

Psychological capital: A review of literature

Sajad Ahmad Bhat

Research Scholar, Department of Psychology, AMU, Aligarh, Uttar Pradesh, India

Abstract

Psychological capital is a core construct developed by Fred Luthans based on the higher order construct of Positive Organisational Behaviour (POB). With the advent of positive psychology, the research regarding psychological capital also attains speed and various researchers directed their focus in this direction. The aim of the present paper is to highlight the recent application of this positive psychological construct (PsyCap) to various domains of life. A total of 11 studies from 2010 to 2017 were incorporated in this study and it was revealed that Psychological capital has been studied across the various life domains. PsyCap is mostly associated with Job Satisfaction, Performance, Health, Sports, well being, substance use, and depression and it was found that Psychological capital is positively associated with health, performance, satisfaction and negatively associated with anxiety, depression, etc. There were some innovative researches done on PsyCap like on Bullying behavior and teenage violence tendencies.

Keywords: psychological capital, positive organisational behaviour, positive psychology

Introduction

The decision of moving away from disease model and illness to a new approach to looking at the world with positive qualities and traits of people started with the advent of positive psychology movement. This all started when the APA president Martin Seligman in 1998 in his presidential address to the association described his theme of speech to positive psychology. Positive psychology defined as the positive subjective experience. Seligman said the earlier approach of psychology to focus only on the mental illnesses and human disease is the product of history and was appropriate for that time. He never ruled out the need for the dysfunctional and disease model instead proposed that it is the time to shift over attention and course of study towards more positive approach. Positive psychology found its place in almost every domain of life like management, industries, health, sports etc. Fred Luthans (Luthans, 2002a, 2000b) ^[5] pioneered the positive approach in organizational behavior by mapping out positive organizational behavior (POB), with its focus on building human strengths at work rather than only managing weaknesses. Luthans used Positive psychology or POB as a foundation point for the higher order construct which he called Positive Psychological Capital or simply PsyCap. PsyCap is a simply going beyond the human and social capital to actual self (who we are) (Avolio and Luthans, 2006: 147). He defined PsyCap as a developmental state of an individual characterized by self-efficacy, hope, resilience, and optimism (Luthans *et al.*, 2007) ^[7]. Luthans said that these four components make up the positive state of Psychological Capital that can be measured, developed, and effectively managed for performance improvement in today's workplace' (Luthans, 2002b: 59) ^[5].

Dina, Paul, and Harms (2015) ^[4] conducted a study to see the effects of Psychological capital on Mental Health and Substance abuse. They used the data from a sample of 1889 U.S Army soldiers and the results of their study revealed that personnel's have higher levels of psychological capital prior to

deployment are less likely to receive a diagnosis of mental health problems and substance abuse post-deployment. In addition to this, the effects of psychological capital on mental health diagnosis were mediated by soldiers overall health perceptions.

Davood, Hasan, and Javanmard (2013) ^[1] carried out a research study comparing psychological capital and Meta-cognitive Beliefs between drug dependent students and normal students. The study was conducted on the Azad university students of Tabriz Iran in 2013. 100 subjects were selected as the sample for the study (50 drug dependent and 50 normal subjects). The results revealed by the study reflected that both the groups differ significantly in terms of psychological capital and met-cognitive beliefs. Drug-dependent students suffer lower psychological capital and impaired meta-cognitive beliefs.

Lynn, Powell, and Adama (2016) in a study "An intervention to enhance psychological capital and health outcomes in homeless female youths" used a quasi-experimental design with repeated measures to examine the feasibility and preliminary efficacy of a brief intervention to enhance psychological capital and reduce health risk behaviors. Study participants were 80 ethnically diverse homeless women between the ages of 18-30 years. The results revealed that intervention participants had significant improvements in psychological capital, hope, resilience, and self-efficacy to refuse alcohol and substance abuse.

Azimi in 2014 ^[2] conducted a research study to determine the role of Psychological Capital in predicting Mental Health and Well-being of female employees. 280 female employees comprised the sample. Psychological Capital Questionnaire (Luthans), Mental Health Questionnaire (Goldberg) and Satisfaction with Life Scale (Diener) were used as tools to collect data. After analyzing data, a significant positive correlation was found between Psychological Capital and Well-being and between PsyCap and Mental Health.

