1 **The sustainability behaviour of small firms in tourism: the role of self-efficacy**
2 **and contextual constraints.**

3 **Abstract**

4 This article presents a grounded theory to explain why some small businesses in tourism
5 adopt sustainable business practices while others do not, even when they share environmental
6 and wider sustainability concerns. It does so based on research undertaken among business
7 owners in Crete. The paper starts by considering studies on sustainability awareness,
8 knowledge and the mechanisms for accepting responsibility. Secondly, it summarises the
9 influence of task difficulty and effort on sustainability self-efficacy. Thirdly, it focuses on
10 social comparisons and vicarious experiences, as a way of learning what is important. Finally,
11 it examines powerlessness due to perceived situational constraints. In so doing, the study
12 finds that self-efficacy helps to explain sustainable attitude formation and the attitude-
13 behaviour gap; it partly shifts the locus of responsibility for an inability to act sustainably
14 away from the individual and towards their context. The paper contributes to the theoretical
15 literature on small businesses and sustainability, and leads to new avenues for policy
16 interventions.

17

18 **Keywords**: self-efficacy, sustainability, small tourism firms, responsibility, constraints

19

20 **Introduction**

21 Although wider political, academic and professional communities acknowledge the

22 significant role of Small and Medium Enterprises (SMEs) for both economies and social

23 structures, academic research on SMEs in tourism is limited (Ateljevic, Pritchard and Morgan

24 2007; Thomas, Shaw and Page, 2011). Moreover, by one estimate, less than 5% of the

25 collective research output in this area examines pro-environmental practices (Lepoutre and

26 Heene, 2006), despite the importance of the cumulative environmental impact of these kinds

of businesses (Coles, Zschiegner and Dinan, 2014; Sampaio, Thomas and Font, 2012a; Tilley, 2000; Vernon, Essex, Pinder and Curry, 2003).

The limited literature that does exist points to low engagement by SMEs in sustainability initiatives. This is somewhat paradoxical because owner-managers often perceive the environment to be an important issue affecting their business (Coles et al., 2014; Tilley, 2000). Contemporary research exploring the gap between environmental attitudes and behaviour has yet to reveal how contextual factors influence SMEs' behaviour in relation to sustainability (Garay, Font and Corrons, 2018, Sardianou et al., 2016; Williams and Schaefer 2013).

Several commentators have made a persuasive case for greater investment of research effort in studies that are grounded in the realities and lived experiences of small-business owners (e.g. Carlsen, Getz and Ali-Knight, 2001; Dewhurst and Thomas, 2003). Such approaches offer the potential for opening up new ways of understanding by providing deep and nuanced insight into their beliefs and business practices. In the context of this paper, deep engagement with owner-managers may uncover the reasons for some adopting sustainability practices while others do not, even when the latter espouse support for such actions.

This article uses the concept of self-efficacy to explain the attitude-behaviour gap in acting sustainably, and explains how this gap between emotions, moral principles and actual behaviour is not simply a result of a lack of logic, but is the product of a complex and dynamic environment. The outcome is a nuanced understanding of the importance of self-efficacy in relation to sustainable behaviour. Many factors, including situational constraints, institutional forces, organisational structures, the socio-economic context that shapes the moral choice, and psychological variables may force individuals to ignore their potential

1 initial sustainability intentions (Armitage and Conner, 2001; Klockner and Blobaum, 2010;

2 Tabernero and Hernandez, 2011).

3 This research suggests that although owner-managers of small tourism enterprises might have

4 little direct control over the social and business environment they operate within, they do

5 have a choice regarding how they interpret and respond to it. The higher their self-efficacy,

6 the more willing they will be to overcome difficulties and to take control of situations in

7 order to behave in more responsible ways, such as protecting the local natural or cultural

8 environments (Bandura, 1997; Geva, 2000; Sampaio et al., 2012a).

9 In this article, we briefly review the literature on small business behaviour and sustainability

10 practices , and introduce the premise that self-efficacy has explanatory value for behaviour

11 choices. This is followed by a discussion of methodology and the methods used to gather

12 data. Finally, a grounded theory is presented to explain why some owner-managers adopt

13 sustainability practices while others do not even when operating within similar contexts and,

14 often, share similar concerns. The theory is based upon an analysis of data gathered from the

15 owner-managers of tourism enterprises in Crete.

16 **Literature review**

17 One of the recurring themes of the literature on small firms in tourism is the challenge they

18 face when seeking to behave sustainably (e.g. Tilley, 2000; Vernon et al, 2003, Battisti and

19 Perry, 2011). Indeed, reviews of small business research have for some time called for an

20 orientation towards studies that not only recognise their distinctiveness but also address key

21 questions relating to the adoption of sustainability practices by some but not others (e.g.

22 Thomas et al., 2011; Thomas and Ormerod, 2018). There are three broad strands to the

23 literature that are helpful when trying to understand the reasons for small business

24 engagement and each is discussed in turn.

1 Tourism SMEs form strong, if informal, relationships with their stakeholders, mainly built on

2 trust and legitimacy (Perrini, 2006). This means that they evaluate business ethics differently

3 from their larger counterparts (Thomas, 2015). Some have argued that SMEs are more likely

4 to feel social obligations and duties because they are part of a local community with shared or

5 common norms (Darnall, Henriques and Sadorsky, 2010). Due to the embeddedness of small

6 firms in their locality, business owners often choose to conform with, even mimic, the

7 behaviour of important stakeholders, especially in situations where little information exists

8 and there is high uncertainty e.g. about the market (Lepoutre and Heene, 2006). There is

9 some evidence to suggest that SMEs conform to normative behaviours and mimic others in

10 order to avoid social sanctions. However, empirical research has thus far failed to yield

11 conclusive results on how the pressure to conform or mimic can influence the pro-

12 sustainability practices of SMEs (Bansal and Roth, 2000; Bansal, 2005). Smaller firms may

13 fall under the public radar due to their lower visibility (Gonzalez-Benito and Gonzalez-

14 Benito, 2006). However, even when they are asked to change their impactful behaviours,

15 smaller firms arguably have less power to deflect stakeholders' concerns and demands for

16 sustainability (Bastakis, Buhalis and Butler, 2004; Buhalis, 2000; Darnall et al., 2010; Sigala,

17 2008).Nevertheless, they seem generally less prepared to meet sustainability regulatory

18 control (Lewis and Cassells, 2011; Williamson, Lynch-Wood and Ramsay, 2006).

19 Documented internal factors for pro-sustainability behaviour amongst SMEs are varied.

20 Among them, cost-oriented environmental practices are the most common (Font, Garay and

21 Jones, 2016a; Lewis and Cassells, 2011; Sampaio et al., 2012a). A *business case* is often used

22 to justify the worthiness of sustainability, as SMEs will save money and increase their

23 competitiveness while "doing the right thing" for the environment (EU, 2011; Revell and

24 Blackburn, 2007). However, Tilley (2000) some time ago found that basing decisions purely

25 on a business case may be a flawed approach that leads to shallow eco-friendly behaviour.

1   This is because the approach is based on the mistaken assumption that all the SMEs'

2   sustainability actions are motivated by profit and competitiveness alone (Spence, 2007) and

3   even if their motivation for action is financial, business owners tend to seek easier routes to

4   increase profits and reduce costs than sustainability actions (Fineman, 2000). Hence, this

5   form of crude transactional economics provides limited explanatory insight into sustainability

6   decision-making in SMEs (Sampaio et al., 2012a ; Williams and Schafer, 2013).

7   Understanding the *attitudes* of the owner-managers may help to explain the extent of a firm's

8   engagement with, and commitment to, sustainability (Dewhurst and Thomas, 2003; Kasim,

9   2009; Lewis and Cassells, 2011; Tilley, 2000). Studies of this kind are, however, also

10 inconclusive; some confirm that positive environmental attitudes motivate individuals to

11 behave in environmentally responsible ways (Stern, 2000), while others suggest that despite

12 having positive environmental attitudes, some SMEs remain unconvinced of the need to act

13 upon them or feel unable to do so (Carlsen et al., 2001; Dewhurst and Thomas, 2003).

14 Constraints that impact on a SME's ability to respond positively to the environmental

15 challenge and transform their possible positive attitudes to actions include: i) a lack of

16 understanding and awareness of the action required; ii) a lack of resources; iii) a lack of skills

17 and infrastructure; iv) weak enforcement of environmental regulation; and v) a lack of

18 interest from the public and customers alike. The ability to overcome these constraints may

19 depend on the owner-manager's *values* (Battisti and Perry, 2011; Font, Garay and Jones,

20 2016b; Garay and Font, 2012; Revell, Stokes, and Chen, 2009; Sampaio et al., 2012a; Tilley,

21 2000; Thomas, 2015; Tzschentke, Kirk and Lynch, 2008; Williams and Schaefer, 2013).

