

POSITIVE PSYCHOLOGICAL CAPACITIES, EMPOWERMENT AND JOB PERFORMANCE

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FOR THE READERS ATTENTION

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- The mini-dissertation is submitted in the form of a research article. The editorial style specified by the South African Journal of Industrial Psychology (which agrees largely with the APA-style) is used, but the APA guidelines were followed in the construction of tables.
- Each chapter of the mini-dissertation has its own list of references.

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SUMMARY

Title: Positive psychological capacities, psychological empowerment and job performance

Key words: Positive psychology, positive psychological capacities, hope, optimism, resilience, self-efficacy, psychological empowerment

In the landscape of the 21st century, where competition in the financial sector is growing even more intense, the future will belong to those organisations that harness the power and potential of their human capital. It is the one huge reservoir left largely untapped, and those organisations which do this the best will be the business winners of this century. It makes sense then that different ways on how best to utilise and develop human capital for use as leverage in the competitive arena of the workplace should be investigated.

Consequently, as an alternative to getting hindered by the swirling negativity and challenges, it was proposed that a positive approach is needed. It is believed that building positive psychological capacities within organisational contexts will be a powerful means of assisting South African organisations and employees to meet their new paradigm challenges. This will aid the successful transformation and augmentation and contribute to a truly ideal "Rainbow Nation" for South Africa. The researcher believes that this can be done by drawing from the positive psychology movement, where specifically selecting and developing certain positive psychological capacities may lead to desirable performance outcomes.

The objective of the research was to determine if there was a relationship between positive psychological capacities (hope, optimism, resilience, self-efficacy), psychological empowerment and job performance of employees in a financial organisation. A correlational survey design was used. The study population ($n = 155$) consisted of call centre employees in a financial environment in Gauteng. The State Hope Scale, Life Orientation Inventory – Revised, Resilience Scale, Self-Efficacy Scale, Measuring Empowerment Questionnaire and a biographical questionnaire were used as measuring instruments. Cronbach alpha coefficients, factor analysis,

Pearson product moment correlation coefficients and stepwise multiple regression analysis were used to evaluate the data.

It was found that the research group was experiencing above average levels of hope and average/moderate levels of optimism. The study also revealed that high levels of resilience and self-efficacy, as well as above average levels of psychological empowerment were being experienced by the respondents. Correlation analyses reveal a statistical and practically significant positive relationship between hope and job performance. A statistically significant relationship was found between optimism and job performance and self-efficacy and job performance. However, no statistical or practically significant relationship was found to exist between resilience and job performance and between psychological empowerment and job performance.

With regards to the relationships between the constructs, correlation analyses yielded a statistical and practically significant relationship between hope and optimism, hope and resilience, hope and self-efficacy, and hope and psychological empowerment. There is also a practical and statistically significant relationship between optimism and resilience; self-efficacy and resilience and between optimism and self-efficacy. However, no practically significant relationship was found between resilience and psychological empowerment and between self-efficacy and psychological empowerment.

This study also investigated if the positive psychological capacities of hope, optimism, resilience and self-efficacy and psychological empowerment, could be used to predict job performance. It was found that hope, optimism and self-efficacy can be used to predict job performance. Resilience however was found not to be a predictor of job performance. Finally this study investigated if psychological empowerment could be used to predict job performance and it was found that psychological empowerment was unfortunately found not to be predictor of job performance.

Finally, recommendations were made for the organisation under study, as well as for future research purposes.

OPSOMMING

Titel: Positiewe sielkundige kapasiteite, sielkundige bemagtiging en werksprestasie

Sleutelwoorde: Positiewe sielkunde, positiewe sielkundige kapasiteite, hoop, optimisme, veerkragtigheid (resilience), selfeffektiwiteit (self-efficacy), sielkundige bemagtiging

In die landskap van die 21ste eeu, waarin kompetisie in die finansiële sektor vergroot, sal die toekoms behoort aan daardie organisasies wat die potensiaal van hulle menslike kapitaal die beste kan inspan. Dit is die een groot hulpbron wat grotendeels onbenut is en die sakewenners van hierdie eeu sal daardie organisasies wees wat die beste daarin slaag om dit te ontgin. Dit maak derhalwe sin om die verskillende maniere wat hierdie menslike kapitaal benut en ontwikkel kan word te ondersoek, en as hefboom in die kompeterende werksplek te benut.

Deur spesifiek motivering aan die positiewe sielkundige beweging te ontleen, is die navorser van mening dat die keuse vir en ontwikkeling van bepaalde positiewe sielkundige kapasiteite tot verlangde werksprestasiesuitkomst sal lei. Verder word gemeen dat die opbou van positiewe sielkundige kapasiteite binne organisatoriese konteks 'n kragtige middel sal wees om Suid-Afrikaanse organisasies en werknemers by te staan om hulle nuwe paradigma-uitdagings te hanteer. Dit sal die suksesvolle transformasie en uitbreiding aanhelp en bydra tot die 'n werklik ideale "Reënboognasie" vir Suid-Afrika.

Die doel van die navorsing was om vas te stel of daar 'n verband is tussen positiewe sielkundige kapasiteit (hoop, optimisme, veerkragtigheid, selfeffektiwiteit), sielkundige bemagtiging en werksprestasie van werknemers in 'n finansiële instelling. 'n Kruisseksie opname-ontwerp is gebruik. Die teikenpopulasie ($n=155$) van die studie het bestaan uit inbelkantoor (call centre) werknemers in 'n finansiële omgewing in Gauteng. Die State Hope Scale, Life Orientation Inventory – Revised, Resilience Scale, Self-efficacy Scale, Measuring Empowerment Questionnaire en 'n biografiese vraelys is as meetinstrumente gebruik. Cronbach alpha

koëffisiënt, faktoranalise, Pearson produkmoment korrelasie-koëffisiënte en stapsgewyse veelvuldige regressie-analise is gebruik om die data te ontleed.

Daar is gevind dat die navorsingsgroep **bogemiddelde vlakke van hoop en gemiddelde vlakke van optimisme** ervaar. Die studie het ook vasgestel dat **hoë vlakke van veerkragtigheid en selfeffektiwiteit** deur die navorsingsgroep ervaar was **asook bogemiddelde vlakke van sielkundige bemagtiging**. **Korrelasie-analise het prakties-beduidende verhoudings** tussen hoop en werksprestasie getoon. **Statisties beduidende verbande** is tussen werksprestasie en optimisme, **asook tussen veerkragtigheid en werksprestasie** gevind. **Geen beduidende verband** is tussen **veerkragtigheid en werksprestasie** en tussen **werksprestasie en sielkundige bemagtiging** gevind nie.

Rakende die verhouding tussen die konstrakte, wys die korrelasie-analise dat **‘n statistiese en prakties beduidende verhouding tussen hoop en optimisme; hoop en veerkragtigheid; hoop en selfeffektiwiteit; en hoop en sielkundige bemagtiging, bestaan**. Daar is ook **‘n praktiese en statisties beduidende verhouding tussen optimisme en veerkragtigheid; self-effektiwiteit en veerkragtigheid; en optimisme en self-effektiwiteit**. **Daar is egter geen praktiese beduidende verhouding tussen veerkragtigheid en sielkundige bemagtiging; en tussen selfeffektiwiteit en sielkundige bemagtiging, gevind nie**.

Hierdie studie het ook ondersoek of die positiewe kapasiteite van hoop, optimisme, veerkragtigheid en selfeffektiwiteit benut kon word om werksprestasie te voorspel. Daar is bevind dat hoop, optimisme en selfeffektiwiteit gebruik kan word om werksprestasie te voorspel. **Veerkragtigheid is egter nie as voorspellers van werksprestasie bevind nie**. Hierdie studie het ook ondersoek of sielkundige bemagtiging benut kon word om werkprestasie to voorspel. Dit is bevind dat sielkundige bemagtiging **nie ‘n voorseller van werksprestasie is nie**.

Ten slotte word aanbevelings gemaak vir die organisasie waar die studie onderneem is sowel as vir toekomstige navorsingsdoeleindes.

CHAPTER 1

1. INTRODUCTION

This mini-dissertation deals with the positive psychological capacities of hope, optimism, resilience and self-efficacy, psychological empowerment and job performance. In this chapter the motivation for the research is discussed in terms of the problem statement; aims of the research and the research method.

1.1 PROBLEM STATEMENT

Since the 1970's, economic recessions, industrial restructuring, technological change and an intensified global competition have dramatically changed the nature of work (Sverke & Hellgren, 2002). South Africa itself has gone through significant change in the last decade and will continue to do so (Pienaar & Roodt, 2001). In addition to keeping up to date with these changes, Stander (2007) indicates that organisations face the arduous task of obtaining and sustaining competitive advantage that will give them the edge over their competitors. As a result, national and international companies realise the value of employees as one of their most precious assets, largely attributed to the belief that people are a source of sustainable competitive advantage (unlike traditional physical, structural and financial resources) that is more inimitable by competitors (Barney, 1991). Human capital is usually equated with knowledge, skills and abilities or competencies derived from education, experience and specific identifiable skills (Hitt, Bierman, Shimuzu, & Kochhar, 2001).

South African organisations have as a result strategically engaged in efforts to recruit, develop, train and manage the most proficient and capable people to improve organisational effectiveness. This could largely be due to the reality that individuals who perform well on the job will add to the organisational bottom-line and will have a meaningful impact by giving the organisation the edge for competitive advantage. Effective job performance then becomes an important strategy that any competitive organisation should have rooted in its organisational climate and culture in an effort to promote this advantage (Pienaar & Roodt, 2001).

The organisation in which this study was undertaken is one where the value of human capital is recognised and where a strategy for effectively managing and rewarding job performance has been adopted. Appropriate to this study, is the organisation's motto which is "we believe that people with a positive attitude can make a success of life". The organisation has a pay for performance remuneration system, which is based on the notion that a consultant only gets remunerated for the amount of work that is processed by him or her. Consultants who obtain over and above this target point are awarded a production bonus and those who fail to obtain the target are penalised with a negative percentage. Thus remuneration is based on the number of transactions completed correctly in a given month (Organisation Intranet).

Job performance is defined broadly as an aggregate construct of effort, skill, and outcomes that are important to the employee and to the organisation (Behrman & Perreault, 1984). Goodhue and Thompson (1995) define performance as a measure of a person's ability to execute a specific task and are influenced by aspects such as intelligence, education, training, and experience. However, organisations should realise that in the competitive market-place, education, experience and skills very quickly become outdated (Sverke & Hellgren, 2002) and something more substantial is needed. It is the researcher's belief that it would make sense then that in addition to the above, other methods and strategies be investigated that could contribute to maintaining competitive advantage through its priceless resources (its people), and that the field of positive psychology could possibly add value to the enablement of this reserve, specifically with regard to its likely contribution to job performance.

