

# The Influence of Psychological Capital on the Perceived Organizational Support of IT Professionals

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**Abstract:** Psychological capital (PsyCap) being a recent topic and relatively more recent in India has received the attention of researchers and organizations. Although PsyCap is only a couple of decades old, it actually was derived from various personality and psychological traits. Organizations today know that by promoting a positive organizational image in the employees' mind there can be positive organizational outcomes. Thus, organizations knowing the importance of it, promote the employee performance by providing support in terms of monetary benefits, feeling of empowerment etc. This study attempts to find if there is an individual's influence on the perceived organizational support by testing the relationship between the PsyCap of an employee and his or her perceived organizational support (POS). This study includes testing the relationship between the individual dimensions of PsyCap and POS. For this purpose, this study included 70 samples of IT employees working in Chennai. The measurement model was tested using structural equation modelling and its validity was tested using confirmatory factor analysis. The findings revealed a positive relationship between PsyCap and POS and that among the four dimensions of PsyCap, only hope and optimism have a significant relationship with POS.

**Index Terms:** Psychological capital, citizenship performance, organizational citizenship behavior, perceived organizational support, OCB domain, IT employees

## I. INTRODUCTION

The shift of focus to the human factor in companies has rallied in new trends to promote the performance and behavior within an organization. An employee's job performance is considered one of the critical business issues and hence, it became crucial for organizations to engage body, mind, and soul of every employee (Ulrich, 1997). A recent trend in trying to engage the mind and soul of every employee in the organization would be positivity in the workplace due to the impetus of positive psychology. The shift of focus from 'what not to do' to 'what to do' has provided an open field for studies on positive behaviors at work. Positivity in organizations has been studied purposively or non-purposively from way back gradually emerging into the field of positive organizational behavior (POB). Precisely, the

field of POB emerged from the positive psychology approach (Bakker & Schaufeli, 2008). The term psychological capital (PsyCap) is constantly used in alignment with POB as it consists of significant POB variables and is considered one of the vital positive personality dimensions. This can be beneficial to solve some of the human issues in organizations. Unlike traditional capital (financial capital), human and social capital, PsyCap meets the established criteria of competitive advantage of being long term, unique, cumulative, interconnected and renewable (Luthans & Youssef, 2004). It is considered very important, in today's scenario for an organization to maintain a positive image in the minds of their employees. Most of the organizations today have understood this concept and act in accordance with the improvement of the perceived organizational support in their employees' minds. There are numerous studies that prove the direct relationship between POS and job-related outcomes. It is also found that organizations need to promote the job performance of the employees and one way of achieving that is by maintaining a strong perceived organizational support. This paper questions whether POS can only be improved by the efforts of an organization and if there is no influence of the individual on that perception. It can be argued that no matter what the circumstances are, perception is subject to an individual. A good situation can be perceived wrong by a pessimistic person. Thus, this study tries to study if there is a relationship between PsyCap and POS. Although the reverse has been studied previously i.e. studies have confirmed that that employee who perceives that there is strong organizational support tends to report a higher psychological capital (Sihag & Sarikwal, 2015, Shaheen, et al., 2016, Roemer & Harris, 2018, etc.) To summarize, PsyCap and POS are two key areas to be looked at under the wide umbrella of performance management. Since PsyCap is an individual's positive psychological state linked to work, it is understood that the organizational factors may have an effect on PsyCap and the reverse can be true too which is the objective of this study.

## II. REVIEW OF LITERATURE

### A. Perceived Organizational Support

POS is based on the organizational support theory and refers to the belief of an employee pertaining to the extent to which the organization values and cares for his or her contribution and well-being (Eisenberger et al., 1986).

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It can be claimed that POS is the exchange relationship between the organization and its workforce i.e. the individual employee. When the employees' perception of the organizational support is high, it is said to increase the employees' felt indebtedness to achieve the organization's objectives, organizational commitment, and the expectation that better performance would be rewarded (Eisenberger, et al., 1986, Shore and Shore, 1995, and Rhoades and Eisenberger, 2002).