22 The study of sustainability values is rare in the field of small business management (Williams

23 and Schaefer, 2013) and rarer still in studies of small tourism firms (Font et al., 2016b). Some

24 commentators use socio-psychological theories to help explain the role of the individual

25 owner-manager's values on a tourism SME's environmental behaviour (for example, Chou,

1 Chen and Wang, 2012; Font et al., 2016b; Sanchez-Medina, Romero-Quintero and Sosa-

2 Cabrear, 2014; Sampaio et al., 2012a & 2012b; Tzschentke et al., 2008). Of these, the

3 majority investigate small businesses operating under an environmental ecolabel or in

4 protected natural areas. Unsurprisingly shared altruistic values are conspicuous but the

5 existence of such values did not motivate them to engage with many environmental practices.

6 A potential explanatory variable that has been largely neglected in the tourism literature is the

7 role of owner-managers' self-efficacy beliefs and their impact on their environmental

8 behaviour.

9 It is important to note here that although a theoretical discussion of self-efficacy and relevant

10 psychological theories are presented next, the concept of self-efficacy was an in-vivo

11 theoretical concept grounded in the analysis of the interview transcripts. In other words, the

12 authors engaged with existing theories such as Social Cognitive Theory and the Theory of

13 Planned Behaviour during the later stages of the analytical process. This 'theoretical

14 sensitivity' and comparison of the emerging theory with existing work in the field is

15 consistent with the grounded theory methodology discussed later. The goal of gaining a

16 nuanced understanding of the factors that affect a particular type of businesses (small tourism

17 firms) in a particular environment (mass tourism destination) without imposing preconceived

18 theoretical frameworks on them represented a fundamental aspect of the research design that

19 contributed to the novelty of this research project.

20 *Self-efficacy*

21 Motivational Theories (MT) are very useful in studying pro-environmental behaviour

22 (Tabernero and Hernandez, 2011). The most highly cited that utilise self-efficacy or

23 perceived-behaviour-control as a determinant of behaviour are Bandura's (1988; 1997) Social

24 Cognitive Theory (SCT) and Ajzens' (1991) Theory of Planned Behaviour (TPB).

1   Both theories suggest that individual behaviour is strongly influenced by beliefs about

2   capabilities to exercise control over events that affect their lives (Ajzen, 1991; Bandura,

3   1988). Social Cognitive Theory (Bandura, 1988; 1997), in particular, recognises that self-

4   efficacy directly and indirectly affects attitudes towards environmental activities through

5   forethought, motivation and information processing. Perceived self-efficacy influences the

6   options that individuals consider, the specific information they choose to collect or listen to,

7   and the ways in which they interpret the information received (Bandura, 1997; 2012). In

8   addition, perceived self-efficacy influences the ways that individuals convert messages and

9   information relating to decisions and operational alternatives within their businesses

10   (Bandura, 1997; 2012). Individuals receive information more openly from family members or

11   stakeholders that are important to them, such as competitors, suppliers and customers.

12   Bandura (1997) explains that an individual synthesises and evaluates information from

13   various sources to form self-efficacy judgments, which in turn motivate him or her to pursue

14   a specific behaviour. Various factors, external and internal to the individual, influence their

15   interpretations of messages and information received and, subsequently, affect their

16   motivation-related beliefs and self-efficacy in adopting a behaviour (Schunk & Usher, 2012).

17   Individuals evaluate and decide on their self-efficacy based on various factors external to

18   themselves (for example, available infrastructure). They also reflect on, and evaluate,

19   personal factors, such as their own awareness of problems and solutions, their knowledge of

20   sustainability, their perceptions of task difficulty and their responsibility towards

21   environmental protection. These factors, in conjunction with senses of personal responsibility

22   to take action to minimise their own and their businesses' environmental impacts, drive

23   individuals to acquire more knowledge (in our case, of sustainability).

24   The benefit of the SCT and TPB is that they are relatively easy to operationalise (Garay et al.,

25   2018) and their drawback is that their predictive value (of behavioural intentions) is generally

1   low (Armitage and Conner, 2001). Two attempts at adding a degree of theoretical

2   sophistication are Triandi's (1977) Theory of Interpersonal Behaviour (TIB) and Taylor and

3   Todd's (1995) Decomposed Theory of Planned Behaviour (DTPB). These add behavioural

4   determinants such as habits and facilitating conditions, in the case of TIB, and ease-of-use,

5   perceived usefulness, and compatibility to existing values in the case of DTPB. These

6   increase the previous models' predictive ability (Garay et al., 2018).

7   All the four theories (SCT, TPB, TIB and DTPB) have a degree of utility useful in

8   understanding complex human behaviours that are affected by their social and physical

9   environments and have been used in studies in different contexts (e.g. car users, consumer

10   behaviour, technology and innovation). Very few tourism studies have studied small tourism

11   firms' sustainability behaviour using those theories. Font et al. (2016b) and Sampaio et al.,

12   (2012b) used Bandura's (1997) Social Cognitive Theory (SCT). Dewhurst and Thomas

13   (2003) applied the Theory of Reasoned Action (Ajzen and Fishbein, 1980) in their study of

14   small tourism firms in a UK National Park. While Garay et al., (2018) used the Decomposed

15   Theory of Planned Behaviour (DTPB) to study accommodation managers' beliefs, norms,

16   self-efficacy and intentions towards water-related innovations in hotels.

17   A common thread in these studies is their demonstration of how perceived behavioural

18   control is dependent upon the business competences to adopt sustainability practices and

19   how, in turn, these competences inform self-efficacy beliefs (Sampaio, et al., 2012b; Garay et

20   al., 2018). More specifically, task difficulty, low self-efficacy beliefs and fear of failure

21   prevent engagement. According to their findings positive life experiences, worldviews

22   (environmental sensitivity), personal agency beliefs, personal responsibility and goal

23   orientation underlie different patterns of environmental engagement (Sampaio et al, 2012b).

1   In light of the paucity of primary empirical evidence regarding efficacy beliefs and

2   sustainable behaviour in tourism firms, we provide a detailed analysis of personal and

3   contextual factors that influence owner-managers' evaluations and judgments of self-efficacy

4   in adopting sustainability practices. In so doing, we respond to wider calls for further

5   research into sustainability among SMEs (Aragon-Correa and Rubio-Lopez, 2007; Sardianou

6   et al., 2016).

7   **Methodology**

8   This study adopted a Grounded Theory Method (GTM) to understanding the factors that

9   influence an individual's self-efficacy to act more sustainably. This approach traces the social

10   and psychological processes at the core of human behaviour and thought (Holloway and

11   Todres, 2003). GTM is an inductive approach that collects data to generate theory grounded

12   in 'reality', and is now an established method for tackling challenging questions (Bryant,

13   2007; Charmaz, 2006; Glaser and Strauss, 1967; Strauss and Corbin, 1998). Previous studies

14   that examined self-efficacy of tourism firms used either mixed methods (Sampaio et al.,

15   2012a/b; Tomasella, 2015), qualitative methods (interviews) (Dewhurst and Thomas, 2003)

16   or a survey (Font et al., 2016b; Garay et al., 2018). This is the first study to use GTM in this

17   way which is seen by some as long-overdue in sustainable tourism research (Stumpf,

18   Sandstrom and Swanger, 2016).

19   A key feature of GTM is its avoidance of imposing any existing theoretical frameworks at the

20   outset of the research on the grounds that this potentially hinders the opportunity to build a

21   more reflective/accurate framework of all possible factors affecting the particular groups of

22   participants (Strauss and Corbin, 1998). Furthermore, by following GTM the various factors

23   considered important to participants, and how they were processed in order to make their

24   self-efficacy judgments, could be explored with greater freedom than when constrained by a

25   pre-existing conceptual framework.

Owner-managers of micro tourism businesses in Crete (Greece) were selected as the focus of this study, with data collected in two locations - a popular well stablished resort and a newly developed one. Eligible businesses were approached and asked to participate in the study. Interviews were conducted openly with a diverse selection of business owner-managers in terms of age, gender, type of business and years of operation, bearing in mind that these variables did not determine the sample at this stage as they were not being considered a basis for different results. Face-to-face interviews were chosen as the most appropriate method for gathering the necessary information because interviews recognise and reflect the complex relationships that exist in the social and business arena; relationships that cannot be adequately captured with quantitative techniques (Schoenberger, 1991). The interviews were unstructured and used open-ended questions to discuss a pre-prepared list of topics. This format gave direction to the conversation whilst simultaneously allowing enough flexibility for the interviewees to focus on issues important to themselves and their businesses.

Data was collected in two rounds, with 23 interviews conducted in the first round and 16 in the second, totalling 39 interviews. The interviews ranged from 30-150 minutes in duration, and were conducted in Greek; the native language of both the lead researcher and the participants.

In the first round of interviews, the lead author had long conversations with each of the participants about their business, the tourism industry and the business environment. The questions were designed to 'warm up' the participants and create a pattern of focusing on the past, the present, and the future, as well as the experiences of the participants. The participants' responses discussed topics such as relations with their suppliers, social activities (e.g. employing local people), cultural activities (e.g. promoting authentic food), environmental actions (e.g. growing their own organic vegetables) and factors that influence the success or failure of the tourism industry in Crete and in Greece more generally. The

1 formation of such broad questions satisfied the main objective of capturing the most

2 important characteristics of small tourism firms' behaviours and beliefs. Over time,

3 categories and concepts emerged from the data. These were used in the analysis of data

4 collected during the first round of interviews and also informed the design of the second

5 research stage.