The positive psychological approach is the quest for optimal human functioning. It has as its focus, human strength and virtue and its ultimate mission is to make people's lives more productive and worthwhile, through building and actualising human potential (Lopez, Snyder, & Rasmussen, 2003; Seligman, 1998). The crux is the identification and nurturing of the strongest qualities that people have, and helping them to uncover ways in which they can best utilise these strengths (Lopez et al., 2003). Positive organisational behaviour (POB) is one of the movements that positive psychology has spurred. It applies human resource strengths and psychological capabilities that are validly measurable and possible to develop for performance improvement in today's workplace (Luthans, 2003).

Efforts by Luthans and Youssef (2004) conceptually bundled POB states into a higher-order construct they called "positive psychological capital" or PsyCap. Luthans, Avolio, Walumbwa and Li (2005) proposed that psychological capital is a psychological reserve that stimulates growth and performance, and that at the organisational level, PsyCap can be equated to human and social capital as it may also provide influence, return on investment and competitive advantage through improved employee performance. In addition to this, positive psychological capacities can be assessed in terms of bottom-line impact, return on investment and impact on competitive advantage (Luthans & Youssef, 2004). These POB abilities include positive attitudes, emotions and behaviours that are relevant for organisations and their members and these include character strengths and virtues such as self-efficacy, creativity, hope, persistence, vigour, flow, work engagement, generosity, citizenship, forgiveness, resilience, optimism and humour (Luthans, 2003).

This research focused on the positive psychological capacities of hope, optimism, resilience and self-efficacy as they are unique, measurable, developable (through training programmes, self-development, or on-the-job applications) and performance related (Luthans & Youssef, 2004). In addition, Luthans (2003) and Wright (2003) have argued that these constructs are based upon solid theory development and have significant research back up and therefore meet the definitional criteria of being based on theory and research. Furthermore, research has shown that certain capacities like hope, self-efficacy and optimism have a direct positive impact on work-related performance (Stajkovic & Luthans, 1998).

In addition, the concept of psychological empowerment was also focused on because while Seligman's work in positive psychology was extended to the workplace and called POB, a parallel development by a group of researchers also recognised this movement at a more macro-level and called it positive organisational scholarship or POS (Cameron, Dutton & Quinn, 2003). At its core, POS is about "positive deviance," or the ways in which organisations and their members flourish and prosper (Cameron, 2003). To be positively deviant, Spreitzer and Sonenshein (2003) argue that an empowered mindset is critical, as positive deviance involve the person taking real risks, by departing from norms in a positive way (Quinn & Quinn, 2002). Furthermore, research has revealed that empowerment also affects job performance (Spreitzer,

1995), employee effectiveness (Shechanova, Alampay, & Franco, 2006; Spreitzer, Kizilos & Nason, 1997), employee productivity (Koberg, Boss, Senjem & Goodman, 1999), and work unit performance (Seibert, Silver, & Randolph, 2004). These findings suggest significant positive potential for psychological empowerment in a work context and also contribute to the competitive advantage of organisations.

A brief discussion of the constructs under study will now follow.

Hope is a construct that is closely related to optimism (Carr, 2004), and draws from the work of Snyder (2000). Hope is conceptualised "as involving two main components: the ability to plan pathways to desired goals despite obstacles, and agency or motivation to use these pathways. Hope is a sum of these two components" (Carr, 2004, p. 88). It is believed that those with high hopes are motivated by their sense of having the ability to develop ways to get the things they want, which provides them with the ability to generate alternative pathways toward the accomplishment of their goals if the original ones have been blocked (Lopez, Snyder & Pedrotti, 2003). Although research on the positive impact of hope's work-outcomes is relatively recent, research has shown that leaders' level of hope has a significant positive impact on business unit financial performance, employee's job satisfaction and retention (Lopez, et al., 2003). In addition, a cross-cultural study has shown that hope was related to job performance (Luthans & Youssef, 2004). This highlights the possibility of the value-adding benefit that hope may have in contributing to sustainable competitive advantage.

Optimism has been defined as the stable tendency "to believe that good things rather than bad things will happen" (Scheier and Carver, 1985, p. 219). They (Scheier and Carver, 1985) have described optimism as an activity associated with goal attainment (especially when the outcome is viewed as being significant to the person) and self-regulation. According to this classification, self-regulators plan in advance for the management of obstacles that might thwart the attainment of their goals, and they also show evidence of confidence, that in spite of difficult obstacles, they will still persist in achieving their goals. Optimism then, is about "generalised expectations that good things will happen" (Scheier & Carver, 1985, p. 171). Seligman (1998) believes that optimism can be learned and that optimistic people tend to believe that bad things happen by

chance and that good things are created by them, as opposed to pessimistic people who tend to believe that good things happen by chance and bad things happen because of who they are. Peterson (2000) considers optimism as involving cognitive, emotional, and motivational components and that highly optimistic people tend to have better moods, be more persevering and successful and experience better physical health, which may contribute to better job performance. Studies by Risch (1999); Scheier, Carver and Bridges (1994); Seligman (1998) and Sujan (1999) have positively linked optimism to job performance and have suggested that employees with higher levels of optimism are more likely to motivate themselves and the people around them to meet daily challenges.

Resilience is the ability of an individual or an organisation to expeditiously design and implement positive adaptive behaviours matched to the immediate situation while enduring minimal stress (Mallak, 1998). According to Luthans and Youssef (2004), it is the ability to recover from adversity, insecurity, failure or even positive, but seemingly devastating changes. It should be noted that individual and environmental protective mechanisms function through resilience, by the enhancement of assets and/or the reduction of the risk factors within the individual and/or his/her environment. Analyses conducted by organisational scholars have suggested that resilient people can thrive and grow through set-backs and difficulties (Bernard, 1993; Hagevik, 1998; Henderson & Milstein, 1996; Patterson, 2001). Results indicate that they bounce back to more elevated (than their original) levels of performance and are capable of finding meaning and value in their lives in the process (Mallak, 1998).

Self-efficacy draws from the widespread theory and research of Albert Bandura (1997), and is defined as one's confidence in one's ability to mobilise the motivation, cognitive resources and course of action required to execute a specific plan of action within a given context. People who are self-efficacious choose challenging tasks and endeavours, extend motivation and effort to successfully accomplish their goals and persevere when faced with obstacles (Bandura, 1997). Self-efficacy has research backup as to its positive impact in organisational settings. For example, research conducted by Stajkovic and Luthans (1998) found that self-efficacy has a positive correlation with work related performance. Moreover, research supports the relationship between self-efficacy and desirable attitudinal outcomes such as job satisfaction, organisational

commitment, turnover intentions and perceived organisational effectiveness (Anderson, 2003; Kouzes & Posner, 1995).

Empowerment, according to Menon (2001), can be viewed as an act (structural approach), a psychological state of mind (motivational approach) or an energising aspect through leadership (leadership approach). For the purposes of this research, the motivational aspect of empowerment was focused on. The motivational approach focuses on intrinsic motivation to increase individuals' level of power (Spreitzer, 1995). Psychological empowerment is an aspect of the motivational approach (Menon, 2001). The researcher believes that the individual employee should act out of choice to express skills and abilities to the fullest extent and take ownership of the empowerment process. It is for these reasons that empowerment was studied from the psychological perspective. Psychological empowerment refers to a set of psychological conditions necessary for individuals to feel in control of their own destiny (Spreitzer, 1995). Spreitzer (1995) and Thomas and Velthouse (1990) defined empowerment as intrinsic task motivation and described four dimensions of the psychological state of an empowered person:

- (i) *Meaningfulness*, which according to Hackman and Oldham (1980), and Spreitzer (1995), involves a fit between the needs of one's work role and one's beliefs, values and behaviours.
- (ii) *Competence*, which refers to self-efficacy specific to one's work, and/or a belief in one's ability to perform work activities with skill (Bandura, 1989).
- (iii) *Self-determination* (or choice), which is linked to an individual's sense of having a choice in initiating and regulating actions (Deci, Connell, & Ryan, 1989; Spreitzer, 1995).
- (iv) *Impact*, which refers to the perception of the degree to which an individual can influence certain outcomes at work (Spreitzer, 1995).

Nortjie (2001) states that many employees within South African organisations, suffer from poor self-esteem, lack of personal vision and a feeling of hopelessness. She further argued that these attitudes and beliefs result in the formation of inner barriers that block growth and proactive development. In the workplace these feelings manifest as a reluctance to accept responsibility, lack of commitment and ultimately below average performance. The researcher is of the opinion that this is a major dilemma for South Africa and organisations worldwide, especially considering its impact on the levels of job performance. Gardner and Siegall (2000) reported in

their study that employees who are psychologically empowered have a high sense of self-efficacy, are given authority and responsibility in their jobs and see themselves as being innovative. Empowerment is deemed an important issue in the organisation in which the study was undertaken, because it is a market that demands great flexibility and accountability. Effective and efficient service delivery demands that people take responsibility for their roles to ensure that they deliver. Therefore it is pivotal to have an empowered workforce, who has the ability to satisfy market needs in an efficient manner.

Evidence has also been found in literature that the constructs of hope, optimism, resilience, self-efficacy and psychological empowerment share some associations with each other. Conger and Kanungo (1988) claimed that empowerment involves a process of enhancing feelings or has a motivational concept of self-efficacy. It is believed that through empowerment, individuals experience purpose and efficacy that allows them to persevere. In addition, psychological empowerment can facilitate a sense of real hope that things will get better in the future (Spreitzer & Mishra, 2000). Additionally, Bandura (1997) indicated that there is a similarity between hope and self-efficacy, specifically, when related to the willpower or agency component of hope. He believed the latter is similar to efficacy expectancies and the hope pathways are close to efficacy outcome expectancies. Furthermore, Soloman (2005) believed that the explanatory style of optimistic people produces resilience, whereas the pessimistic outlook is a recipe for hopelessness.

Ultimately this research investigated if a relationship existed between hope, optimism, resilience, self-efficacy, psychological empowerment and job performance, in the search to gain sustainable competitive advantage, through the effective capitalisation of these positive strengths. It was hoped that the findings of this research will give an indication of whether positive psychological capacities and psychological empowerment should be considered when selecting high performing people before entry into the organisation and/or if these should possibly be focused on as developmental areas for higher performance from individuals already in the organisation.

On the basis of the above mentioned problem statement, the following research questions arise:

- How is the relationship between hope, optimism, resilience, self-efficacy, psychological empowerment and job performance conceptualised in the research literature?
- What is the relationship between the positive psychological capacities of hope, optimism, resilience and self-efficacy and job performance of employees in a financial organisation?
- What is the relationship between psychological empowerment and job performance of employees in a financial organisation?
- What is the relationship between the positive psychological capacities of hope, optimism, resilience, self-efficacy and psychological empowerment of employees in a financial organisation?
- Can hope, optimism, resilience and self-efficacy predict levels of job performance of employees in a financial organisation?
- Can psychological empowerment predict levels of job performance of employees in a financial organisation?