Riaz, Riaz & Batool (2014), conducted a study with the aim of

examining the effect of Positive Psychological Capital (Spiritual Wellness, Meaning in Life and Hope) as predictors of internalizing Psychological Problems (Depression, Anxiety & Stress) among flood victims and to investigate the moderating role of Meaning in Life & Hope in the relationship between Spiritual Wellness and Depression. A sample of this study comprised of 300 flood victims of Sindh, Pakistan. Spiritual Wellness Inventory, Meaning in Life Questionnaire, Adult Hope Scale, and Depression Anxiety Stress Scale was used to collect the information from participants. Findings indicate that positive Psychological Capital (spiritual wellness, meaning in Life, and Hope) has significant negative effect on depression. Spiritual wellness has significant negative effect on internalizing Psychological problems. Meaning in Life and Hope significantly moderated the relationship between spiritual wellness and depression. Male victims significantly scored higher on positive Psychological Capital as compare to female victims. Female victims significantly score high on internalizing Psychological problems as compare to male flood victims

Tripathi and Pankaj (2011) ^[12] conducted a study aimed to explore the role of Psychological Capital on employee Well-being and Satisfaction with Life. The sample size was 37 male employees which were taken from the insurance sector. The Scales used were Psychological Capital Scale (Luthans *et al.*, 2007) ^[7], Satisfaction with Life Scale (Diener *et al.*, 1985) and Employee Well-being Scale (Ryff's, 1985). The result of the study revealed that the Psychological Capital is a better predictor of employee Well-being and Satisfaction with Life.

Li, Ran, Wei, Ming, Peng, Chunming, and Wang (2013) performed a cross-study in Liaoning China, to explore the association between the functional social support (FSS) and psychological capital with depressive and anxiety symptoms among people living with HIV/AIDS employed full time. The researchers used the Zung Self-Rating Anxiety Scale, The Duke-UNC Functional Social Support Questionnaire, and the Centre for Epidemiologic Studies Depression Scale and the Psychological Capital Questionnaire to measure these constructs. Structural equation modeling was used to test the proposed relationships between variables. Asymptotic and resampling strategies were performed to explore the mediating roles of Psychological capital and its components (self-efficacy, hope, optimism, resilience). The results indicated that out of 320 participants that have been surveyed 66.3% had depressive symptoms and 45.6% had anxiety symptoms. There were significant negative associations between the functional social support (FSS) and psychological capital with depressive and anxiety symptoms. The components of psychological capital mediated the association between FSS and depressive symptoms. The study concluded that FSS and PsyCap help to reduce depressive and anxiety symptoms among people living with HIV/AIDS. PsyCap mediates the association between depressive symptoms and anxiety symptoms.

Ingrid and Russell (2017) explored the mediating role of Psychological Capital (PsyCap) in the relationship between Social Support and well-being of refugees. The study also examines the relationship between social support from non-work and work-related domains and well-being of refugees. 192 refugee employees living in Australia constitute the data for this study. The results revealed that perceived organizational and family support is positively related to the wellbeing of refugee employees. The study further indicated

that PsyCap fully mediates the relationship between perceived organizational support and wellbeing and partially mediates the relationship between perceived family support and wellbeing.

Rioli, *et al.*, (2012) examined the influence of Psychological Capital on the Well-being of university students. Psychological Capital was found to mediate between Stress and indices of Psychological and Physical Well-being. Psychological Capital also buffered the impact of Stress so that the relationship between Stress and negative outcomes was reduced.

Bin Li *et al.* (2014) investigated the role of Positive Psychological capital (PPC) in the relationship between Social Support (SS) and Subjective well being (SWB). The results showed that PPC, SS, and SWB are positively related. However, the important result showed by this study revealed that PPC mediated the relationship between SS and SWB.

Tony, Marian, and Eimer examine the role of Psychological capital and Social Support in relation to the impact of bullying at workplace. A total of 2068 employee from various organizations were included in this quantitative survey. A resource model of stress, with PsyCap and social support as potential mediators, was proposed and tested using structural equation model (SEM). The study results indicated that both PsyCap and social support mediate the impact of bullying but through their joint impact should be noted.

