiliar situations, promotes their open-mindedness to experience and accept different cultures, and enhances their flexibility and skills to learn from their experiences.

The most important finding of our study is the mediating role played by cross-cultural PsyCap in the relationship between multicultural personality traits and employee-perceived service quality. We consider this finding to be particularly valuable in maintaining the sustainability of the hospitality sector. The finding that service employees (Bouzari & Karatepe, 2017; Karatepe & Talebzadeh, 2016; Kim, Karatepe, & Lee, 2018; Liao et al., 2009) exhibit a high-level of PsyCap in the service sector tend to have more business engagement which is reflected in the business results, coincides with the results of the current study. By enhancing the cross-cultural PsyCap of hospitality sector employees, their multicultural personality trait levels can be improved and the sustainability of service quality can be ensured. Working in a multicultural environment requires an action-oriented approach (Maxwell & MacLean, 2008). Mobilizing employees, increasing their resistance to unknown situations, and improving their self-efficacy, hopes, and optimism affect their multicultural personality traits. This effect improves the sustainable service quality. This finding to same with the empirical findings (Bouzari & Karatepe, 2017; Karatepe & Talebzadeh, 2016; Kim, Karatepe, & Lee, 2018; Liao et al., 2009) that service employees with a high-level of PsyCap exhibit a higher level of business engagement. In this manner, we not only confirm the impact of cross-cultural PsyCap on multicultural personality traits and employee-perceived service quality, but also reveal the importance of multicultural personality traits of employees from different cultural backgrounds in ensuring sustainable service quality in the multicultural hospitality sector.

Previous literature has shown that collective PsyCap is positively associated with the variables in the service sector (Maxwell & MacLean, 2008) and that multicultural personality characteristics have a positive relation with service quality (Van Knippenberg & Schippers, 2007). However, to the best of our knowledge, none of the previous studies have focused on the impact of multicultural personality traits on perceived service quality or on the mediating role of cross-cultural PsyCap. Thus, the most important aspect of our study is that we tested these relationships in a mediational model. The effect of the multicultural personality characteristics of employees on perceived service quality flows through cross-cultural PsyCap - a mediating effect that we consider being important for the sector. By improving cross-cultural PsyCap through education, employees will not only better manage their cultural differences, but also improve service quality.
Managerial Implications

The results of this study have practical implications for hotel managers wishing to plan and implement effective tools to help hospitality-sector employees with multicultural personality traits develop positive organizational behaviors and attitudes using their psychological resources. The results provide guidance to human resource departments in the sector in terms of the personality traits of employees from different cultural backgrounds that should be fostered. By learning how to improve their self-efficacy, hopes, optimism, and flexibility, staff can more effectively maintain, enhance, or improve their cross-cultural PsyCap (Dollwet & Reichard, 2014). Short training interventions can enhance all these dimensions along with improving overall cross-cultural PsyCap (Dollwet & Reichard, 2014). In the hospitality sector, which is known for multicultural employment models, having cross-cultural knowledge and showing flexibility when encountering different situations by employing one’s cultural empathy skills are critical skills for employees (Maxwell & MacLean, 2008). Against this complex background, organizations must develop strategic and flexible approaches for talent management that can attract, nurture, and retain talented employees.

In studies conducted on multicultural and intercultural structures, as a result of proactive diversity training, recognition of the need to protect intercultural understanding and the workplace harmony of employees has emerged (Maxwell & MacLean, 2008). Considering the developmental characteristics of positive psychological capital, we think that providing training to employees with multicultural personality skills will produce positive results. As such, general human resource management practices in the hospitality sector can help create a better work environment where different cultures can coexist, which, in turn, will enhance customer satisfaction and the sustainability of service quality.

In the hospitality sector, management should consider the positive impact of employees with advanced multicultural personality traits and a high level of cross-cultural PsyCap on organizational behavior and attitudes in the recruitment process. As revealed by our study, an individual’s personal resources, cultural empathy, flexibility, and socialization are important factors that influence overall service quality. For service organizations, using a more comprehensive recruitment process to recruit employees with multicultural personality traits and high levels of cross-cultural PsyCap may prove beneficial. The improvement in multicultural personality traits and cross-cultural PsyCap across all human resource management processes and providing employees with associated training form the basis of ensuring sustainable service quality in the hospitality sector.
Limitations

As with any study, our study has several limitations. First, from a methodological standpoint, the hotels that were investigated were large organizations. Although this decision may be justified, interactions between culturally different individuals may be different in small- and medium-sized enterprises (SMEs) (Zopiatis et al. 2014). A second potential limitation is that we used a cross-sectional design. Although this approach provides some evidence for temporal causality, it is not sufficient to make causal inferences. Thus, future studies should use longitudinal data (Mathe et al., 2017). A third limitation is that the data collection and statistical testing were limited to the tourism hospitality industry. To strengthen and verify the generalization of the proposed theoretical model, the use of the model in other industries needs to be investigated. A fourth limitation is that similar studies using larger samples from other institutions in the hospitality sector, for Cyprus and other countries, are required to obtain more cross-validated and generalizable findings. Therefore, the findings cannot be generalized for other regions or countries. Finally, we examined service quality from the perspective of employees. However, employees may perceive service quality differently than their customers (Mathe et al., 2017). Therefore, future studies may request service quality from customers.