1.2 RESEARCH OBJECTIVES

The research objectives are divided into general and specific objectives.

1.2.1 General Objective

With reference to the above formulation, the general objective of this research is to determine the relationship between hope, optimism, resilience, self-efficacy, psychological empowerment and job performance of employees in a financial organisation.

1.2.2 Specific Objectives

The specific objectives of this research are:

- To conceptualise the relationship between hope, optimism, resilience, self-efficacy, psychological empowerment and job performance from literature

- To determine the relationship between the positive psychological capacities of hope, optimism, resilience and self-efficacy and job performance of employees in a financial organisation
- To determine the relationship between psychological empowerment and job performance of employees in a financial organisation
- To determine the relationship between the constructs of hope, optimism, resilience, self-efficacy and psychological empowerment of employees in a financial organisation
- To determine whether the positive psychological constructs of hope, optimism, resilience and self-efficacy can predict levels of job performance of employees in a financial organisation
- To determine if psychological empowerment can predict levels of job performance of employees in a financial organisation

1.3 PARADIGM PERSPECTIVE OF THE RESEARCH

According to Mouton & Marais (1992) paradigms refer to the intellectual climate or variety of meta-theoretical values or beliefs and assumptions underlying theories and models that form the definitive context of the research.

Relevant Psychological Paradigms

The meta-theoretical assumption used in this study was the positivistic paradigm, which is based on the assumption that the world is external and objective, and that human behaviour can be investigated by methodologies that utilise the deductive logic (Then, 1996). The preferred method of research is done through the measurement of constructs and the taking of large samples through quantitative and hypotheses testing and is based on the assumption that the observer is independent and should focus on facts; look for causality and fundamental laws; reduce phenomena to the simplest elements and formulate and test hypotheses (Horna, 1994, Then, 1996).

The present research is underpinned by the positive psychology paradigm. This paradigm is defined as the scientific study of ordinary, positive, subjective human strengths, virtues and functioning (Seligman & Csikszentmihalyi, 2000). The aim of positive psychology is to understand and enhance those factors that allow prosperity on an individual and social level (Lopez et al., 2003). As cited in Hurrer (2008) positive psychology also encompasses the salutogenic (origin of health) paradigm and the fortigenic paradigm which extends health psychology and envisages psychological strengths. Hurrer (2008) also notes that the emergence of the wellness paradigm focuses not only on the understanding and enhancement of psychological adjustment or well-being and strengths, but also on a more holistic approach to health and wellness. The purpose of wellness is to increase the likelihood of healthier personal growth and to decrease the probability of mental illness, physical illness, or both. Wellness is thus construed as the upper end of the continuum of holistic well-being in important life domains, including cognitive, emotional, spiritual, social, occupational and ecological components. The definitions of psychological well-being/adjustment include constructs such as optimal personality functioning, self-efficacy and locus of control (Hurrer, 2008).

Hurrer (2008) states that within the South African context, extensive research has been done in the Industrial and Organisational Psychology field on positive psychology. The positive psychology domain directs the present study in the sense that the research was conducted with the aim of improving or developing interventions to enable sustainable competitive advantage, as it has been shown that the various positive psychological capacities under study here contribute to employee optimisation and increased productivity.

Relevant Model

A model is aimed at "the simplified expression of relationships between main components of a process. It not only classifies phenomena, but rather tries to systematise the relationships among them" (Mouton & Marais, 1992, p. 143).

Linley and Joseph's (2004), claim that the ultimate aim of positive psychology within the work domain, should be to create a healthy or effectively functioning organisation where employees

are engaged in their work, and where the values of the people and the organisation are in sync (a positive organisational climate). This in turn will result in a culture in which employees perform at their best. Related to this concept of "healthy work", according to Turner, Barling and Zacharatos (2002) are the concepts of job redesign and teamwork which all lead to positive work adjustment because these (and other practices) assist employees in developing more flexible role orientations, which then promote employee resilience and optimism. The result of this they argued is that these practices can also indirectly affect positive outcomes. The identification and study of healthy work is an important part of POB (Turner et al., 2002) and it is for this reason and the belief that an effectively functioning organisation will contribute significantly to an organisations' competitive advantage that the researcher utilised the theoretical model of healthy work organisation of Wilson, DeJoy, Vandenberg, Richardson and McGrath (2004) as a basis for this research.

According to Wilson et al. (2004), the healthy work organisation concept is based on the premise that it should be possible to identify the job and organisational characteristics of healthy organisations and that such organisations should have healthier and more productive workers. The original validated model consisted of six interrelated components namely organisational attributes, organisational climate, job design, job future, psychological work adjustment and employee health and well-being. Employees' perceptions of their organisation (organisational attributes) affect their perception of the climate (organisational climate), which impacts the way people relate to their job (job design) and see their future in the organisation (job future), ultimately impacting their work adjustment (psychological work adjustment), health and well-being (employee health and well-being). For the purposes of this study, the researcher adapted this model with the addition of the positive psychological capacities of hope, optimism, resilience and self-efficacy and psychological empowerment. This is reflected in Figure 1 below.

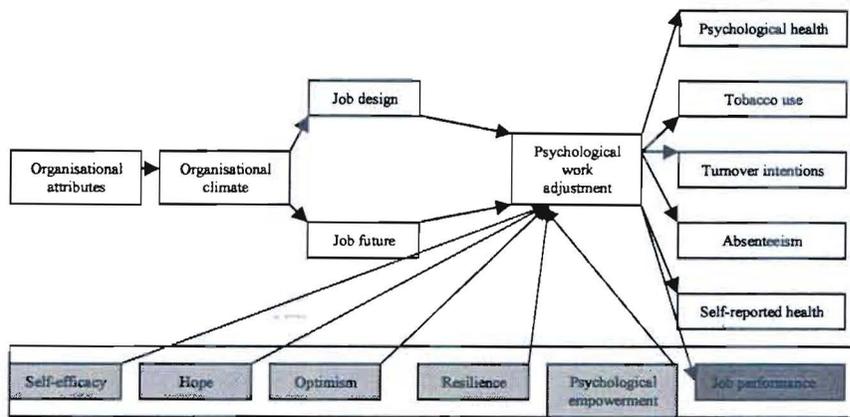


Figure 1. Proposed theoretical model of the relationship between positive psychological capacities, psychological empowerment and job performance

1.4 RESEARCH METHOD

This research, pertaining to the specific objectives, consisted of two phases, namely a literature review and an empirical study. The results were presented in the form of a research article.

1.4.1 Phase 1: Literature Review

The literature review focused on Positive Psychology; POB and its constructs of hope optimism; resilience and self-efficacy and psychological empowerment and its relationship with job performance. The focus was on previous research on positive psychology (and the abovementioned constructs) and job performance.

1.4.2 Phase 2: Empirical Study

The empirical study comprised the research design, study population, measuring batteries, statistical analysis and research procedure.

1.4.2.1 Research Design

A survey design was used to reach the research objectives. Use was made of correlational design (Huysamen, 1993). This design can be used to assess interrelationships among variables at one

point in time, without any planned intervention. According to Shaughnessy and Zechmeister (1997), this design is ideally suited when the aim of the study is predictive, explorative and descriptive by nature. The survey technique of data collection gathers information from the target population by means of a questionnaire.

1.4.2.2 Study Population

Questionnaires were sent to employees within the company (N=198), specifically directed to employees from a particular business unit on the basis of their performance grading (as determined by the remuneration model utilised by the organisation). This information was provided by the salaries department as per the information provided by the salaries department).

1.4.2.3 Measuring Battery

Performance remuneration grading: Remuneration data according to the Pay-for Performance system implemented within the organisation was utilised as a measure of employees performance. The data was provided by the Salaries Department. The specific measure used in this study was the average commission earned from performance points over the duration of a six-month period. The overall measure had a continuum of 1 to 5, where 1 = Low/Poor performance; 2= Below average performance; 3= Average/Effective performance; 4=Above average/Excellent performance and 5= High/Best of the best performance.

The *State Hope Scale (SHS)* (Snyder et al., 1996) was used in this study to measure participants' level of hope. The scale comprises six items and utilises an 8-point Likert-type scale with responses ranging from 1= "Definitely false" to 8 = "Definitely true". Sample questions include "There are lots of ways around a problem I am facing right now" and "Right now, I see myself as being pretty successful". Moreover, confirmatory factor analyses revealed that the scale consistently yields two factors (pathways and agency) as well as a summation factor (hope) (Babyak, Snyder, & Yoshinobu, 1993). Principal component factor analysis corroborated the two factor structure of the SHS (Cockerell, 2003) and Snyder et al., (1996). Lopez, Ciarlelli, Coffman, Stone, and Wyatz (2000) indicated that the SHS has also demonstrated good construct

validity. The Cronbach alpha for the SHS as evidenced by Snyder et al., (1996) ranged between 0,82 to 0,95. Furthermore the SHS was shown to vary over several days, thus exhibiting temporal variability (Snyder et al., 1996).

The *Life Orientation Test- Revised (LOT-R)* (Scheier, Carver, & Bridges 1994) was used in this study to measure participants' level of optimism. The scale comprises six-item measure (plus four filler items) and utilises a 5-point Likert-type scale, with responses ranging from 0 = "Strongly disagree" to 4 = "Strongly agree" (Scheier, et al., 1994). Sample questions include "I am always optimistic about the future" and "In certain times, I usually expect the best". Construct validity showed that the scores strongly correlated with physical and psychological well-being and were relatively unrelated to measures of social desirability (Scheier & Carver, 1992). The LOT-R was also found to have good internal consistency - the Cronbach alpha for the LOT-R as evidenced by Carver and Scheier (1999) and Scheier et al., (1994) were found to be 0,70, 0,78 and 0,80. Within the context of South Africa, research undertaken by Pienaar and Sieberhagen (2005) yielded a Cronbach alpha of 0,64. In addition, the test-retest reliability yielded the following: ($r = 0,68$ over a four-week interval, $r = 0,60$ over 12 months, $r = 0,56$ over 24 months, and $r = 0,79$ over 28 months) (Scheier et al., 1994).

The *Resilience Scale (RS)* (Block & Kremen, 1996; Klonhen, 1996) was used in this study to measure participants' level of resilience. The scale comprises 14 items and utilises a four point Likert scale with responses ranging from 1 = "Does not apply at all to me" to 4 = "Applies very strongly to me"). Sample items include "I am generous with my friends" and "I am regarded as a very energetic person". The Cronbach alpha for the RS as evidences by Block and Kremen (1996) was 0,72 and 0,76.