## B. Psychological Capital

The positive psychological state of development of an individual that is characterized by the integration of self-efficacy, hope, resilience, and optimism pigeons his/her psychology capital. Thus, PsyCap conceived as a key facet of the positive psychological theory is a second-order construct. PsyCap is considered as a strength-based approach as it reasonably yields a return on development and thus, making it an optimal resource for workplace development (Luthans & Youssef, 2007, Youssef and Luthans, 2013, Youssef and Luthans, 2014, and Fineman, 2006).

### 2.1.1. Hope

Hope is a motivational state that positively and interactively derives a sense of successful agency i.e. an energy that is goal-directed or pathway i.e. goal achievement plans (Snyder et al., 1991, Levene, 2015, Snyder, 2000, Snyder, 2002). In simple terms, individual's aptitude to have clear set goals, to have plans to achieve the goals and to actually act on achieving the goals is called hope (Snyder, 2000, Luthans and Jensen, 2002).

### 2.1.2. Self-efficacy

An individual's confidence in one's abilities in the successful execution of a specific task within a specified context (Stajkovic and Luthans, 1998b and Luthans, 2002a). Unlike hope, optimism and resilience, self-efficacy has been primarily supported and measured as a state (Bandura, 1997, Maurer and Pierce, 1998, Parker, 1998, Luthans, 2002a, and Luthans and Youssef, 2007).

### 2.1.3. Resilience

The competence to bounce back from both negative events and extraordinary positive events is said to be resilience. This ability to respond and bounce back from positive and negative stressful circumstances distinct resilience from hope (Luthans, 2002a, Luthans et al., 2006 and Luthans and Youssef, 2007).

### 2.1.4. Optimism

Optimism, mostly associated with Seligman's positive psychology work, elucidates positive events to be pertaining to an individual, permanent, and prevalent and negative events to be external, brief, and situation-specific (Levene, 2015, Seligman, 1998 and Luthans, and Youssef, 2007).

## III. OBJECTIVES

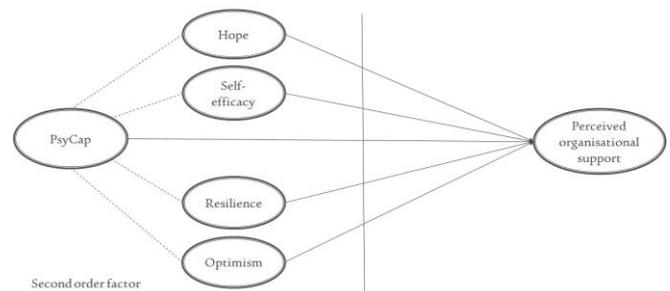
The general objective of the study is to determine the relationship between psychological capital and perceived

organizational support. The specific objectives of this research are to ascertain the relationships between the dimensions of PsyCap i.e. self-efficacy, hope, resilience and optimism and POS, individually. In a nutshell, this paper aims to find which of the dimensions can impact the perception of an employee's organizational support or if all of the dimensions can have an impact on POS.

## IV. RESEARCH METHODOLOGY

### A. Conceptual and Theoretical Framework

Fig. 1 Conceptual framework



### B. Hypotheses

- H1: There is a positive relationship between PsyCap and the POS of IT employees in Chennai
- H1a: There is a positive relationship between self-efficacy and POS of IT employees in Chennai
- H1b: There is a positive relationship between hope and POS of IT employees in Chennai
- H1c: There is a positive relationship between resilience and POS of IT employees in Chennai
- H1d: There is a positive relationship between optimism and POS of IT employees in Chennai

### C. Instrumentation and data collection

A questionnaire consisting of 35 questions was framed. The questionnaire begins with a set of demographic questions followed by the PsyCap questionnaire by Luthans, et al. (2007) and the short version of POS questionnaire by Eisenberger, et al. (1986). The entire questionnaire was framed in a five-point Likert scale.

### D. Data collection and participants

The questionnaire was administered to respondents through a google form. The sample frame was set to Chennai to minimize cultural influences on the study and employees working in the IT sector were chosen as respondents. 70 samples were collected and the data were coded in IBM SPSS statistics 22. There were no missing values as all the questions were marked mandatory.

The demographics part of the questionnaire collected information on the respondents such as age, gender, and tenure of years in the organization. The analysis on the demographic data of the sample shows that 51.4 per cent of the participants were male, 54.3 per cent belonged to the category of age group 26–35 and 20 per cent were in the company for 4–5 years.