Xiaoxi, Li, Futing, Junhui, and Hui (2017) ^[14] conducted a study aimed to explore the associations of occupational stressors (extrinsic effort, reward, and overcommitment), perceived organizational support (POS), and psychological capital (PsyCap) and its components (self-efficacy, hope, resilience, and optimism) with work engagement and the mediating roles of PsyCap and its components among Chinese female nurses within the framework of the job demands-resources (JD-R) model. A cross-sectional sample (1,330) completed the Utrecht Work Engagement Scale, Effort-Reward Imbalance Scale, Survey of POS, and PsyCap Questionnaire, and effective respondents were 1,016 (76.4%). Hierarchical regression analysis and Preacher and Hayes' asymptotic and resampling strategies were used. The extrinsic effort was negatively associated with vigor, dedication, and absorption, while POS, PsyCap, and hope were positively associated with them. Reward and overcommitment were positively associated with dedication and absorption. Optimism was positively associated with vigor and dedication. Optimism mediated the associations of extrinsic effort, reward, and POS with vigor and dedication. PsyCap and hope mediated the associations of POS with vigor, dedication, and absorption. There is a low level of work engagement among Chinese female nurses. The extrinsic effort could reduce work engagement, while reward, overcommitment, POS, PsyCap, hope, and optimism could enhance work engagement. Hospital managers should develop the PsyCap of female nurses through controlling occupational stressors and establishing a supportive organizational climate to enhance their work engagement.

Conclusion

The positive construct of Psychological Capital has been studied in numerous life domains and has positively attributed to life and health at large. PsyCap is good predictive of mental health and those having high on the components of PsyCap are less likely to become substance users as shown by the study conducted by Dina, Paul, and Harms. Other studies also

revealed that lower scores on psychological capital were found among drug abusers. PsyCap has been associated with health outcomes showed by the study conducted by Lynn, Powell, and Adama. Several other research studies also linked PsyCap with various other life domains like health and wellbeing (Azimi 2014) [2] Wellbeing and Satisfaction (Tripathi and Tripathi 2013). The already research conducted on psychological capital is tremendous and there is a large scope for future research to fill the gaps in research of psychological capital.

and Psychological Capital with Work Engagement among Chinese Female Nurses. *BioMed Research International*, 2017.

References

1. Akbarzadeh D, Akbarzadeh H, Javanmard G. On comparison of Psychological Capital and Metacognitive beliefs between Drug Dependent students and Normal students. *Research on Addiction Quarterly Journal of Drug Abuse*. 2014; 8(31):9-20.
2. Azimi T. the role of psychological capitals in predicting mental health and well-being of female employees in the education of dehdasht. *Indian Journal of Fundamental and Applied Life Sciences*. 2014, 4.
3. Debra Nelson L, Cary Cooper L. *Positive Organisational Behaviour* (ed). Sage Publications Ltd London, 2007.
4. Krasikova DV, Lester PB, Harms PD. *Effects of Psychological Capital on Mental Health and Substance Abuse*. P. D. Harms Publications. 2015, 9.
5. Luthans F. The need for and meaning of positive organizational behavior. *Journal of Organisation Behavior*. 2002; 23:695-706.
6. Liu L, Pang R, Wu M, Qu Peng Lu C, LW. Functional social support, psychological capital, and depressive and anxiety symptoms among people living with HIV/AIDS employed full time. *BMC Psychiatry*. 2013; 13:324.
7. Luthans F, Avolio BJ, Avey JB, Norman SM. Positive Psychological Capital: Measurement and Relationship with Performance and Satisfaction. *Personnel Psychology*. 2007; 60:541-572.
8. Liu L, Pang R, Wu M, Qu Peng Lu C, L W. Functional social support, psychological capital, and depressive and anxiety symptoms among people living with HIV/AIDS employed full time. *BMC Psychiatry*. 2013; 13:324.
9. Li B, Ma H, Guo Y, Xu F, Yu F, Zhou Z. Positive psychological capital: A new approach to social support and subjective well-being. *Social Behavior and Personality: An international journal*. 2014; 42:135-144.
10. Newman A, Nielsen N, Smyth R, Hirst G. Mediating role of Psychological capital in the relationship between social support and well-being of refugees. *International Migration*. 2017, 1-32.
11. Rew L, Powell T, Brown A, Becker H, Natasha S. An intervention to enhance Psychological Capital and Health Outcomes in Homeless Female youths. *Western Journal of Nursing Research*. 2017; 39(3).
12. Tripathi. Pankaj. Employee Well-being: Role of Psychological Capital. *Amity Journal of Applied Psychology*. 2011; 2(1):18
13. Tony C, McLaughlin M, Mcdowell E. *Bullying and Psychological Capital*, 2013. http://uir.ulster.ac.uk/28168/1/Bullying_and_health_at_work.pdf
14. Wang X, Liu L, Zou F, Junhui H, Wu H. Associations of Occupational Stressors, Perceived Organisational Support,