The *General Perceived Self-Efficacy Scale (GPSES)* (Schwarzer, 1993) was used in this study to measure participants' levels of self-efficacy. The scale comprises 10 items and utilises a 4- point Likert scale with responses ranging from 1 = "Not at all true" to 4 = "Exactly true". The researcher amended the wording slightly to reflect a state. Sample questions included "In my current job, if I am in trouble, I can usually think of a problem" and "In my current job, I am confident that I could deal efficiency with unexpected events". Schwarzer (1993), deemed the

scale to be valid in terms of convergent and discriminant validity and further found that this scale correlated positively with self-regard and optimism. Research done in South Africa, yielded a Cronbach alpha for the GPSES of 0,80 (Rothmann & Van Rensburg, 2001; Van der Bank & Rothmann, 2002).

The *Measuring Empowerment Questionnaire (MEQ)* (Spreitzer, 1995) was used in this study to measure participants' level of psychological empowerment. The scale comprises 12 items and utilises a seven point response format with responses ranging from 1 = "*Strongly disagree*" to 7 = "*Strongly agree*". Sample questions included "The work I do is very important to me" and "I am confident about my ability to do my job". Liden, Sparrowe and Wayne (2000) reported that the construct validity of each of the four sub-dimensions of the scale contributed to the overall degree of felt empowerment: meaning (0,92); competence (0,77); self-determination (0,85); and impact (0,86). The Cronbach alpha for the MEQ as evidenced by Buckle (2003) was 0,88 for total psychological empowerment. This was supported in later research conducted by Moye, Henkin, & Egley (2005), who presented the Cronbach alphas of 0,85 for total psychological empowerment.

1.4.2.4 Statistical analysis

The SPSS-program (SPSS, 2006) was used to carry out the statistical analysis. It analysed statistics regarding reliability and validity of the measuring instruments, correlations coefficients and regression. Descriptive statistics (e.g. mean, standard deviations, range, skewness and kurtosis) and inferential statistics were used to analyse the data. Cronbach alpha coefficients and construct validity were used to assess the internal consistency (reliability and validity) of the measuring instruments (Clark & Watson, 1995).

Pearson product-moment correlations were used to determine the extent to which one variable is related to another. A cut-off point of $p \leq 0,05$ was set for statistical significance of the results. Effect sizes were computed to assess the practical significance of relationships in this study. A cut-off point of 0,30 which represents a medium effect (Cohen, 1988) was set for the practical significance of correlation coefficients. A stepwise multiple regression analysis was conducted to

determine the percentage of the variance in the dependent variable that is predicted by the independent variables.

1.4.2.5 Research Procedure

The measuring battery was compiled. A letter requesting participation and motivating the research was included. The questionnaire also included a brief explanation of the purpose of the questionnaire and the reason for the study, instructions on how the questionnaire should be answered and details on when and where the questionnaires should be returned. Informed consent from participants was implicitly given through their participation in the completion of the questionnaire.

1.5 CHAPTER SUMMARY

This chapter provided a discussion of the problem statement and research objectives. The purpose of the research was formulated, the methodology of the research was outlined, an explanation was provided of the measuring instruments and methods used for the statistical analysis were described.

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RESEARCH ARTICLE

CHAPTER 2

POSITIVE PSYCHOLOGICAL CAPACITIES, EMPOWERMENT AND JOB PERFORMANCE

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ABSTRACT

The objective of this study was to examine the relationship between positive psychological capacities of hope, optimism, resilience and self-efficacy, psychological empowerment and job performance of employees ($n = 155$) in a financial organisation. A biographical questionnaire, The State Hope Scale, Life Orientation Test – Revised, Resilience Scale, General Perceived Self-efficacy Scale and Measuring Empowerment Questionnaire were used as measuring instruments. The results from statistical analyses indicated that there is a practically significant relationship between hope and job performance. Statistically significant relationships were found between optimism and job performance and between self-efficacy and job performance. No practical or statistical significant relationship was found between resilience and job performance and between psychological empowerment and job performance. Finally, it was found that the positive psychological capacities of hope, optimism and self-efficacy could be used to predict job performance. However, resilience and psychological empowerment was found not to be predictors of job performance.

OPSOMMING

Die doel van hierdie studie was om die verhouding tussen die positiewe kapasiteite van hoop, optimisme, veerkragtigheid en selfeffektiwiteit, sielkundige bemagtiging en werksprestasie van werknemers ($n=155$) in 'n finansiële instelling te ondersoek. 'n Biografiese vraelys, die State Hope Scale, Life Orientation Test – Revised, Resilience Scale, General Perceived Self-efficacy Scale en Measuring Empowerment Questionnaire is as meetinstrumente gebruik. Die resultate van die statistiese analise dui daarop dat daar 'n praktiese beduidende verband tussen hoop en werksprestasie is. Statisties beduidende verbande is gevind tussen optimisme en werksprestasie, en tussen selfeffektiwiteit en werksprestasie. Daar is egter geen beduidende verband gevind tussen werksprestasie en veerkragtigheid en tussen sielkundige bemagtiging en werksprestasie nie. Ten slotte is bevind dat die positiewe sielkundige kapasiteite van hoop, optimisme en selfeffektiwiteit, benut kan word om werksprestasie te voorspel. Emosionele veerkragtigheid en sielkundige bemagtiging is egter nie as voorspellers van werksprestasie bevind nie.

South Africa as a country has undergone significant changes brought forth by our democratic dispensation in 1994. More than 10 years into our democracy, organisations face unprecedented challenges and continue with attempting to obtain and sustain competitive advantage, both nationally and internationally. At the fore-front of this difficult and dynamic landscape are the increased calls for efficiency gains, cost-cutting, and improved performance, in the context of our strict labour legislation, while simultaneously coping with workplace stress, fatigue and burnout (Barney, 2001). This challenging background requires organisations to do things in an extraordinary way in order to survive and prosper. Specifically, they must search for, unearth, sustain and develop new sources of competitive advantage and engage in new forms of competition. This may mean that we need to better understand and influence our employees' psychological capital.

Employees are the most important intangible asset because they are a resource, which is internal to the organisation and a source of competitive advantage to the extent that they are valuable, rare, inimitable, and difficult to substitute (Barney, 2001). Considering all the challenges faced by the financial sector and the importance of having high functioning employees to meet the growing demands in the industry, it would only be logical that different ways on how best to use and develop human capital for use as leverage, be investigated. With this in mind, it is proposed that a positive approach is needed. Specifically, drawing from the positive psychology movement and positive organisational behaviour in particular, the researcher believes that selecting and/or developing certain capacities may lead to desirable performance outcomes. This is where it is believed that positive psychology can make the biggest positive difference to the largest number of people, while simultaneously serving the bottom line needs of the organisation. Positive psychology offers a win-win solution (Linley & Joseph, 2004) and may be one step in the right direction.

Positive psychology focuses on improving people's lives and inflating the strengths of the human spirit (Gillham, 2000; Snyder & Lopez, 2002). In addition to this, researchers have extended positive psychology to be applicable to the world of work through the concept of positive organisational behaviour (POB), which is largely based on positive psychological states (Luthans, 2002a; Luthans & Avolio, 2003) and the recognition of the value that positive

psychological capital/capacities or PsyCap which consists of states like hope, optimism, resilience and self-efficacy (Luthans & Youssef, 2004) can bring forth. According to Linley and Joseph (2004), the benefit of positive psychology in the workplace is that it can help the organisation to focus on individuals and their strengths. Wright (2002) added that through catalysing the power of each person, individual and ultimately organisational performance will be affected.

The relationship between human resources and more specifically their psychological capital and their performance has been largely ignored (Luthans, Avolio, Walumbwa, & Li, 2005). This relationship has become critical within the context of the South African organisation, in that a better understanding and empirical analysis of the concept of psychological capacities are particularly important and relevant. It is with this in mind that the researcher opted to research positive psychological states in the workplace and did so by focusing on the positive psychological capacities of hope, optimism, resilience and self-efficacy and performance. In addition to this, the construct of psychological empowerment, which forms a part of positive psychology, was also researched.

POB incorporates state-like positive psychological strengths and capacities such as hope, optimism, resilience and self-efficacy which are cumulatively referred to as the core factors of psychological capital/capacities (Luthans, Luthans & Luthans, 2004; Luthans & Youssef, 2004). According to Luthans (2002a, 2003) to be considered a POB state contributing to psychological capital, it needs to meet the criteria of being positive, strength-based and relatively unique to the organisational behaviour field. These criteria separates the POB states from the dispositional, relatively fixed constructs like self-esteem (Judge & Bono, 2001), positive affectivity (Erez & Isen, 2002) and emotional intelligence (Goleman, 1995), as they are dispositional and fixed, and hence not easily open to development (Luthans, 2002b). In addition it POB states have a theoretical foundation, supported by research and should be capable of valid measure. Due to it being state-like, it means that these capacities are amenable or open to development in order to improve workplace performance. In addition to this, POB states were further bundled into a higher-order construct referred to as "positive psychological capital" or PsyCap (Luthans et al, 2004; Luthans & Youssef, 2004). Luthans et al. (2005) proposed that psychological

capital/capacities is a psychological reserve that stimulates growth and performance, and that at an organisational level, it can be equated to human and social capital as it may also provide influence, return on investment and competitive advantage through improved employee performance. To date there has only been a few studies that have examined the role that positive psychological states such as hope (Peterson & Luthans, 2003) or optimism (Seligman, 1998) can have on employee performance. Furthermore, very limited, if any, research has been done on other POB states (Luthans et al., 2005). Luthans (2002a) suggested on the basis of the above that, hope, optimism, resiliency and self-efficacy are states that should be studied as part of POB and the researcher has chosen to do so.

There is a strong belief that when individuals feel empowered, it becomes more probable that they will break out of their normal mindsets and think innovatively because of this deep sense of meaning and purpose. Supplementing this argument, the feelings of competence that empowerment affords, gives people the confidence to take on difficult tasks because of this strong sense of efficacy (Spreitzer & Sonenshein, 2003). Consequently, it becomes increasingly important to understand the conditions that enable individuals to be deviant and psychological empowerment is likely to be a key enabler of positive deviance (Spreitzer & Sonenshein, 2003). Moreover, with regards to its link with the positive psychological capacities under study, Positive Organisational Scholarship or POS has also focused on how to enable individuals to be resilient in the face of complexity and adversity (Fredrickson, Tugade, Waugh, & Larkin, 2003). In addition, it is believed by Spreitzer and Mishra (2000) that empowerment may provide the resources of human ability and psychological strengths to enable people to cope through difficulties. Above all, empowerment can facilitate a sense of real hope that things will improve for the better in the future (Spreitzer & Mishra, 2000).

Very little or no direct research has investigated the relationship between the positive psychological capacities of hope, optimism, resilience and self-efficacy with psychological empowerment and rated job performance. This research aimed to assist in filling the void.