V. RESULTS AND DISCUSSION

A. Results

Table I - Reliability of the measurement scales

Scale	Reliability	
PsyCap	Before - 0.804	After - 0.823
POS	0.795	

Table II - Model fitness of the overall structural model

Index	Value	Acceptance level
CMIN/DF	1.237	< 0.3 (Good); < 0.5 (Acceptable)
CFI	0.911	> 0.9 (Good); > 0.8 (Acceptable)
RMSEA	0.059	< 0.06 (Good); 0.06-0.1 (Moderate)
PCLOSE	0.250	>0.05 (Good)

Table III - Standardized regression weights of the overall relationship

Relationship	$\beta$ Estimates	p-value
PsyCap $\rightarrow$ POS	0.489	0.15*

\*significant at 0.05 level

Table IV - Model fitness of the structural model of the dimensions

Index	Value	Acceptance level criteria
CMIN/DF	1.158	< 0.3 (Good); < 0.5 (Acceptable)
CFI	0.941	> 0.9 (Good); > 0.8 (Acceptable)
RMSEA	0.048	< 0.06 (Good); 0.06-0.1 (Moderate)
PCLOSE	0.550	>0.05 (Good)

Table V - Standardized regression weights of the relationship between PsyCap dimensions and POS

Relationship	$\beta$ Estimates	p-value
Selfefficacy $\rightarrow$ POS	0.038	0.803
Hope $\rightarrow$ POS	0.421	0.048*
Resilience $\rightarrow$ POS	0.096	0.432
Optimism $\rightarrow$ POS	0.293	0.018*

\*significant at 0.05 level

B. Discussion

The latent factors under study, PsyCap and POS each have a valid measurement scale as they were used in numerous studies before. Thus, a simple reliability test was run and the alpha value is given in Table I. Five items in the PsyCap scale were removed due to very low factor loadings and to improve the model fitness. A reliability test after removing those items was run and as seen in Table 1, the alpha value increased.

The conceptual framework is shown in Fig. 1 was split into two—overall model and dimensions model. A CFA was run for both the models. The acceptance level criteria were framed by referring Hu & Bentler, 1995, Byrne, 2010, Bentler, 1990, and Hu & Bentler, 1999. From Table II and IV, it is seen that the model fitness criteria are met.

The result of this study from Table III shows a good positive relationship between the overall PsyCap and the perceived organizational support of the IT professionals in Chennai. This result proves that although a perceived sense of support can alter the psychological state of a person, it is also true that a person’s psychological state can impact his/her

perception of support from the organization. The hypothesis H1, i.e. There is a positive relationship between PsyCap and the POS of IT employees in Chennai, is therefore accepted.

In order to find whether all dimensions of PsyCap equally contribute to the impact on POS, the relationships between the dimensions and POS were individually tested. From the result Table V, it is understood only hope and optimism have a significant relationship with POS. This leads to the acceptance of the hypotheses H1b and H1d and the rejection of the hypotheses H1a and H1c. Thus, it is determined that an hopeful and optimistic individual is more likely to perceive organizational support better.

Since PsyCap is a malleable state, this study suggests the management that wants to improve their image in the minds of their employees to focus on their hope and optimism. There are various training and intervention tools to help employees benefit themselves and the organization by improving their PsyCap, PsyCap intervention (PCI) being one among them.

VI. CONCLUSION

This study can be taken as a basis by organizations that want to promote the performance of their employees by boosting their image in the employees’ minds. A happy employee can create a positive environment in an organization and improve the end result without the organization pushing the employees to do so. This study provides proof as to how helping the employees improve their hope and optimism can influence their perceived organizational support which in turn leads to harder working and loyal employees.

This study showed a positive relationship between PsyCap and POS, specifically stating that hopeful and optimistic employees perceive the organizational support better leading to positive organizational outcomes. However, organizational support cannot be constrained to its literal meaning. Support from the organization can be of three types: management support, supervisor support, and coworker support. All these three should be considered while discussing perceived support. Although this study only focused on management support, it acts as a base for future studies that can include the other supports.

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