6 Theoretical sampling was used to guide the second phase of data collection, which was

7 conducted a year later. Respondents were selected based on an analysis of the data collected

8 during the first stage interviews, which indicated issues that needed to be explored further

9 such as the participants' engagement with sustainability, their beliefs on the natural and

10 cultural environment of the location, and their relationships with Tour Operators (TOs), state

11 and other tourism firms, and how these relationships impacted on their business decisions.

12 The researcher returned to those owner-managers who would be able to clarify, elaborate

13 upon and refine the pertinent issues. Consequently, the lead author interviewed fifteen owner-

14 managers from the first phase plus one new business which was very engaged with

15 sustainability practices. The second stage interviews generated data that helped the researcher

16 to understand why the owner-managers who had decided to engage in specific sustainable

17 behaviours had done so and why others rejected them. By being selective, it was possible to

18 see variations in the processes the participants were engaged with, and the researcher could

19 focus on the owner-managers' actions, experiences, and events or issues of specific interest,

20 to gain an understanding of how, why and when theoretical categories varied between

21 businesses. For example, variations in the self-efficacy beliefs became apparent when

22 comparing sustainability practices between different owner-managers and their justifications

23 of action or difficulties experienced.

24 The researcher followed the coding strategies of GTM in order to analyse the interviews,

25 starting with open coding (Charmaz, 2006). This coding process gave insights into what the

participants said and did, as well as what they struggled with, thus helping to identify both their implicit and explicit concerns. The participants' words and actions gave an insight into their world. Open coding was transferred to post-it notes, which were then grouped together to create clusters. In this way, 12 initial categories were created, which were subsequently clustered around seven main themes. The clusters were based on comparisons of the categories with each other, and reflection on how each could be related to the primary research question.

One of the methods by which a grounded theorist can code long interview transcripts faster is that of selective or focused coding (Charmaz, 2006). After analysing the first six interviews using an open coding strategy, and developing a detailed list of codes and categories, the researcher continued to code the rest of the interviews using focused coding; this meant using the most frequent and important codes and categories to label thematic sections of data. This step was followed in both analytical phases in order to speed up the slow process of open coding.

The next step moves the analysis to a more abstract level and helps sort out the plethora of codes, concepts and categories that emerged from the previous analytical steps. This is achieved by relating subcategories to categories, and restructuring the data that have been broken down during the open and focused coding process, to give coherence to the emerging analysis (Charmaz, 2006). This required a review of the nature of the relationships between the codes, concepts and categories, and their relationships with the research question, this is done in the analytical step of axial coding. By following the axial coding process the researcher specifies possible relationships between the categories developed in the previous coding stages. These relationships formed the theoretical codes, a more sophisticated level of coding, which conceptualised 'how the substantive codes may relate to each other as hypotheses to be integrated into a theory' (Glaser, 1978, p.72). Furthermore, theoretical

1   coding drives the analysis into a more theoretical direction. As Charmaz (2006) argues,

2   through the skilful use of the theoretical codes, the researcher can learn the category's

3   temporal and structural ordering, discover participants' strategies for dealing with business

4   issues, and analyse the important processes. In this study, three theoretical categories were

5   identified, one of these categories is the self-efficacy which is discussed in this article. The

6   participants were involved in various processes when making self-efficacy judgments, these

7   processes were: i) reflecting on abilities and responsibilities; ii) evaluating information

8   according to importance (values) and efficacy; iii) thinking, understanding, and evaluating

9   different factors; and iv) deciding whether he/she feels the responsibility, and has the

10   motivation and abilities, to behave in a sustainable way.

11   The final or comparative stage of the analysis identified variations in the owner-managers'

12   range and degree of engagement with sustainability, as well as their justifications for the

13   chosen behaviour. As a result, participants were organised into three behavioural groups,

14   namely, 'activists', 'eco-savers' and 'apathetics'. It was not the study's aim to develop a

15   typology as several of these exist already (e.g. Font et al., 2016b; Tomasella, 2015; Sampaio

16   et al., 2012b; Dewhurst and Thomas, 2003). However, the typology produced is important

17   because it reveals that the heterogeneous behaviour of the owner-managers enhances the

18   subsequent discussion. The three groups of behaviours are explained next, and further

19   characteristics can be found in [ARTICLE REFERENCE TO BE ADDED AFTER

20   REVISION].

21

22   **The activists**

23   The 'activist' group correlates with the 'Lifestyle', 'Self-confident', 'Committed Actors', and

24   'G2' groups of previous studies (Font et al., 2016b; Sampaio et al., 2012; Dewhurst and

25   Thomas, 2003; Tomasella, 2015 respectively). The owner-managers in this category are

proactively involved in sustainability practices, are sensitive to environmental and

sociocultural issues and their altruistic values and beliefs drive their sustainable behaviour.

Furthermore, they project a high level of moral responsibility towards the natural, cultural,

and social environment. They feel that they have embarked on a mission and are pursuing a

vision that involves safeguarding both culture and nature for present and future generations of

tourists and locals alike. They proactively position themselves in local political lobbies and

movements in order to protect what is valuable to them. Profit is considered a means to

achieving their objectives rather than a focal point.

Socio-cultural and industrial norms have a different effect on those owner-managers. The

prevailing norms are not supportive of environmental sustainability, and may even be in

conflict with the activists' personal environmental values. However, because of their strong

and determined belief in making decisions based on altruistic values and their moral

responsibility, activists do not mind going against the norms and questioning the status quo.

They see it as their duty to safeguard what others around them fail to value. The activists

experience the same challenges as other groups ('eco-savers', 'apathetic') in terms of the

industrial and socio-cultural context, but these do not hinder them. Due to their strong self-

efficacy, they are sufficiently motivated to overcome barriers and to move from intentions to

the actual implementation of sustainability practices.

The eco-savers

The 'eco-saver' group share some similarities with the following groups of previous studies:

the 'Legitimisation' (Font et al., 2016b); the 'Sceptical' (Sampaio et al. 2012b) and the 'Anti-

Green Pragmatists' (Dewhurst and Thomas, 2003). The owner-managers in this group

implement sustainability practices on an ad hoc basis. Their behaviour is not entirely

altruistic and their motivations are often driven by economic concerns rather than

responsibility towards their stakeholders and the environment. Although they are aware of

general environmental problems and of other forms of tourism (such as eco-tourism and agro-tourism), they do not perceive such environmental issues as necessarily affecting their lives and businesses. Consequently, they do not accept any moral obligation to protect the environment. The owner-managers in this group believe that responsibility lies with the government and others rather than themselves, especially for actions that are harder to implement and do not produce a quick return on investment.

Owner-managers in this category often compare themselves with other businesses and consider the actions of their closest competitors. The socio-cultural and industrial norms of those that are important to them influence their beliefs of what is important and desirable. Due to the importance of being seen to be doing what others do, they mimic their competitors so that they do not feel that they are at a disadvantage. Quite a few of their practices (e.g. solar panels) are implemented out of habit or because they have become the norm in the locality.

Their perceptions of the difficulties and the lack of support from the government and tour operators affect how strongly they feel about their ability to engage with sustainability. They perceive more barriers compared to the 'activists' and usually do not feel that these could be overcome by self-motivation. Their perceptions of self-efficacy, therefore, are not very strong, and vary according to the particular action in question, the cost involved, and the effort needed to implement it.

The apathetic

The 'apathetic' owner-managers of this study share similarities with the 'Cost' (Font et al., 2016b); Unconvinced Minor Participants (Dewhurst and Thomas, 2003); 'G1' (Tomasella, 2015) and 'Self-centred' (Sampaio et al., 2012b) clusters of previous studies. The owner-managers in this group do not engage with sustainability practices apart from those few

environmental practices e.g. installing solar panels, that are purely driven by economic and habitual reasons. They do not feel concerned about business sustainability as they do not recognise the impact of their business on the natural and cultural environment, and do not believe that the environment is at risk. The 'apathetics' distance themselves from these issues and assign full responsibility for the state and protection of the environment to local and national governments and to larger businesses.

Socio-cultural and industrial norms are very important to them and they use these to compare themselves with other businesses. When they do so, they usually select businesses that are performing worse than they are and that do not adopt environmental behaviours. Furthermore, they do not see any interest from tour operators and customers with regards to sustainability that might justify their adoption of, and investment in, sustainability practices. Consequently, for them, there is no reason to invest in practices that are not requested, appreciated, or adopted by anyone else.

The perception of barriers is so strong among these owner-managers that they believe that they work in an industry and a country that is relatively chaotic in planning terms and offers little support. This justifies their apathetic stance towards sustainability and reflects low self-efficacy.

In the next section, the contextual factors that affect owner-managers perceptions of self-efficacy in adopting sustainability are discussed as part of the development of grounded theory.