According to Snyder (1994) hope is cast in terms of people's expectations that goals could be achieved and has been described as being the heart and most unique POB capacity (Luthans,

2000a, b). Of particular importance is that, Snyder (2000b) posits that this conception of hope develops with history and therefore individuals' hope-related notions occur as a result of exploration and environmental circumstances. Luthans (2000a) hypothesises that the hope construct has direct relevance to the workplace and an impact on effective job performance. This view of hope seemed particularly relevant to South Africa, the organisational context and hence for use in this study.

Snyder, Rand, and Sigmon (2002), described hope as a cognitive set that is concentrated on goal attainment, and is seen as having two reciprocal, interrelated components: agency (or willpower) and pathways (or waypower) (Snyder, et al., 1991a; Snyder et al., 1991b). This definition was used for the purposes of this study. Agency is the motivational concept of hope theory and involves the successful use of energy in goal-pursuit. It translates into being the mental motivation that a person uses to initiate and sustain movement towards a goal. The second component is the perceived ability to generate successful routes or pathways to reach a given goal, including the formation of sub-goals along the way (Snyder, 1994, 2000b). Thus to reiterate, in POB hope is formally defined as "a motivational state that is based on an interactively derived sense of successful agency (goal-directed energy), and pathways (planning for goal attainment)" (Snyder et al., 1991b, p. 287).

It is important to note that whilst there is evidence that hope is linked to academic and athletic performance (Snyder, 2000a; Snyder & Lopez, 2002), very limited research has been dedicated to linking hope to performance in the workplace (Luthans & Jensen, 2002; Peterson & Luthans, 2003). A study by Adams et al., (2002) reported that companies with higher hope employees are more profitable, have higher retention rates and have higher levels of employee satisfaction and commitment. Peterson and Luthans (2003) also found that high-hope leaders in organisations had significantly better work unit performance, higher employee retention levels and job satisfaction outcomes than leaders who had been classified as having low-hope.

Despite the limited research conducted on hope in the workplace, some evidence suggests that hopeful employees do better in stressful occupations than the less hopeful (Kirk & Koesk, 1995). These research studies by Luthans and Jensen (2002); Peterson and Luthans (2003); Snyder

(1997) and Snyder and Lopez (2002) highlighted the following characteristics that can be found in hopeful employees, which could also contribute to increased performance on the job. They:

- are more likely to be motivated and more confident in taking responsibility for a task
- have alternative pathways when obstacles inhibit the attainment of their goal
- tend to be more certain of their goals and challenged by them
- value progress toward goals as well as the goals themselves
- readily adapt to new and collaborative relationships
- are less anxious, especially in evaluative, stressful situations and
- are more adaptive to environmental change.

Based on considerable indirect evidence, face validity, it has also been found that people with high hope were less emotionally exhausted, had higher levels of job satisfaction and retention, and simply seemed to perform better (Kirk & Koesk, 1995).

Optimism was the next positive psychological capacity studied. It is described by Scheier and Carver (1985, p. 219) as the stable tendency "to believe that good things rather than bad things will happen." They (Scheier, Carver, & Bridges, 1994, p. 1063) later noted that, "optimists are people who tend to hold positive expectancies of their future; pessimists are people who tend to hold more negative expectations for the future". Research indicated that high expectancies of success are beneficial and that people who expect to succeed perform better than those who are less optimistic. In large part, this is attributed to the fact that people with high expectancies of success work harder and longer and implement more effective problem-solving strategies, than those who are pessimistic about their experiences of success (Brown & Marshall, 2002).

Unlike the other POB states, optimism has received some research attention, which positively links it to job performance (Seligman, 1998). Conceivably the most legendary example to date concerning the association between optimism and job performance was research conducted by Seligman (1998) in the insurance industry. In this comprehensive study, Seligman established that highly optimistic insurance sales agents sold 37 percent more insurance in their first two years on the job and had lower turnover levels. These studies have endowed significant research backup for the premise that optimism leads to higher productivity and that there is a positive relationship between optimism and workplace outcomes (Seligman, 1998). Scheier, Carver and

Bridges (1994) and Chan (2002, 2004) found that optimistic sales people had the tendency to reinterpret negative outcomes into positives, which enabled them to grow and develop and ultimately perform more effectively in the future versus their pessimistic counterparts. Sujan (1999) supplemented this by adding that optimism enhances the adaptation of sales people consequently impacting on and improving their performance. Risch (1999) also studied sales people from five companies and found that the optimistic sales people were significantly more productive than those who were pessimistic.

Consistent with these conclusions that positively links optimism to performance, psychological capital suggests that optimists exhibit the following characteristics. They

- are more likely to formulate a plan of action for difficult situations and take constructive steps to resolve them (Luthans & Youseff, 2004)
- have a more positive outlook on stressful situations; use humour and do not view setbacks as failures, but as challenges and opportunities that can be improved on for success which could be classified as positive reframing (Billingsley, Waehler & Hardin, 1993)
- are able to recognise and disengage from unsolvable problems and devote problem-solving to aspects of a situation that are controllable or solvable so as to conserve resources (Billingsley, et al., 1993)
- remain committed to the organisation, thereby leading to higher levels of performance (Luthans & Youssef, 2004).

Pessimistic employee's on the other hand, according to Billingsley et al., (1993) and Soloman (2005):

- engage in thought suppression (i.e. they deny what is occurring)
- give up before even trying; become self-distracted and focused on the distress
- are more prone to depression and demonstrate disinterest instead of action
- give up and wallow in defeat, even when success is attainable.

Optimism has been positively linked to advantageous characteristics such as perseverance, achievement, health and happiness, which seem particularly germane to high performance outcomes (Seligman, 1998). Luthans and Youseff's (2004) finding also supported the view that

high levels of individual performance results in improved organisational performance and that optimism can be developed within an organisation. The researcher believes this is a step in the right direction in obtaining and sustaining competitive advantage.

The third state focused on in this study is resilience. Resilience enables more effective handling of change (Conner, 1993), and has been used to describe positive responses to stress through maintaining adaptive functioning. It has immense relevance to the organisation in working to increase job performance and ultimately in the quest towards sustainable competitive advantage (Hind, Frost, & Rowley, 1996).

As relevant to this study, POB describes resiliency as "the positive psychological capacity to bounce back from adversity, uncertainty, conflict, failure, or even positive change, progress and increased responsibility" (Luthans, 2002a, p. 702). It is the individual's ability to focus on his/her abilities, assets and positive attributes more than on his/her weaknesses (Lazarus, 1993; Saleebey, 2002). The ability of employees to handle organisational stressors in a manner that is deemed proactive and healthy can be a constant challenge for some individuals (Conner, 1993). For those employees who struggle in coping with workplace stress, the workplace is impacted by higher absenteeism rates, job turnover, tardiness, job dissatisfaction, and (more relevant to the study), job performance (Williams, 2003; Wright, Beard, & Edington, 2002). It should be noted that while self-efficacy, optimism and hope are proactive constructs; resilience is a more reactive capacity that one draws from when one is faced with adversity (Bonanno, 2005). Particularly resilient employees tend to positively adapt after a set-back and rebound to more optimal levels of functioning (Masten & Reed, 2002). Preliminary research conducted by Luthans, Avey, Avolio, Norman, and Combs (2006) and Luthans et al., (2005) showed a positive relationship between resiliency and improved performance and bottom-line gains in the workplace.

Within the workplace context, very little attention has been given to linking resilience with job performance. However, from these limited studies several characteristics of highly resilient individuals within the employment context have emerged (Cameron, Dutton, & Quinn, 2003; Conner, 1993; Coutu, 2003). They:

- have the tendency to be proactive, rather than reactive

- invest energy in problem-solving (and not withdrawing)
- possess the ability to learn from past (own and others) experiences
- have a positive outlook and use 'coping' strategies such as humour and relaxation techniques
- remain focused and committed and are able to multi-task
- are organised, plan actions for efficient use of resources and avoid acting on impulse
- are likely to be creative and flexible and view change as a manageable process and as opportunities to mature and develop
- are decisive and persistent when dealing with adversity (which results in improved performance in organisations undergoing metamorphosis)
- spend less time assimilating organisational change and therefore have a greater potential to improve productivity and quality and
- have a positive view of self (e.g. self-confidence, self-esteem, self-worth, hopefulness).

Self-efficacy was the fourth positive psychological state studied. Self-efficacy beliefs are regarded as "people's judgments of their capabilities to organise and execute courses of action required to attain designated types of performances" (Pajares & Graham, 1999, p. 128). In a general sense, self-efficacy involves some judgment that the individual can or cannot do certain activities and is an important motivational construct, which influences individual choices, goals, emotional reactions, effort, coping, and persistence (Pintrich & Schunk, 2001). Bandura (1997) proposed that self-efficacy beliefs influence resilience to adversity, the presence of helpful or hindering cognitions, and the degree to which stress and depression may occur when difficult situations are encountered. Cross (1998) argued that the stronger the self-efficacy belief, the greater the person's will to make an effort and persist.

Self-efficacy develops over time and through experience and is best understood in the context of Social Cognitive Theory (SCT). SCT is an approach to understanding human cognition, action, motivation and emotions and is based on the assumption that we are active shapers of rather than simple reactors to our environment (Bandura, 1997, 2002; Barone, Maddux, & Snyder, 1997). According to SCT (Bandura, 1997), human motivation and actions are regulated extensively by

forethought and the prime factor for influencing behaviour is perceived self-efficacy, which Bandura classified as being competence-based, forthcoming and action-related. According to SCT, people are considered to be self-organising, self-reflective and self-regulative in that they make judgments about themselves on the basis of their own activity. Moreover, self-efficacy beliefs impact on other cognitions, feelings and behaviours and they may also help the individual to deal with stressful circumstances (Bandura, 1997).

Studies have established the relationship between performance and self-efficacy (Branden, 1994, 1998). Self-efficacy reflects the judgement of an individual's ability to accomplish a certain level of performance (Bandura, 1997) and has attracted considerable research scrutiny where it has been shown to be positively related to motivation on the job (Prussia & Kinicki, 1996) and job performance (Stajkovic & Luthans, 1998). Self-efficacy beliefs contribute to effective performance by increasing motivation, task focus, and effort and decreasing anxiety and self-defeating negative thinking (Bandura, 1997). However, much of the research undertaken, linking performance and self-efficacy took place in academic settings, where for example Pintrich and Garcia (1991) showed that students with higher self-efficacy utilised more cognitive and metacognitive strategies and persisted longer than those with lower self-efficacy. The researcher is of the opinion that these results could also be applied to performance in organisational settings.