Future Research Directions

With globalization and technology, the world is diversifying culturally and cultural boundaries are deterritorializing and blurring. These phenomena necessitate cross-cultural research in tourism and hospitality because human behavior is culturally biased (Li et al., 2014). Studies on how employees from different cultures in the hospitality sector behave differently and how the previously developed theoretical models are interpreted by employees with different cultural background shave the potential in assisting with the development of a new perspective in the hospitality sector literature.

We only focused on the hospitality industry; future studies can examine other service sector businesses, like restaurants, banking, catering, or technology service companies, in order to obtain more generalizable results for all service industries (Li et al., 2014; Zopiatis et al., 2014). Further research should consider the effects of multicultural personality traits and cross-cultural PsyCap on aspects such as job satisfaction, organizational commitment, and turnover targets in the service sector, which will provide interesting results for the sector’s sustainable development.

As mentioned by Craig and Douglas (2006), culture is no longer a phenomenon defined by geographic or political boundaries. Cultural pollution and hybridization can be observed in multicultural structures such as the accommodation sector (Li et al., 2014). Participants’ responses to the scoring scale tend to be influenced by their cultural limitations and cultural norms (Craig & Douglas, 2006). Therefore, future studies need to carefully identify the appropriate analytical unit. Cross-
cultural studies often highlight the manifestations of ethnic roots (Boyacigiller & Adler, 1991) and cross-cultural tourism studies are no exception (Li et al., 2014). Finally, the interpretive benefits of our research model should be explored by practitioners and decision makers in the hospitality industry. We consider that qualitative interviews with sectoral employees with multicultural personality characteristics will be important to gain an in-depth understanding of the subject and to investigate the applicability of the findings in the hospitality industry.

Conclusion

Worldwide, the hospitality industry plays a key role in ensuring sustainable economic development and job creation. In 2017, the sector achieved a turnover of US $2.3 trillion and created 109 million jobs worldwide (World Trade Council, 2017). This comprises 10.2% of the world’s gross domestic product and, approximately, 10% of all jobs. By 2027, the hospitality industry is expected to support more than 380 million jobs and contribute, approximately, toward 23% of the total job creation worldwide (World Trade Council, 2017). Due to its significant contributions to the world economy, it is important to maintain the continuity and sustainability of the hospitality sector. The roots of the continuity of the hospitality industry date back to the 1960s, and environmental and social impacts are the most important factors affecting this continuity (Abokhamis, Hoşkara, & Woosnam, 2017). Due to the seasonal and cyclic nature of the tourism industry, migrant workers are considered an attractive labor option by many employers, with the advent of globalization (Sheehan, Grant & Garavan, 2018). The sector has also traditionally provided global labor mobility opportunities and has been a critical source of employment for recently arrived and first-generation migrants throughout the world (Sheehan et al., 2018). With these variables, it is among the most important dynamics of the hospitality sector to ensure sustainable service quality by understanding the demands and requests of guests from different cultures through employees from various cultural backgrounds. Service quality is considered a main factor that differentiates service products and builds competitiveness in tourism (Choi et al., 2018). The sustainability of the hospitality industry is largely dependent on foreign employees, which causes various challenges (Zopitatis, Constanti, & Theocharous, 2014). Employee–customer interactions form one of the fundamental problems of the hospitality industry. When all these variables are considered, it is very important that the hospitality sector’s employees from different cultures meet the demands and requests of both current and future guests and, thereby ensure sustainable service quality.

In our study, we discussed the effects of employees with multicultural personality traits on the perceived service quality in the hospitality industry, by employing a multicultural workforce and through the empirical results with respect to the implications of the role of cross-cultural PsyCap in this relationship, which
emerges when the positive aspects of employees are nurtured. In this manner, we demonstrated to the managers of the industry the ways to manage a multicultural workforce and achieve sustainable service quality by improving its qualities. We believe that the mediatory role of cross-cultural PsyCap in the relationship between multicultural personality traits and employee-perceived service quality, which is the fundamental empirical result emerging from this study, will both contribute to the sustainable growth of the hospitality industry and pave way for more future studies.

References


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