Results and discussion

A self-belief in possessing the abilities to control resources and overcome obstacles, in order to adopt environmental practices, is a critical mediator of an individual's intentions and actual behaviour. Participants reflected on, and decided upon, their capability to adopt socio-

environmental practices by assessing: i) their awareness of environmental problems; ii) the importance of the natural environment to them and their role in protecting it; iii) their knowledge of alternatives; iv) the difficulties for a small firm of adopting some of the alternatives; and v) the support offered to them by industry, society and authorities. The participants also reflected on their capabilities to adopt sustainability practices, which were affected by the resources or infrastructure available in their locality and by significant tourism industry players such as TOs, customers and local authorities. The significant observation made from these accounts was that participants used those reflections to explain why they either self-aided or self-debilitated themselves in accepting responsibilities, identifying solutions and implementing environmental and social practices, as explained below.

Bandura (1997) argues that efficacious individuals approach threatening situations as challenges to be mastered rather than as threats to be avoided and, therefore, self-aid themselves in acquiring the necessary skills and conditions to deal with the situations effectively. Participants labelled as 'activists' strongly believed in their efficacy to realise their vision for building a sustainable business and therefore they acquired the necessary skills, searched for alternatives and implemented sustainability practices. They put significant personal effort into overcoming obstacles and identifying resources needed in order to accomplish their goals. Often participants extended their actions to protect and safeguard the natural and cultural environments of their locality by engaging in business networks and socio-political groups that aimed to improve the existing environment. Moreover, they protested against plans that would threaten the natural and cultural inheritance. For example, the 'activist' owner-managers joined with other residents, and tourism and non-tourism businesses, to form a network with a sole aim of challenging and campaigning against corporate and local governments' plans to build a factory. Through campaigns, lobbying

1 politicians, media coverage and international involvement with the Green party they were

2 successful in stopping those plans.

3 Strongly efficacious owner-managers experienced similar situational constraints to the less

4 efficacious ones but they were more confident that they could overcome them. This

5 confidence was fuelled by their strong, personal environmental values. The efficacious

6 owner-managers talked with great love and passion about their island and they believed that

7 they had a responsibility to protect their resort's nature, culture and history from any private

8 or public development that would threaten it.

9 The inefficacious owner-managers explained their low behavioural control perceptions and

10 their inactions as a result of constraints they experienced and they felt self-debilitated. The

11 self-efficacy perceptions of the participants grouped in the 'eco-savers' and 'apathetics'

12 categories were quite limited, thus these owner-managers did not believe that they were able

13 to adopt sustainability practices. This is consistent with the fact that individuals who feel

14 uncertain about their skills and abilities with regard to a specific behaviour tend to avoid

15 practicing that behaviour; they find it hard to motivate themselves and they reduce their

16 efforts or give up quickly when difficulties arise. These findings are consistent with those of

17 previous studies (Bandura, 1997; Geva, 2000; Klockner and Blobaum, 2010) that support that

18 people with low efficacy are quick to abandon ventures that require them to invest too much

19 time, effort or upfront costs. This was manifested in the participants' discussions about

20 actions that could protect the environment or minimise their business environmental

21 practices. They did not intend to adopt sustainability practices that they did not perceive as

22 easy (e.g. waste separation/recycling, buying organic products) and even in cases where they

23 had started some actions (e.g. buying from local businesses) their commitment was very low

24 and they abandoned them when they saw that there were no direct or quick benefits to their

1 business or to the environment. This negative thinking weakened the owner-managers' self-

2 efficacy further and affected their intentions to change their behaviour.

3 Whether an owner-manager approached an external situation as a challenge to be mastered or

4 a threat to be avoided depended on their degree of self-efficacy. The following sections focus

5 on these determinants of self-efficacy and explain: i) awareness of problems and knowledge

6 of alternatives; ii) sense of responsibility; iii) perceived task difficulty and effort; and iv)

7 support or lack of; which all affected their attitudes and intentions towards sustainable

8 behaviours. Powerlessness self-debilitated those with weak personal socio-environmental

9 values and drove them to choose a behaviour that was easier and that fitted with the current

10 social and industrial norms.

11 *Awareness, knowledge and locus of responsibility*

12 Awareness of, and concern for, tourism impacts influenced the participants' self-efficacy

13 indirectly by influencing their feelings of need to take control of events in order to reduce

14 negative impacts. According to Bandura (1997, p.164) "realisation of personal agency

15 requires both self-observation that outcomes flow from actions and recognition that the

16 actions are part of oneself". Decisions in favour of sustainability require recognition that

17 socio-cultural and natural environments are in danger and recognition that business practices

18 contribute to those threats (Bamberg, 2013; Klockner and Blobaum, 2010; Tilley, 2000).

19 Although all the participants were aware of global environmental issues, they did not see the

20 tourism industry or their businesses as contributors. They were more aware of the negative

21 impacts that tourism had had on local societies, resulting in a loss of cultural identity and

22 authenticity, but they still did not assign any responsibility to their own businesses.

23 Recognising this lack of awareness is the first step in understanding why small firms have a

24 low uptake of sustainability practices. Awareness deficits and limited understanding of the

effects of individual actions may explain the failure of the tourism industry as a whole to act sustainably.

The lack of awareness was compounded by the ambiguity of the term 'sustainability', which was used interchangeably with 'environment', this limited eco-literacy of the participants can explain why most of them focused on eco-efficiency measures (echoing other studies see Dabphet, Scott and Ruhanen, 2012; Koutsouris, 2009). Ambiguity and low awareness of alternatives affect an individual's perceptions of efficacy as the less resources and opportunities they believe they possess, the less in control they feel over a behaviour (Ajzen, 1991). Yet awareness of the efficacy of sustainability solutions does not in itself trigger action: acceptance of personal moral obligation is necessary. Seeing oneself responsible for the quality of the environment (natural and socio-cultural) is a key determinant for fuelling a sense of being efficacious. This acceptance of personal responsibility was a distinctive characteristic of the participants in the 'activist' group. Their personal reflections motivated the owner-managers to be more ethical and to adopt sustainability practices, which resulted in them feeling more efficacious. Bandura (1999) argued that this cause and effect relationship is reciprocal as efficacy beliefs in turn can regulate motivation and action. Participants in the 'apathetics' group, and some from the 'eco-saver' group, did not assign personal responsibility to themselves for the protection of the environment, especially when the actions required effort and skills (as discussed later). Members of these groups assigned responsibility to large companies and the government, consistent with the findings of Ruhanen (2013) and Tilley (2000). These participants blamed others for the current situations and used them as an excuse for their own inaction. This externalisation of responsibility and blame was a key difference between the 'activists' and 'apathetics', as the latter chose to perceive these constraints as barriers and deterrents, while the former saw them as challenges that they had the ability to face.

Evaluating and accepting personal responsibility was also linked to socio-cultural and industrial norms as the participants used these norms to compare themselves to particular associates. Bandura (1997) and Bamberg and Moser (2007) support that normative comparisons affect an individual's appraisal of self-efficacy; being outperformed by others will lower their self-efficacy beliefs, whereas surpassing others will raise their self-efficacy beliefs. This was also found in this research, as participants used social norms to guide what behaviour was appropriate, beneficial to the business and easy to perform. Participants who did not accept responsibility compared themselves with others (local businesses, tour operators or local authorities); this comparison was often used to create an escape route from responsibility and as an excuse for their decision to remain inactive. Furthermore, their perception of themselves as small businesses with minor impact, in comparison to others, was used to explain why they were self-debilitating when it came to accepting responsibility for gaining more knowledge of, and implementing, sustainable alternatives. This group looked for comparative cases performing similarly or worse. However, 'activists' observing that they performed more responsibly than others locally, especially where these were seen to be more successful businesses, felt capable and in control, helping them to persevere with difficult tasks.

The participants' efficacy beliefs were not only affected by their sustainability knowledge but by their notions of whether they had the self-regulatory capabilities (perception of task, setting goals, assessing outcomes) to perform those activities (Sampaio et al., 2012b). Efficacy beliefs can contribute to motivation and positive behavioural intentions but, despite this, they do not necessarily translate to actual performance because internal conditions can create a disparity between beliefs and performance. Constraining factors may include, for example, a lack of skills or confidence, ambiguity regarding the exact behaviour to be performed, and unclear or long term outcomes (Bandura, 1997). External conditions can also

1   contribute to this disparity, such as a lack of infrastructure, regulation or social norms

2   (Klockner and Matthies, 2004).