Luszczynska, Scholz, and Schwarzer (2005) and Osterman and Sullivan (1996) found that individuals with a strong sense of self-efficacy are:

- persistent in goal pursuit despite its complexity
- more flexible and willing to adapt strategies to meet contextual conditions
- steadfast in their efforts to achieve their goals, but do not persist with unsuccessful strategies
- able to remain calm, confident and even humorous in difficult situations
- future-focused and able to develop possible success scenarios of their actions and action plans and are by implication more committed to planning
- able to perceive more positive outcomes of future actions than negative ones and
- steadfast in their belief that their abilities will give them control over challenges and their own functioning.

In contrast, they (Osterman & Sullivan, 1996) also found that individuals who possess low self-efficacy:

- perceive an inability to control the environment and are less likely to identify appropriate strategies or modify unsuccessful ones
- rigidly persist in their original course of action, even when confronted with failure
- blame others when challenged
- are unable to see opportunities to develop support or to adapt
- are quick to label themselves as failures and demonstrate anxiety, stress and frustration
- perceive the environment as uncontrollable and as a result will be unable to set effective goals and solve problems.

A brief discussion of the relationships between the various positive psychologies capacities investigated in this study namely hope, optimism, resilience and self-efficacy now follows.

Soloman (2005) indicated that the explanatory style of optimistic people produces resilience, whereas the pessimistic outlook is a recipe for hopelessness. Waller (2001) indicated that a resilient person who seeks social support, such as an encouraging mentor, can engender optimism which, in turn, can further protect the individual by predisposing him/her to optimistic appraisals and constructive behaviours. The result can be increased competence, which might spawn increased optimism, confidence, and self-efficacy. The obvious parallels between hope and resilience are that both are cognitive processes, which rely profoundly on systematic pathway models that address patterns of behaviour over time (Luthans, van Wyk, & Walumbwa, 2004). The most prominent division between the two is that resiliency is defined in terms of external adaptation and is reactive as opposed to hope, which is characterised by internal adaptation and is proactive (Luthans et al., 2004). With regard to the relationship of self-efficacy and resilience, Mallak (1998) suggested that self-efficacy was the cognitive side of resilience. Self-efficacy means that a person has confidence in his/her ability to perform a specific task in a specific situation. Within the ambit of resilience, the concern is not only with a person's confidence and belief in his/her abilities, but with the actual execution of those abilities directed towards the problem. Self-efficacy also influences problem-solving behaviour and Bandura (2000) stated that people, who have a strong belief in their own problem-solving ability, remain

highly effective in analytical thinking, whereas those who are plagued by self-doubt are more erratic in their analytical thinking. Taking a positive approach towards problem-solving and not focusing on failure, has been cited as a characteristic of resilience (Mallak, 1998).

Bandura (1997), argued for a similarity between hope and self-efficacy – specifically that the willpower or agency component of hope is similar to efficacy expectancies and the hope pathways are close to efficacy outcome expectancies. With regard to the relationship of optimism and self-efficacy, Bandura (1977) mentioned that the concept of self-efficacy is worth looking at in as much as it is influenced by, or influences optimism. Scheier and Carver (1985) added that both self-efficacy and optimism involve expectancies. The primary difference, however, is that Bandura's (1977) efficacy expectations are quite specific in their focus and the expectations of optimism, on the other hand, extend from the very specific to the exceedingly broad (Peterson, 2000). That there is a relationship between hope, as defined by Snyder et al., (1991a) and Snyder et al., (1991b) and optimism, as defined by Scheier and Carver (1985), is due to both their constructions occurring within an expectancy-value framework to motivation, which conceptualises both as that which reflects general expectations about the future. Optimists are easily motivated to work harder, are more contented, have high morale, high levels of motivational aspiration, persevere in the face of challenges, analyse personal failures and perceive setbacks as temporary occurrences. These descriptions indicate that pathways and agency-like thoughts are implicit in the theory of optimism and like hope, optimism is also a cognitive process (Snyder, 2000b).

Apart from the positive psychological capacities under investigation, psychological empowerment was also an important focus in this study. Psychological empowerment refers to the motivational process of feeling enabled or the experience of empowerment among employees (Corsun & Em, 1999). The experience of being empowered has been proposed to be a mediator between empowering managerial practices and outcomes expected from empowered employee such as job performance and innovation (Menon, 2001; Spreitzer, 1995; Thomas & Velthouse, 1990).

Menon (2001) pointed out that empowerment has been used to indicate the act of empowering (others) or delegating and also to describe the internal processes of the individual being empowered (i.e. psychological empowerment) which emphasises employees' perceptions, and experiences of empowerment (Thomas & Velthouse, 1990). Empowerment can be considered an act; by granting power to the person being empowered (Boren, 1994; Rothstein, 1995) and it can also be considered a psychological state of mind (Conger & Kanungo, 1988; Spreitzer, 1995; Thomas & Velthouse, 1990). Menon (2001) suggested that due to the emphasis of the various streams of research, that empowerment can be classified into three broad categories.

The first is the structural approach, which has been the traditional approach to empowerment. It is understood as being influenced by external factors such as the granting of power, freedom and decision-making authority. The second is the leadership approach where the emphasis is on the energising aspect of empowerment (Menon, 2001). Here, leaders energise and inspire and subsequently empower their followers to act by providing an exciting vision for the future by emphasising a higher purpose or worthy cause (Boren, 1994). The structural and leadership approach fails to address the psychological state of those being empowered and was consequently not used in this research. This study used the third approach, i.e. the motivational approach which focuses on empowerment as a psychological state and of which psychological empowerment is a key element (and a focus of this study).

This motivational approach emphasises perceptions and beliefs of power, competence, control and self-efficacy (Psoinos & Smithson, 2002). Spreitzer (1995) defined empowerment as the degree to which an individual desires or feels able to influence his or her work role and context and was based on the model of Thomas and Velthouse (1990). It is argued that psychological empowerment is essential for customer service within service organisations and is a key element to improving performance within organisations (Au-Yeung & Mok, 2002; Corsun & Em, 1999). Psychological empowerment is defined more broadly as increased intrinsic task motivation which is manifested in a set of four task assessments reflecting an individual's orientation to his or her work role (Spreitzer, 1995). The four cognitions identified are: meaning, competence, self-determination and impact. It should be noted, however, that these cognitions reflect a dynamic, rather than passive, orientation to a work role and Spreitzer (1995) claimed that these four

cognitions do not function as factors that are conditional to each other but rather create an overall experience of felt empowerment (Spreitzer, 1995, 1996; Thomas & Velthouse, 1990). In addition, the absence of any one of these cognitions will deflate the overall degree of felt empowerment (Spreitzer, 1995). A brief overview of each cognition follows.

Meaning according to Spreitzer, Kizilos and Nason (1997, p. 46) "...serves as the engine of empowerment, if employees' hearts are not in their work, if their work activity conflicts with their values system, then they will not feel empowered". *Competence* is measured by the person's confidence and self-efficacy in his/her ability to do the job, self-assurance about personal abilities to perform work activities and a sense of mastery (Siegall & Gardner, 2000). *Self-determination*, unlike competence (which is a mastery of behaviour), is an individual's sense that he/she has autonomy over the initiation or how-to and continuation of work behaviours and processes (Spreitzer & Donesan, 2005). Finally, *impact* is defined as the perception or sense of accomplishment of the extent to which an individual can influence certain outcomes (strategic, administrative, or operating) at work. It often manifests in the employees' beliefs that they can make a difference, or that they have significant control over what happens in the workplace (Spreitzer, 1996).

Of pivotal importance to this study, is that research supports the contention that psychological empowerment affects not only attitudes but is also related to individual performance, more specifically innovative behaviour (Spreitzer, 1995), employee effectiveness (Spreitzer et al., 1997), employee productivity and work unit performance (Seibert, Silver, & Randolph, 2004). Quinn and Spreitzer (1997) found that supervisors who reported higher levels of empowerment were seen by their subordinates as being more innovative, upwardly influential and inspirational. All in all, the findings suggest a great deal of positive potential for psychological empowerment in a work context and it also contributes to organisational competitive advantage (Conger & Kanungo, 1988; Quinn & Spreitzer, 1997).

According to Blanchard, Carlos, and Randolph (2001), psychologically empowered employees benefit the organisation and themselves as they:

- have a greater sense of purpose in their jobs and lives, and their involvement translates directly into continuous improvement in the workplace systems and processes and ultimately performance
- will come forward with their most innovative ideas and initiatives with a sense of pride, ownership and excitement
- act responsibly and put the corporate interests of the organisation first
- have reduced conflict and ambiguity in their role, as they are able to control (to a certain extent) their own environment which reduces emotional strain on the employee
- have a greater sense of job satisfaction, motivation and organisational loyalty – they feel more engaged and committed to the achievement of the organisational goals.

Regarding the relationship between psychological empowerment and the positive psychological capacities of hope, optimism, resilience and self-efficacy, Avey, Hughes, Norman, and Luthans (2007) argued that those high in psychological capacities, are hopeful in terms of the will and the way they go about accomplishing their goals. They are realistically optimistic about attaining positive outcomes, have self-efficacy beliefs that they can make a positive difference in their work environments and are resilient and hence able to bounce back and move beyond setbacks. These capacities appear to be directly related to Spreitzer's (1995) impact component of empowerment. In other words, employees who have higher capacities of hope, optimism, resilience and self-efficacy, would perceive themselves as being able to have a significant impact on their organisations (Avey et al., 2007). In addition to this, those who possess high proponents of these psychological capacities are able to visualise alternatives to solve problems (hope) and pursue those paths with confidence without waiting for permission (are proactive) (hope, self-efficacy). These processes appear to be linked to psychological empowerment in that these individuals experience a sense of personal control and autonomy (which is a component of psychological empowerment), in their respective work environments (Avey et al., 2007).

Research Hypothesis

According to Shaugnessy and Zechmeister (1997) a hypothesis or focus question is a tentative explanation for something and may offer a rationale for the way in which particular variables are related.

The hypotheses in this research were:

Ho1 There is a significant positive relationship between hope, optimism, resilience, self-efficacy and job performance of employees in a financial organisation.

Ho2 There is a significant positive relationship between psychological empowerment and job performance of employees in a financial organisation

Ho3 There is a significant positive relationship between the positive psychological capacities of hope, optimism, resilience, self-efficacy and psychological empowerment of employees in a financial organisation.

Ho4 The positive psychological capacities of hope, optimism, resilience and self-efficacy can be used to predict employee's level of job performance in a financial organisation.

Ho5 Psychological empowerment can be used to predict employee's level of job performance in a financial organisation.

RESEARCH METHOD

Research Design

A correlational survey design was used in this study.

Participants

The measuring battery was compiled and consisted of five questionnaires (and a biographical questionnaire). This study included employees in the call-centre areas. The 198 employees who qualified to participate by virtue of them working in the call-centre as well as being remunerated on the Pay-for Performance model, were informed through electronic mail by their department

heads and in writing by the researcher that the survey they were invited to participate in would measure psychological variables. Performance ratings determined the markings on the questionnaires and this enabled the researcher to identify the 1, 2, 3, 4 and 5 ratings. Respondents could return completed questionnaires to sealed boxes placed in their designated work areas or directly to the researcher.