3   *Task difficulty and effort*

4   An actor's judgement of their self-efficacy, and their consequent decision to perform, or not,

5   a task, is affected by their assessment of the task difficulty and the effort they perceive will be

6   required to perform that task. In this study, participants judged the effort and task difficulty of

7   different sustainability practices and compared these factors with the potential benefits they

8   would gain from adopting those practices. The participants chose to pursue easier and less

9   costly sustainability actions with a short perceived return on their investment, as seen

10   previously (e.g. Font et al., 2016a; Garay and Font, 2012; Sampaio et al., 2012a). Adopting

11   some sustainability actions appeared to make the owner-managers feel good about

12   themselves and increased their notions of control. However, when the study turned its

13   attention to more difficult, and expensive to implement, sustainability actions the reflections

14   and judgments of the participants were different. 'Apathetics' and 'eco-saver' groups excused

15   themselves on the basis of cost and lack of time for a business their size. Task difficulty and

16   effort were also important factors for the 'activists' when appraising their ability to

17   implement challenging sustainability practices. However, their strong benevolence and

18   environmental values fuelled their high efficacy judgements and motivated them to obtain the

19   knowledge and skills necessary to act. These findings are consistent with Sampaio et al.,

20   (2012b) and Bandura (1991, 1997), who support that the more capable individuals feel, the

21   higher goals they set and the more commitment they show in attaining them. The

22   participants' perceptions of how capable they were to adopt sustainability practices were also

23   influenced by their perceptions of whether other similar businesses were adopting

24   sustainability practices and whether they had been successful.

Comparisons

Small tourism businesses do not exist in isolation but work closely together with their families, their communities, business associates, authorities and clients. Informal learning and skill development happens within these communities by observation of what other people, significant to themselves, do. We know that people turn to proficient models for knowledge, skills, and effective strategies (Bandura, 1997; Bansal, 2005; Taylor and Todd, 1995), and will be selective of who and what to observe depending on their personal values, abilities and business interests. These are cognitive processes whereby humans select behaviour and models to observe using non-cognitive processes such as attractiveness to those people or to their particular behaviours or habits. Evaluations of self-efficacy are influenced in some degree by vicarious experience mediated through social comparative judgement (Bandura, 1997).

Participants selected those with whom they regularly socialised or were exposed to in their immediate social and business environment in order to compare their attitudes, competencies and motivation to adopt sustainable behaviours. Depending on what environmental or social behaviour was discussed during the interview, the participants drew different comparisons. Their self-efficacy varied depending on the easiness or difficulty of the behaviour and the people/business chosen for comparison (more/less successful than them) (Sampaio et al., 2012b). It is important to note here that, sometimes, the comparisons were between the participants' beliefs and the social norms shared in the locality towards the behaviour. So there was a bidirectional link to self-efficacy through indirect experience and social norms, which in turn affected the participants' personal beliefs and possibly their personal values. In the rest of this section the focus of the discussion is on those comparisons and how they made the owner-managers feel more or less efficacious.

Owner-managers used different social and business references for comparative appraisal of personal efficacy. For example, they observed the (un)ethical behaviour of similar companies in order to judge whether they behaved more or less ethically themselves and to justify their actions or intentions to behave (un)sustainably. Observing the behaviour (for example, waste management), and outcomes gained from this behaviour, affected the owner-managers' perceptions of whether the behaviour would be worth adopting and whether or not they could do it in actuality. Their evaluations of their efficacy in adopting such behaviour were affected by how well or poorly other similar businesses had done in that area. If they perceived that similar businesses had been successful and benefited from adopting an environmental practice, they were motivated and had a positive intention to adopt the same environmental practice within their own business; similar findings were reported by Bandura (1997) and Jourden, Bandura and Banfield (1991).

Evaluating efficacy by comparison can also have a negative effect. An assessment of the actors' capabilities against the success of bigger companies had a debilitating affect when they judged the particular environmental behaviour to be impossible for a company like theirs (Tilley, 2000). Weak efficacy beliefs, in conjunction with weak personal environmental values and senses of responsibility, determined individual attitudes and intentions, and ultimately resulted in unsustainable behaviour. Furthermore, participants viewed their local tourism industry as competitive and ruthless, which they considered forced them to behave in ways that they otherwise might not have chosen. This affected their beliefs about the control they had over their choices to behave sustainably, especially for behaviours that might not contribute directly to economic benefits or competitive advantages.

The study found that individuals seek to develop their sustainability knowledge and competencies by drawing on the skills and practices of others and by comparing their performances and achievements to important people/businesses that they relate to (Garay et

al., 2018; Tomasella, 2015). Successful performances by oneself, or by other similar businesses in their vicinity, will positively influence efficacy beliefs to both adopt new practices and persevere with them. Vicarious experience serves as a means of strengthening or weakening beliefs of capabilities to adopt sustainability practices. Thus, it is easier to sustain strong self-efficacy, in relation to particular behaviours, if significant others value and behave in the same way (Font et al., 2016b). Vicarious experience alone may be limited in its power to create continuing surges of personal efficacy but it can mobilise change by raising motivation levels and aspirations to develop the skills and knowledge necessary for, and gain the benefits from, the particular sustainable behaviour.

In this study, the participants' efficacy judgements were also affected by perceived unfavourable circumstances and unsupportive social and business environments (Tzchentke et al., 2008). For example, even when 'activists' felt efficacious in changing their business environmental performance, the lack of local infrastructure forced them to abandon some actions. Such unfavourable conditions can cast self-doubts about an owner-manager's efficacy as they experience problems and, consequently, can affect future decisions (see Jourden et al., 1991; Bandura, 1997). While skills can be easily learnt, they can also be easily overruled by self-doubts. Self-efficacy, therefore, also reflects the degree of determination to overcome challenges in order to behave sustainably and, thus, it impacts on the formation of an intention to adopt and implement that behaviour (Bandura, 1997; Klockner and Blobaum, 2010; Sampaio et al., 2012a). In the next section, the conditions that participants perceived to be unfavourable are discussed.

Situational determination

Situational determination explains the behaviour (and lack of) resulting from both objective and perceived situational constraints (Klockner and Blobaum, 2010). In this study, the owner-

1   managers' perceptions of their self-efficacy were linked to the perceived efficiency of local

2   and national government, first to provide the necessary infrastructure for small businesses

3   and second, to help and motivate small businesses to adhere with sustainability principles.

4   'Eco-saver' and 'apathetic' participants cited various situational constraints as justification

5   for their limited adoption of sustainability practices. This section provides a discussion on

6   external factors (such as the local authorities, the national government, the locality and

7   available infrastructure and the tour operators), as experienced and evaluated by the

8   participants, in order to understand how these factors shaped and influenced the owner-

9   managers' perceptions of their efficacy. Feelings of powerfulness, or powerlessness, to

10   control the factors and overcome constraints in order to adopt more sustainable behaviour are

11   considered.

12   ***Powerlessness against a lethargic state***

13   Most participants perceived the authorities to be lethargic and blamed them for not providing

14   the necessary infrastructure and support. The paucity of resources (e.g. recycling facilities),

15   the barriers encountered (e.g. low market supply of environmental goods) and the lack of

16   opportunities provided (e.g. grants) partly determined their self-efficacy beliefs toward not

17   only their ability to behave sustainably but also toward any type of business improvement.

18   Positive intentions to adopt sustainable behaviour, and the subsequent translation of those

19   intentions into actions, require individuals to experience strong contextual support

20   mechanisms and weak barriers (Bandura, 1997; Lulfs and Hahn, 2014; Klockner and

21   Blobaum, 2010; Sawitri, Hadiyant, Hadi, 2015). The participants' beliefs about the extent to

22   which their environment could be influenced affected how strongly they perceived

23   themselves capable of changing that environment. Bandura (1997, p.484) argues that "people

24   do not take upon themselves what they firmly believe is not within their power to do". This

25   was true for most participants, who went through a process of weighing up their perceived

potential for personal and collective efficacy to overcome an unsupportive government in relation to achieving difficult sustainable behaviours and made a judgement on the likely costs and benefits of adopting the behaviours. Those who viewed the external environment to be full of intractable barriers, and the local and national authorities unresponsive to businesses' and the environment's needs, had a weakened sense of personal efficacy, and adopted an apathetic and cynical stance, and preferred to retract to their habitual unsustainable behaviours.

In contrast, the 'activists' had strong personal efficacy beliefs towards political behaviour. They perceived themselves as able to mount and sustain efforts in order to challenge and stop the local government's plans to build, for example, a factory and a golf course. Bandura (1997) calls this 'political efficacy' and defines it as an individual's belief that they can influence the political system and change the status quo. The 'activists' created and participated in informal community pressure groups to mobilise their combined resources and efforts to accomplish social change. They tried, through this political activism, to develop a more competitive tourism identity and to present their locality as traditional, authentic and environmentally sound. Participating in such socio-political active groups was seen to enhance their sense of efficacy to bring about changes in their personal, business and social lives (Bandura, 2012).

The issues of power and politics as inhibitors of both implementing tourism improvements and adopting sustainability policies emerged repeatedly. The local and national governments were heavily criticised for their lack of strategy. Some participants also stated that they doubted whether the local authorities understand what is meant by sustainable tourism, let alone whether they would be able to initiate an effective sustainable tourism development agenda. Furthermore, participants stated that past and present governments lacked real interest in this significant industry for the national economy, and that politicians were short-

1   sighted towards re-election, a focus on short term goals and lack of interest also noted

2   elsewhere (Ruhanen, 2013). Arguably, tourism development decision-making is inherently

3   political and deeply influenced by the interests, values, ideologies and power of key

4   stakeholders in the tourism industry. Existing literature (Beritelli and Laesser, 2011; Nunkoo

5   and Smith, 2013; Ruhanen, 2013) has examined the effects of power and governance on

6   tourism development; in particular, it has scrutinised how stakeholder policy lobbying results

7   in power imbalances and conflict. Social impact assessments have focused mainly on the

8   residents and this study contributes to existing studies by understanding how small business

9   owner-managers perceive governance. Most participants considered themselves to be less

10 influential than large firms and felt marginalised in tourism development decision-making.

11 Self-perceptions of power has been shown previously to determine actors' abilities to take

12 advantage of situations, influence local political decision making and take control of

13 opportunities to compete in the tourism industry (Thomas and Thomas, 2006). This explains

14 the differences in the responses of 'activists' and 'apathetics'. 'Powerful' owner-managers

15 were more knowledgeable about hotly contested local issues and were able to align their

16 position with contemporary political discourses (for example, through the use of local media

17 and legal knowledge). They used this knowledge to their advantage when they felt that

18 tourism development in the local area was at risk.

19 Regardless of whether the participants felt powerful and in control to influence decision-

20 making, they unanimously mistrusted the national and local governments. This finding

21 contradicts studies that argue that knowledge of the functioning of the tourism industry

22 positively influences the political trust of residents (Moscardo, 2011; Nunkoo, 2015). Here,

23 even knowledge did not seem to contribute to a relationship characterised by trust; political

24 corruption, unfair treatment of businesses, marginalised local communities and hidden

25 agendas were some of the reasons given for not trusting the government. Political trust is

1   important for consensual decision making and actions in tourism development, and for

2   support for government policies (Beritelli and Laesser, 2011; Nunkoo and Ramkissoon,

3   2012). Therefore, the findings of this study have important implications for any local

4   government attempting to promote sustainable tourism development. If business owner-

5   managers believe that local governments are incompetent and cannot be trusted, they are

6   more likely to ignore any sustainability policies.

7   The above discussion puts an emphasis on the challenges and problems experienced by the

8   participants in relation to governments; in particular, the lack of support for development of

9   better tourism products, fostering positive intentions and actual practice of sustainable

10 tourism. Issues of power, conflict of interest and short term vision have been identified as

11 determinants of self-efficacy. The more powerless the owner-managers felt and the less

12 support they experienced from the government, the less efficacious they felt when asked why

13 they do not consider the adoption of sustainability practices. The owner-managers' levels of

14 efficacy were also affected by their perceptions of international TOs as a form of constraint.

15 The economic and market power of TOs to influence business behaviour is discussed next.

16 *Powerless against international tour operators*

17 Feeling powerful strengthens an owner-manager's self-efficacy beliefs that they can influence

18 others; this human influence is a two-way process. "The degree of imbalance of social power

19 depends partly on the extent to which people exercise the influence that is theirs to command.

20 The less they bring their influence to bear on the conditions that affect their lives, the more

21 control they relinquish to others" (Bandura, 1997, p.524). The participants tended to attribute

22 high strength and control of tourism development in their region to the significant industry

23 players, such as international TOs, and they used their powerlessness to explain their low

24 personal efficacy to change unfavourable conditions. This control and power dynamic was

25 the result of an over-dependence of the small tourism firms on the TOs for market access (see

1   also Bastakis et al., 2004; Buhalis, 2000; Medina-Muñoz et al., 2003). The market power of

2   TOs tends not only to create unfavourable oligopolistic conditions, but also leads to a

3   deterioration of relationships with the small tourism firms, characterised by conflict, loss of

4   trust and commitment, coercion and further dependency. Inevitably, these relationship

5   characteristics affect the attitudes of owner-managers towards sustainability; they see them as

6   obstacles to their ability to improve unfavourable situations for example through the adoption

7   of sustainable behaviour.

8   The participants' stories suggested that power asymmetries between small tourism firms, the

9   government and TOs may hinder the development of trust (see Leonidou et al., 2008; Nunkoo

10   and Ramkissoon, 2012). Trust, in a social exchange relationship, is dependent on the

11   perceived outcomes (costs or benefits) of this relationship and one partner's positive

12   experiences with the other (Nunkoo and Smith, 2013). According to Nunkoo (2015), Wang,

13   Law, Hang and Guillet (2014) relationships that are characterised by trust have better

14   outcomes, enhance the cooperative intentions and actual behaviour of the parties, and lead to

15   long term relationships. For the participants, it was apparent that trust was a very important

16   requirement of their relationships that resulted from many years of working together, sharing

17   genuine interests and being committed to common goals. If these owner-managers derived

18   benefits from their relationships with the TOs, they were more likely to trust them and be

19   loyal to them, and vice versa.

20   Participants believed that power asymmetries created opportunities for powerful actors (in

21   this case the TOs) to exercise coercion. Trust is manifested in a belief in the other party's

22   competency, honesty, fairness, responsibility, helpfulness and integrity (Kumar, 2005).

23   Instead, participants described the current relationships with the TOs negatively; they were

24   characterised as 'cold blooded', unreliable, dishonest and unfair in their promises and

25   contracts. Insecurity, anxiety and uncertainty were the most frequently reported feelings by

1 the participants as a result of the power of TOs in endless coercive negotiations, price

2 pressure, contractual penalties, harsh terms and conditions, and threats of contact-termination.

3 Consequently, the owner-managers felt that they could not trust large TOs anymore.

4 Instead, participants believed that niche TOs were still behaving with fairness and integrity.

5 A high quality relationship was experienced by all the 'activists' who had contracts with

6 niche TOs; they believed that they shared similar socio-environmental values, which

7 positively influenced their attitudes towards socio-environmental behaviour and their

8 intentions to continue with their sustainability practices as they believed that the niche

9 operators were 'on their side'. Feelings of 'singing from the same hymn sheet' could help

10 owner-managers to feel more efficacious when obstacles were presented, as shared values

11 directly influenced both commitment and trust (Leonidou et al., 2008). Indeed, the 'activists',

12 due to their shared values with the niche tour operators, felt that there was more trust and

13 commitment and therefore the power was more equally distributed in their relationships.

14 They felt that the niche TOs had the power to bring them customers but that they themselves,

15 as owner-managers of these unique and different businesses, also had the power to negotiate

16 better conditions for themselves. This finding re-enforces Bandura's point (1997) that the

17 more small entrepreneurs bring their influence to bear on their business and personal life

18 conditions the more control they retain for themselves.

19 In contrast, relationships between large, mass TOs and small tourism enterprises were

20 described as deteriorating mainly because these TOs were seen as unfair and malevolent. An

21 owner-manager's notion of self-efficacy to overcome obstacles (such as higher costs of

22 renovation and improvements) was significantly affected by the perceived unfair contracts

23 that mass TOs asked them to sign. 'Price wars', as the participants called them, were a

24 consequence of the vertical and horizontal integration of the TOs and the accumulative power

25 in their hands. They resulted in limited opportunities for small firms to make substantial

1 profits and returns on investment (see Bastakis, et al., 2004; Buhalis, 2000; Sharpley, 2003).

2 This affected the self-efficacy and control of small tourism enterprises to overcome

3 difficulties such as rising costs, especially when they were also asked to consider

4 implementing practices that they perceived to be expensive. In this study, many participants

5 felt trapped in existing unfavourable relationships with the powerful TOs, and lacked the

6 control to change them, as they had no other way to market and sell their products and

7 services. The feelings of powerlessness, ungratefulness and the unfavourable economic

8 conditions, made the owner-managers perceive sustainable behaviour as an unachievable

9 utopia. This supports Bandura's (1997) argument that external hindrances can prevent an

10 individual from performing to the level of their efficacy beliefs and capabilities because they

11 do not feel that their practices are of importance to significant others.

12 Efficacy beliefs do not translate into actions when faced with external constraints and

13 inadequate resources (Lulfs and Hahn, 2014; Klockner and Blobaum, 2010; Sawitri, et al.,

14 2015). The lack of appreciable benefits from tourists and TOs affected the judgments of self-

15 efficacy of the owner-managers. 'Activists' and 'eco-savers' were hurt by the fact that their

16 customers did not appreciate their sustainable businesses. Often, this lack of appreciation and

17 recognition overshadowed the owner-managers' perseverance. 'Activists' and 'eco-savers'

18 found it difficult to sustain their socio-environmental practices when they perceived that mass

19 TOs and tourists did not value their efforts. These findings endorse studies that also found

20 that a lack of appreciation discourages owner-managers to pursue sustainability actions that

21 require heavy investments of time, effort and/or resources (Font, et al., 2016a; Garay and

22 Font, 2012; Sampaio, et al., 2012a).

23 **Conclusion**

24 This article contributes to an understanding of external factors, such as socio-cultural and

25 industrial norms, that affect the decision making of owner-managers of tourism SMEs. The

existing literature in this field only identifies general external factors such as location, stakeholders and legislation. This study advances from making general conclusions to enable a deeper understanding of how external factors: a) influence beliefs and values; b) affect self-efficacy; and, ultimately, c) affect intentions and actual behaviour.