The study population consisted of call centre employees ($N = 155$) working in the financial organisation and is adequately representative in terms of gender, age, qualification level, language, ethnicity, department and years of service of the sample population.

From Table 1 below, it can be seen that the majority of the population were female (68%) and the largest age group was between 30 and 39 years (45%). The bulk of the participants had Standard eight (Grade 10) to ten (Grade 12) qualification level (43%). In addition, the majority of the participants were English/Afrikaans speaking (81%), and belong to the White cultural group (44%). The majority of the respondents are from the External Broker Services EBS department (41%) and a significant number of employees in this study, have been employed by the company for between two to five years (46%). It should be noted that due to the small representation sizes of the performance ratings, for purpose of analyses, they were combined. Low job performance rating; below average performance ratings and average performance ratings were combined and represented as low performers (55%); high performers were a combination of the above average and high performance rating scores (45%). This consolidated grouping was used for the purposes of this study. There was a fair distribution of responses from the job performance ratings.

Table 1

Characteristics of the participants (N = 155)

| Item | Category | Frequency | Percentage |
|-------------------------|--------------------------------|-----------|------------|
| Gender | Male | 50 | 32 |
| | Female | 105 | 68 |
| Age | 29 years and younger | 58 | 37 |
| | 30-39 years | 69 | 45 |
| | 40-49 years | 25 | 16 |
| | 50 years + | 3 | 2 |
| Level of qualification | Std 8 - 10 | 66 | 43 |
| | Diploma | 53 | 34 |
| | Degree | 32 | 21 |
| | Degree + | 3 | 2 |
| | Missing | 1 | 1 |
| Language | Afrikaans/English | 125 | 81 |
| | Sotho/Xhosa/Zulu/Other African | 26 | 17 |
| | Missing | 2 | 1 |
| | Other | 2 | 1 |
| Culture/Ethnic group | African | 33 | 21 |
| | White | 68 | 44 |
| | Indian | 26 | 17 |
| | Coloured | 28 | 18 |
| Department | Investo | 37 | 24 |
| | Executive | 29 | 19 |
| | Myriad | 26 | 17 |
| | EBS | 63 | 41 |
| Years of service | < 1 year | 18 | 12 |
| | 2-5 years | 72 | 46 |
| | 6-10 years | 40 | 26 |
| | 11-20 years | 24 | 15 |
| | > 20 years | 1 | 1 |
| Job performance ratings | Low/poor | 43 | 28 |
| | Below average | 28 | 18 |
| | Average | 15 | 10 |
| | Above average | 30 | 19 |
| | High | 39 | 25 |

| | | | |
|--|-----------------|----|----|
| Job performance rating (consolidated) | Low Performers | 86 | 55 |
| | High Performers | 69 | 45 |

Measuring instruments

A *biographical questionnaire* was developed to gather information about the demographical characteristics of the participants. Information gathered included age, gender, ethnic group, language, level of education, tenure and department.

The State Hope Scale (SHS) developed by Snyder et al., (1996) was used in this study and it measured hope related to on-going, goal-related thoughts. The scale comprises six items and utilises an 8-point Likert scale (1= "*Definitely false*" to 8 = "*Definitely true*") where the participants are asked to respond while thinking about the "here and now". Confirmatory factor analyses reveal that the items consistently yield two distinct factors (pathways and agency) which combine to reflect a summation factor or a theorised overall construct of hope (Babyak, Snyder, & Yoshinobu, 1993). Sample items include "At the present time, I am energetically pursuing my goals", and "There are lots of ways around any problem that I am facing now" (Snyder, et al., 1996). For purposes of interpretation, adding the three even-numbered items determined the Agency subscale score and adding the three odd-numbered items determined the Pathways subscale score. The total SHS score was derived at by summing the three Agency and the three Pathways items. Possible scores ranged from 6 to 48 (Snyder, et al., 1996). The Cronbach alpha for the SHS as evidenced in research was 0,76 (Snyder, et al., 1996). Numerous studies (as cited in Snyder, et al., 1996) support the internal reliability and factor structure, as well as the convergent and discriminant validity of the scale.

The Life Orientation Test – Revised (LOT-R) developed by Scheier, Carver & Bridges (1994) was used in this study and it measured a participants degree of optimism or pessimism. The scale comprises 10 items and utilises a 5-point Likert scale (0 = "*Strongly disagree*" to 4 = "*Strongly agree*") (Scheier, et al., 1994). Of the 6 items, 3 are keyed in a positive direction to indicate optimism or OPT and 3 in a negative direction for pessimism or PESS. Scheier, et al., (1994) reported sound convergent and discriminant validity for the LOT-R. Sample items include "If

something can go wrong with me, it will" and "In certain times, I usually expect the best" The total LOT-R score was derived by reverse coding items numbered 3, 7 and 9 so as to avoid response set bias The scores obtained here were then summed with the respondent's scores for items 1, 4 and 10, thus providing an overall optimism score. Possible scores ranged from 0 to 24. The remaining 4 items, (numbers 2, 5, 6 and 8) were filler items and were ignored for the purpose of calculating the individual's score. Research by Scheier et al., (1994) and Carver and Scheier (1999) indicated that the LOT-R had good internal consistency (Cronbach alphas were found to be 0,70, 0,78 and 0,80). Within the context of South Africa, research undertaken by Pienaar and Sieberhagen (2005) yielded a Cronbach alpha of 0,64. In addition, Scheier et al., (1994), found that the test-retest reliability yielded the following: ($r = 0,68$ over a four-week interval, $r = 0,60$ over 12 months, $r = 0,56$ over 24 months, and $r = 0,79$ over 28 months). These findings indicated that the LOT-R was reasonably stable over time.

The Resilience Scale (RS) based on the works of Block and Kremen (1996) and Klonhlen (1996) was used in the study and it measured the amount of psychological resilience experienced by the employees in the organisation. The scale comprises 14 items and utilises a 4-point Likert scale (1 = "Does not apply at all to me" to 4 = "Applies very strongly to me"). Sample items include "I get over anger with someone reasonably quickly" and "I enjoy dealing with new and unusual situations" (Block & Kremen, 1996; Klonhlen, 1996). Possible scores ranged from 14 to 56 and for purposes of interpretation a high numeric score indicated a high resiliency score Block (1965). The total RS score was derived by summing up the items of the scale. Cronbach's alpha reliability reported was 0,72 and 0,76 (Block & Kremen, 1996).

The General Perceived Self-efficacy Scale (GPSES) developed by Schwarzer (1993) was used in the study and it measured participants' levels of self-efficacy. The scale comprises 10 items and utilises a 4-point Likert scale (1 = "Not at all true" to 4 = "Exactly true"). Schwarzer (1993) believed that the scale was valid in terms of convergent and discriminant validity. Following a recommendation, the researcher made a slight amendment to the wording of the items in the scale for it to reflect a state, as opposed to a trait and thereby meet the POB criteria of being amenable to development (Personal Communication, Dr. J. Bosman, 13 September 2006). Sample items include "In my current job, I can usually think of a solution" and "In my current

job, I can usually handle what comes my way." Possible scores range from 10 to 40 and for purposes of interpretation, a high numeric score indicated a high self-efficacy score (Luszczynska, et al., 2005). The total GPSES score was derived by summing up the scores obtained on the scale. The scale has been used in various cross-cultural research projects, where it typically yielded internal consistencies of 0,75; 0,86 and 0,91 (Schultz, Doña, Sud, Schwarzer, 2000). Research done within the South African context yielded a reliability coefficient of 0,80 (Rothman & Van der Bank, 2002).

The Measuring Empowerment Questionnaire (MEQ) by Spreitzer (1995) was used in this study and it measured participants' levels of psychological empowerment. The differentiated aspects of meaning, competence, self-determination and impact were each assessed with 3 items. The scale comprises 12-items and utilises a 7-point response format (1 = "Strongly disagree" to 7 = "Strongly agree") (Spreitzer, 1995). Liden, Sparrowe, and Wayne (2000) reported that the construct validity of each of the four sub-dimensions of the scale contributes to the overall degree of felt empowerment, i.e. meaning (0,92); competence (0,77); self-determination (0,85) and impact (0,86). Sample items include "I am confident about my ability to do my job" and "The work I do is important to me." The total MEQ score was derived by summing all the items and possible scores range from 12 to 84. For purposes of interpretation, the higher an individual scores in each of these elements, the greater the sense of empowerment (Lee & Koh, 2001). Spreitzer (1995) found that the reliability estimate using Cronbach's alpha for the overall measure was 0,72 for an industrial sample and 0,62 for an insurance sample. Test-retest coefficients were reported for each of the dimensions using the insurance sample and were also found to be satisfactory. Studies undertaken by Buitendach & Hlalele (2005), presented a Cronbach alpha for total psychological empowerment of 0,94; meaning = 0,95; competence = 0,85; self-determination = 0,87 and impact = 0,95. Malan (2002) reported alpha coefficients for all four sub-dimensions to vary from 0,68 to 0,83.

Statistical analysis

The statistical analysis was carried out through the utilisation of the SPSS-program (SPSS, 2006). The program was used to carry out statistical analyses regarding the instrument internal

consistency (reliability and validity), using Cronbach alpha coefficients and factor analysis (Clark & Watson, 1995). Descriptive statistics (e.g. mean, standard deviations, range, skewness and kurtosis) and inferential statistics were used to analyse the data (Clark & Watson, 1995).

Pearson product-moment correlation was used to determine the extent to which one variable is related to another. A cut-off point of $p \leq 0,05$ was set for statistical significance of the results (Shaughnessy & Zechmeister, 1997). Effect sizes were computed to assess the practical significance of relationships in this study. A cut-off point of 0,30, which represents a medium effect (Cohen, 1988; Steyn, 2002) was set for the practical significance of correlation coefficients. In addition, Steyn (2002) also indicated that a score of $r = 0,5$ would also be of practical importance and represent a large effect. For statistical significance, if the significance level is very small ($p \leq 0,05$), then the correlation is significant and the two variables are linearly related. If the significance level is relatively large (for e.g. 0,50), then the correlation is not significant and the two variables are not linearly related (Trochim, 2006).

A stepwise regression analysis was also conducted to determine the percentage of the variance in the dependent variable that is predicted by the independent variables, which is the square of the correlation coefficient or r^2 (Cohen, 1988). The square of the correlation coefficient indicates the proportion of variance in any two variables, which is predicted by the variance in the other (Easton & McColl, 2007).

RESULTS

The results of the empirical research are reported on and discussed in the following section.

Validity of instruments

A simple Principal Component factor analysis was computed to measure construct validity and are represented in the tables below by means of eigenvalues. These eigenvalues have to be higher

than one (1) for significance (Trochim, 2006). The cumulative percentage is an indication of the percentage of the variance that can be explained (Kerlinger & Lee, 2000).