The study found that perceived self-efficacy both influenced, and was influenced by, the external environment in which the participants operated, how they understood that environment, how they evaluated different factors external and internal to themselves and, ultimately, how they decided whether they had the capabilities and motivation to behave in a sustainable manner. Awareness of the socio-environmental impacts of tourism operations, a knowledge of alternatives, and acceptance of personal responsibility were all key determinants for fuelling the sense of being efficacious. Efficacy beliefs were affected by a person's reflections on their business's, and their own, capabilities to perform sustainability actions under the conditions in which they operated. Where there were challenging conditions, these were seen as major obstacles, especially when the task difficulty of particular sustainability practices was judged as high. Perceived difficulty and effort influenced motivation, or lack of, to seek the necessary skills and resources to achieve the tasks.

The participants' efficacy judgments were also influenced by evaluations, and comparisons, of their own behaviour against the behaviour of other organisations or individuals they considered significant. Such comparisons did not directly create the desire to behave in a sustainable way, but they did motivate the pursuit of knowledge and skills acquisition necessary to be able to adopt the behaviours being considered.

Further significant determinants of self-efficacy were perceived situational constraints and any notions of power that the participants felt towards government and tour operators. Those

who felt they had power to control or change situations, or people, had higher levels of self-efficacy. However, in general, the participants' relationships with local and national authorities, and international tour operators were characterised by conflict, lack of trust and poor commitment to sustainability. Therefore, more participants felt powerless to influence their environment or to change situations, which resulted in low self-efficacy and a lack of motivation to adopt sustainability practices.

The theoretical contribution of this study is important because it grounds the understanding of self-efficacy in a specific context and allows us to better understand the black box of personal and organisational decision-making with regard to adopting sustainability actions. The centrality of self-efficacy shifts the 'blame' for inaction away from the individual and towards the contextual factors.

The research also has the potential for making practical policy contribution by guiding a reassessment of policy interventions designed to influence small business behaviour. It is evident that to be effective, sustainable tourism policy measures need to recognise owner-managers' self-efficacy beliefs and create the conditions that will enable them feel more efficacious. The former is probably less challenging, in practice, than the latter. The study also suggests that promoting that personal environmental values is important if independent actions are to follow. This implies the creation of local initiatives aimed at increasing owner-managers' sustainability awareness, and advocating acceptance of moral obligation. Finally, increased efforts are needed to support the creation and enhancement of a sustainability culture, through education and peer-to-peer networks.

Inevitably, the research reported in this paper has limitations. Perhaps greatest among these is the focus on Cretan small tourism firms. Future research could adopt a multi-country approach to allow for comparisons of small tourism firms in different contexts. Other

interrelationships between self-efficacy and the contextual environment may then also

emerge. Researchers may also find benefit from utilising the theoretical contribution of this

paper to undertake a large-scale quantitative study to test the role of self-efficacy and its

inter-relationship with other factors (norms, values, habits) as determinants of sustainability

behaviour.

References

Ajzen, I. (1991). The theory of planned behaviour. *Organizational Behaviour and Human Decision Processes, 50*(2), 179-211.

Aragon-Correia, A., & Rubio-Lopez, E. (2007). Proactive corporate environmental strategies: Myths and misunderstandings. *Long Range Planning, 40*, 357-381.

Armitage, C., & Conner, M. (2001). Efficacy of the Theory of Planned Behaviour: a meta-analytic review. *British Journal of Social Psychology, 40*, 471-499.

Ateljevic, I., Pritchard, A., & Morgan, N. (2007). *The critical turn in tourism studies: Innovative research methodologies.* London: Routledge.

Bamberg, S. (2013). Changing environmental harmful behaviors: A stage model of self-regulated behavioral change. *Journal of Environmental Psychology, 34*, 151-159.

Bamberg, S., & Mosser, G. (2007). Twenty years after Hines, Hungerford, and Tomera: A new meta-analysis of psycho-social determinants of pro-environmental behaviour. *Journal of Environmental Psychology, 27*, 14-25.

Bandura, A. (1988). Organisational application of Social Cognitive Theory. *Australian Journal of Management, 13*(2), 275-302.

Bandura, A. (1997). *Self-Efficacy The Exercise of Control.* New York: W.H. Freeman and Company.

Bandura, A. (1999). Moral disengagement in the perpetration of inhumanities. *Personal Social Psychology Review, 3*, 193-209.

Bandura, A. (2012). On the Fundtional Properties of Perceived Self-efficacy Revisited. *Journal of Management. Vol.38 No.1*, 9-44.

Bansal, P. (2005). Evolving sustainably: A longitudinal study of corporate sustainable development. *Strategic Management Journal, 26*, 197–218.

Bansal, P., & Roth, K. (2000). Why companies go green: a model of ecological responsiveness. *Academy of Management Journal, 43*, 717-736.

1 Bastakis, C., Buhalis, D., & Butler, R. (2004). The Perception of Small and Medium Sized Tourism
2   Accommodation Providers on the Impacts of Tour Operators' Power in Eastern
3   Mediterranean. *Tourism Management, 25*, 151-170.

4 Battisti, M., & Perry, M. (2011). Walking the talk? Environmental responsibility from the perspective
5   of small-business owner. *Corporate Social Responsibility and Environmental Management,*
6   *18*, 172-185.

7 Beritelli, P., & Laesser, C. (2011). Power dimensions and influence reputation in tourist destinations:
8   empirical evidence from a network of actors and stakeholders. *Tourism Management , 32*,
9   1299-1309.

10 Bryant, A., & Charmaz, K. (2007). *The Sage handbook of grounded theory.* London : Sage.

11 Buhalis, D. (2000). Relationships in the Distribution Channel of Tourism: Conflicts Between Hoteliers
12   and Tour Operators in the Mediterranean Region. *International Journal of Hospitality &*
13   *Tourism Administration , 1*(1), 113-139.

14 Carlsen, J., Getz, D., & Ali-Knight, J. (2001). The environmental attitudes and practices of family
15   business in the rural tourism and hospitality sectors. *Journal of Sustainable Tourism, 9*(4),
16   281-297.

17 Charmaz, K. (2006). *Constructing grounded theory:A practical guide through qualitative analysis.*
18   Thousand Oaks:CA: SAGE Publications Ltd.

19 Chou, C., Chen, K., & Wang, Y. (2012). Green practices in the restaurant industry from an innovation
20   adoption perspective: Evidence from Taiwan. *International Journal of Hospitality*
21   *Management, 31*, 703-711.

22 Coles, T., Zschiegner, A.-K., & Dinan, C. (2014). A cluster analysis of climate change mitigation
23   behaviours among SMTEs. *Tourism Geographies, 16*(3), 382-399.

24 Dabphet, S., Scott, N., & Ruhanen, L. (2012). Applying diffusion theory to destination stakeholder
25   understanding of sustainable tourism development: a case from Thailand. *Journal of*
26   *Sustainable Tourism, 20*(8), 1107-1124.

27 Darnall, N., Henriques, I., & Sadorsky, P. (2010). Adopting Proactive Environmental Strategy: the
28   influence of stakeholders and firm size. *Journal of Management Studies, 47*(6), 1072-1094.

29 Dewhurst, H., & Thomas, R. (2003). Encouraging sustainable business practices in a non-regulatory
30   environment: A case study of small tourism firms in a UK National Park. *Journal of*
31   *Sustainable Tourism*, Vol 11 (5). 383-403.

32 EU. (2011). *A renewed EU strategy 2011-14 for corporate social responsibility.* Retrieved June 01,
33   2014, from http://ec.europa.eu/enterprise/newsroom/cf/_getdocument.cfm?doc_id=7010

34 Fineman, S. (2000). Enforcing the environment: regulatory realities. *Business Strategy and the*
35   *Environment, 9*(1), 62-72.

Font, X., Garay, L., & Jones, S. (2016a). Sustainability motivations and practices in small tourism enterprises. *Journal of Cleaner Production*, 137, 1439-1448.

Font, X., Garray, L., & Jones, S. (2016b). A Social Cognitive Theory of sustainability empathy. *Annals of Tourism Research, 58*(May), 65-80.

Garay, L., & Font, X. (2012). Doing good to do well? Corporate social responsibility reasons, practices and impacts in small and medium accommodation enterprises. *Interntional Journal of Hospitality Management, 31*, 329-337.

Garay, L., Font, X., & Corrons, A. (2018). Sustainability-Oriented Innovation in Tourism: An analysis based on the Decomposed Theory of Planned Behavior. *Journal of Travel Research*, 1-15.

Geva, A. (2000). Moral Decision Making in Business: a Phase Model. *Business Ethics Quarterly, 10*(4), 773-803.

Glaser, B. (1978). *Theoretical sensitivity: Advances in the methodology of grounded theory.* California: Sociology Press.

Glaser, B., & Strauss, A. (1967). *The Discovery of Grounded Theory.* New York: Aldine de Gruiter.

Gonzalez-Benito, J., & Gonzalez-Benito, O. (2006). A review of determinant factors of environmental proactivity. *Business Strategy and the Environment, 15*, 87-102.

Holloway, I., & Todres, L. (2003). The status of method: flexibility, consistency and coherence. *Qualitative research, 3*(3), 345-357.

Jourden, F., Bandura , A., & Banfield, J. (1991). The impact of conceptions of ability on self-regulatory factors and motor skill acquisition. *Journal of Sport and Exercise Psychology, 8*, 213-226.

Kasim, A. (2009). Managerial attitudes towards environmental management among small and medium hotels in Kuala Lumpur. *Journal of Sustainable Tourism, 17*(6), 709-725.

Klockner, C., & Blobaum, A. (2010). A comprehensive action determination model: Towards a broader understanding of ecological behaviour using the example of travel mode choice. *Journal of Environmental Psychology, 30*, 574-586.

Klockner, C., & Matthies, E. (2004). How habits interfere with norm directed behaviour - A notmative decision-making model for travel mode choice. *Journal of Environmental Psychology, 24*(3), 319-327.

Koutsouris, A. (2009). Social learning and sustainable tourism development; local quality conventions in tourism: a Greek case study. *Journal of Sustainable Tourism, 17*(5), 567-581.

Kumar, N. (2005). The power of power in supplier-retailer relationships. *Industrial Marketing Management, 34*, 863-866.

Leonidou, L., Talias, M., & Leonidou, C. (2008). Exercised power as a driver of trust and commitment in cross-border industrial buyer-seller relationship. *Industrial Marketing Management, 37*, 92-103.

1 Lepoutre, J., & Heene, A. (2006). Investigating the impact of firm size on small business social
2   responsibility: A critical review. *Journal of Business Ethics, 67*(3), 257-273.

3 Lewis, K., & Cassells, S. (2011). SMEs and environmental responsibility: Do actions reflect attitudes?
4   *Corporate Social Responsibility and Environmental Management, 18*, 186-199.

5 Lulfs, R., & Hahn, R. (2014). Sustainable behaviour in the business sphere: A comprehensive
6   overview of the explanatory power of psychological models. *Organization & Environment,*
7   *27*(1), 43-64.

8 Medina-Munoz, R., Medina-Munoz, D., & Garcia-Falcon, J. (2003). Understanding European Tour
9   Operators' Control on Accommodation Companies: an Empirical Evidence. *Tourism*
10   *Management, 24*, 135-147.

11 Moscardo, G. (2011). Exploring social representations of tourism planning: issues for governance.
12   *Journal of Sustainable Tourism, 19*(4-5), 423-436.

13 Nunkoo, R. (2015). Tourism development and trust in local government. *Tourism Management, 46*,
14   623-634.

15 Nunkoo, R., & Ramkissoon, H. (2012). Power, trust, social exhange and community support. *Annals*
16   *of Tourism Research, 39*(2), 997-1023.

17 Nunkoo, R., & Smith, S. (2013). Political economy of tourism: trust in government actors, political
18   support, and their determinants. *Tourism Management, 36*, 120-132.

19 Perrini, F. (2006). SMEs and CSR theory: Evidence and implications from an Italian perspective.
20   *Journal of Business Ethics, 67*, 305-316.

21 Revell, A., & Blackburn, R. (2007). The business case for sustainability? An examination of small firms
22   in the UK's construction and restaurant sectors. *Business Strategy and the Environment,*
23   *16*(6), 404-420.

24 Revell, A., Stokes, D., & Chen, H. (2009). Small businesses and the environment: Turning over a new
25   leaf? *Business Strategy and the Environment, DOI:10.1002/bse.628*, no pages Published
26   online .

27 Ruhanen, L. (2013). Local government: facilitator or inhibitor of sustainable tourism development.
28   *Journal of Sustainable Tourism, 21*(1), 80-98.

29 Sampaio, A., Thomas, R., & Font, X. (2012a). Small business management and environmental
30   engagement. *Journal of Sustainable Tourism, 20*(2), 179-193.

31 Sampaio, A., Thomas, R., & Font, X. (2012b). Why are some engaged and not others? Explaining
32   environmental engagement among small firms in tourism. *International Journal of Tourism*
33   *Research*, 14(3), 235-249.

34 Sanchez-Medina, A., Romero-Quintero, L., & Sosa-Cabrear, S. (February 2014). Environmental
35   Management in Small and Medium-Sized Companies: An Analysis from the Perspective of
36   the Theory of Planned Behaviour. *PLOS ONE, 9*(2), 1-12.

Sardianou, E., Kostakis, I., Mitoula, R., Gkaragkani, V., Lalioti, E., & Theodoropoulou, E. (2016). Understanding the entrepreneurs' behavioural intentions towards sustainable tourism: a case study from Greece. *Environment Development and Sustainability, 18*, 857-879.

Sawitri, D., Hadiyanto, H., & Hadi, S. (2015). Pro-environmental behaviour from a Social Cognitive Theory perspective. *Procedia Environmental Sciences , 23*, 27-33.

Schoenberger, E. (1991). The corporate interview as a research method in economic geography . *The Professional Geographer, 43*(2), 180-189.

Schunk, D., & Usher, E. (2012). Social cognitive theory and motivation. In R. Ryan (Ed.), *The Oxford Handbook of Human Motivation* (pp. 13-27). New York: Oxford University Press.

Sharpley, R. (2003). Tourism, modernisation and development on the island of Cyprus: Challenges and policy responses. *Journal of Sustainable Tourism, 11*(2&3), 246-265.

Sigala, M. (2008). A Supply Chain management Approach for Investigating the Role of Tour Operators on Sustainable Tourism: the Case of TUI . *Journal of Cleaner Production, 16*, 1589-1599.

Spence, L. (2007). CSR and small business in a European policy context: The five "C"s of CSR and Small Business Research Agenda 2007 . *Business and Society Review, 112*(4), 533-552.

Stern, P. (2000). Toward a coherent theory of environmentally significant behavor. *Journal of Social Issues, 56*(3), 407-424.

Strauss, A., & Corbin, J. (1998). *Basics of qualitative research: Grounded theory procedures and techniques* (2nd ed.). Newbury Park:CA: SAGE Publishing Ltd.

Stumpf, T., Sandstrom, J., & Swanger, N. (2016). Bridging the gap: grounded theory method, theory development, and sustainable tourism research. *Journal of Sustainable Tourism, 24(12)*, 1691-1708.

Tabernero, C., & Hernandez, B. (2011). Self-efficacy and intrinsic motivation guiding environmental behavior. *Environment and Behavior, 43*(5), 658-675.

Taylor, S., & Todd, P. (1995). Decomposition and crossover effects in the Theory of Planned Behaviour: A study of consumer adoption intentions. *International Journal of Research in Marketing, 12(2)*, 137-155.

Thomas, R. (2015). Small firms and sustainable tourism policy: Exploring moral framing. In S. Gossling, C. Hall, & D. Scott, *The Routledge handbook of tourism and sustainability* (pp. 397-406). London: Routledge.

Thomas, R., & Ormerod, N. (2018). Small business and entrepreneurship research in tourism: a review and comment. In C. Cooper, B. Gartner, N. Scott, & S. Volo, *The Sage Handbook of Tourism Management* (pp. 240-253). London: Sage.

1 Thomas, R., & Thomas, H. (2006). Micro politics and micro firms: a case study of tourism policy
2   formation and change. *Journal of Small Business and Enterprise Development, 13*(1), 100-
3   114.

4 Thomas, R., Shaw, G., & Page, S. (2011). Understanding small firms in tourism: A perspective on
5   research trends and challenges. *Tourism Management, 32*, 963-976.

6 Tilley, F. (2000). Small firms' environmental ethics: How deep do they go? (R. Hillary, Ed.) *Business
7   Ethics: A European Review, 9*(1), 31-41.

8 Tomasella, B. (2015). Motivations for sustainability engagement among small tourism enterprises.
9   *WIT Transactions on Ecology and The Environment. Vol.193*, 895-904.

10 Triandis, H. (1979). Values, attitudes and interpersonal behavior. *Nebraska Symposium on
11   Motivation, 27*, 195-259.

12 Tzschentke, N., Kirk, D., & Lynch, P. (2008). Going green: Decisional factors in small hospitality
13   operations. *International Journal of Hospitality Management, 27*, 126-133.

14 Vernon, J., Essex, S., Pinder, D., & Curry, K. (2003). The 'greening' of tourism micro-businesses:
15   outcomes of focus group investigation in Souh East Cornwall. *Business strategy and the
16   environment, 12*(1), 49-69.

17 Wang, L., Law, R., Hung, K., & Guillet, B. (2014). Trust in the Tourism and Hospitality Industries: A
18   stakeholder perspective *. Journal of Hospitality and Tourism, 12*(2), 16-29.

19 Williams, S., & Schaefer, A. (2013). Small and Medium-Sized Enterprises and sustainability:
20   Managers' values and engagement with environmental and climate change issues. *Business
21   Strategy and the Environment , 22*(3), 173-186.

22 Williamson, D., Lynch-Wood, G., & Ramsay, J. (2006). Drivers of environmental behaviour in
23   manufacturing SMEs and the implications for CSR. *Journal if Business Ethics, 67*(3), 317-330.

24

25

26

27