Table 2

Factor Analysis- The State Hope Scale (Snyder et al., 1996)

| Factor | Eigenvalue | % Total variance | Cumulative Eigenvalue | Cumulative % |
|--------|------------|------------------|-----------------------|--------------|
| 1 | 3,64 | 60,69 | 3,64 | 60,69 |

Analysis of eigenvalues (larger than one) and scree plot indicated that one factor could be extracted explaining 60,69% of the variance. This result was unexpected and is contrary to findings of Babyak, et al., (1993) whose factor analyses revealed that the items consistently yielded two factors (pathways and agency) as well as a summation factor (hope).

Table 3

Factor Analysis – The Life Orientation Test – Revised (Scheier et al., 1994)

| Factor | Eigenvalue | % Total variance | Cumulative Eigenvalue | Cumulative % |
|--------|------------|------------------|-----------------------|--------------|
| 1 | 2,27 | 37,77 | 2,27 | 37,77 |
| 2 | 1,19 | 19,82 | 3,46 | 57,59 |

Analysis of eigenvalues (larger than one) and scree plot indicated that two factors could be extracted explaining 57,59% of the variance. This was supported by the research of Radcliffe and Klein (2002) who found the LOT-R to show that the positively and the negatively worded items of the scale split into two factors and concluded that it may measure two constructs of Optimism (OPT) versus pessimism (PESS) instead of a single bipolar dimension of optimism and pessimism as claimed by Scheier and Carver (1985, 1987). Results from studies using confirmatory factor analyses tended to support the bidimensional view (Schneider, 2001).

Table 4

Factor Analysis – The Resilience Scale (Block & Kremen, 1996) and (Klonhen, 1996)

| Factor | Eigenvalue | % Total variance | Cumulative Eigenvalue | Cumulative % |
|--------|------------|------------------|--------------------------|--------------|
| 1 | 4,93 | 35,20 | 4,93 | 35,20 |
| 2 | 1,82 | 12,97 | 6,74 | 48,18 |
| 3 | 1,22 | 8,72 | 7,97 | 56,89 |
| 4 | 1,08 | 7,68 | 9,04 | 64,58 |

Analysis of eigenvalues (larger than one) and scree plot indicated that four factors could be extracted explaining 64,58% of the variance. This finding was rather surprising as no reference was made to varying subscales in this measure by Block and Kremen (1996) and Klonhen (1996). Based on this, the researcher decided to adhere to the original one factor structure of the scale.

Table 5

Factor Analysis – The General Perceived Self-efficacy Scale (Schwarzer, 1993)

| Factor | Eigenvalue | % Total variance | Cumulative Eigenvalue | Cumulative % |
|--------|------------|------------------|--------------------------|--------------|
| 1 | 5,76 | 57,61 | 5,76 | 57,61 |

Analysis of eigenvalues (larger than one) and scree plot indicated that one factor could be extracted explaining 57,61% of the variance. This finding correlated with Schwarzer's (1993) confirmatory factor analysis, which indicated that the scale was one-dimensional.

Table 6

Factor Analysis – The Measuring Empowerment Questionnaire (Spreitzer, 1995)

| Factor | Eigenvalue | % Total variance | Cumulative Eigenvalue | Cumulative % |
|--------|------------|------------------|--------------------------|--------------|
| 1 | 6,13 | 51,07 | 6,13 | 51,07 |
| 2 | 2,98 | 24,80 | 9,11 | 75,88 |

Analysis of eigenvalues (larger than one) and scree plot indicated that two factors could be extracted explaining 75,88% of the variance. This was unexpected as Spreitzer's (1995) research yielded a 4-factor scale. In this study, the competence and meaning subscales loaded on Factor 1 and Impact loaded on factor 2. Only one question from self-determination loaded on factor 2. In support of this finding, research by Stander (2007) made reference to two, three and four factors within the MEQ scale.

It should be noted that due to the number of constructs already included in this study, as well as the results of the factor analyses, the researcher decided to utilise only the total score for each scale for the empirical analysis.

Descriptive statistics

Table 7 shows the descriptive statistics and Cronbach alpha coefficients for the hope, optimism, resilience, self-efficacy and psychological empowerment questionnaires

Table 7

Descriptive Statistics of the instruments

| Item | Mean (X) | SD | Skewness | Kurtosis | α |
|---------------------------|----------|-------|----------|----------|----------|
| Hope | 36,00 | 7,24 | -1,35 | 2,65 | 0,87 |
| Optimism | 16,23 | 3,59 | -0,23 | -0,10 | 0,66 |
| Resilience | 43,42 | 6,24 | -0,75 | 1,14 | 0,85 |
| Self-efficacy | 32,92 | 4,88 | -0,85 | 0,87 | 0,91 |
| Psychological empowerment | 58,92 | 13,19 | -0,78 | -0,07 | 0,91 |

The skewness and kurtosis do not exceed the critical values of 2 and 7 (West, Finch & Curran, 1995). The values were consequently deemed to be normally distributed and were therefore acceptable for use in this study.

Reliability of the instruments

The Cronbach Alpha coefficients (α) (as reflected in Table 7 above) of the respective measuring instruments were computed, so as to provide an indication of the internal consistency of the measuring items used in this study, (Huysamen, 1993). According to Kline (1998), reliability coefficients of 0,90 can be considered as "excellent", values around 0,80 as "very good", and values around 0,70 as "adequate". However, values around 0,60 have also been regarded as "reasonable" (Peterson, 1994). All the Cronbach Alpha coefficients (α) above were acceptable. In addition to this, the inter-item correlations were generally satisfactory. Based on this, questionnaires were thus deemed to be reliable and hence amenable for use in this study.

It can be concluded that the entire measuring battery used in this study was reliable and valid and could therefore be used in this research.

Correlations between constructs

Table 8 shows the Pearson product-moment correlation coefficients between positive psychological capacities (hope, optimism, resilience, self-efficacy), psychological empowerment and job performance. This was done through the calculation of Pearson product-moment correlations (r) to provide evidence of the strength of the linear relationship between the independent and dependent variables in this study.

Table 8

Pearson product-moment correlation coefficients between positive psychological capacities, psychological empowerment and job performance

| | 1 | 2 | 3 | 4 | 5 | 6 |
|------------------------------|--------|---------|--------|---------|-------|---|
| 1. Job performance | - | - | - | - | - | - |
| 2. Hope | 0,30*† | - | - | - | - | - |
| 3. Optimism | 0,29* | 0,55*†† | - | - | - | - |
| 4. Resilience | 0,05 | 0,51*†† | 0,45*† | - | - | - |
| 5. Self-efficacy | 0,27* | 0,48*† | 0,40*† | 0,65*†† | - | - |
| 6. Psychological empowerment | 0,06 | 0,35*† | 0,23* | 0,19* | 0,25* | - |

* Statistically significant $p \leq 0,05$

† Correlation is practically significant $r \geq 0,30$ (medium effect)

†† Correlation is practically significant $r \geq 0,50$ (large effect)

Results from Table 8 revealed a statistically significant positive relationship (practically significant, medium effect) between hope and job performance ($r = 0,30$, $p \leq 0,05$). Consequently the higher the level of hope experienced, the higher will be the performance level and vice versa. Locke and Latham (1990) indicated that high hope employees will have the motivation for goal attainment, and will also tend to develop and implement alternate paths and action plans even when obstacles and problems come up. In other words, hope could be perceived as the fuel that starts and maintains the striving process necessary for goal attainment, as well as the navigational force that helps an individual identify alternative routes to goals when faced with roadblocks. This results in higher job performance (Locke & Latham, 1990).

Table 8 also shows a statistically significant correlation between optimism and job performance ($r = 0,29$, $p \leq 0,05$). Chan's (2002) study was able to provide support in suggesting that individuals with higher levels of optimism are more likely to have higher performance ratings than those with low levels of optimism ($r=0.24$, $p < 0.05$), or that high performance at work can increase optimism levels in individuals. In his later study, Chan (2004) also found a significant positive relationship between optimism and job performance ($r = 0.22$, $p < 0.01$) and indicated that individuals who reported higher levels of optimism also tended to receive higher job performance ratings. This study also found a statistically significant relationship between self-efficacy and job performance ($r = 0,27$, $p \leq 0,05$). This was supported by research of Judge and

Bono (2001) who found a correlation of $r = 0,23$ ($p < 0,05$) between self-efficacy and job performance.

No practical or statistically significant correlation was found between resilience and job performance and psychological empowerment and job performance. This was rather surprising since literature argued for a positive relationship between job performance and resilience and psychological empowerment (Luthans et al. 2005; Quinn & Spreitzer, 1999; Seibert et al, 2004).

The hope construct has a statistically significant, strong positive relationship (practically significant, large effect) with optimism ($r = 0,55$, $p \leq 0,05$). This means that the higher the level of optimism experienced, the higher will be the level of hope be and vice versa. This relationship was expected as Snyder (1995) posits that optimists are easily motivated to work harder, are more contented, have high morale, are highly motivated, persevere in the face of challenges and see setbacks as temporary.

Resilience has a statistically significant, strong positive relationship (practically significant, large effect) with Hope ($r = 0,51$, $p \leq 0,05$). This means that the greater the level of resilience experienced, the greater will be the level of hope and vice versa. In other words, the greater the employee's ability to bounce back from set-backs, challenges and flourish under such situations (Saleebey, 2002), the greater will be his/her expectation that the goal can be achieved (through goal-directed energy and alternate pathways) (hope) and vice versa (Snyder, 1994, 2000b). The researcher expected this, as Luthans et al., (2004) argued that they are both cognitive processes that rely heavily on systematic pathway models that address patterns of behaviour over time.

In addition to this, self-efficacy has a statistically significant, positive relationship (practically significant, medium effect) with hope ($r = 0,48$, $p \leq 0,05$). This means, that the higher the level of self-efficacy an employee experiences, the higher will be his/her level of hope experienced and vice versa. In other words, the greater the employee's conviction about his/her ability to mobilise a specific task in a given context (self-efficacy) (Bandura, 1997), the greater will be the expectation that the goal can be achieved (through goal-directed energy and alternate pathways) (hope) and vice versa. This relationship was expected as Bandura (1997) argued that the agency

component of hope is similar to efficacy expectancies and the hope pathways to efficacy outcome expectancies.

Psychological empowerment also has a statistically significant, positive relationship (practical significance, medium effect) with Hope ($r = 0,35$; $p \leq 0,05$). This relationship is also supported in the literature. Bland and Darlington (2002) conceptualised hope as possessing a broad range of ideas of a positive future, a sense of ability and purpose. This conceptualisation, implies similar beliefs that empowerment does. They both involve the belief that the individual is capable of being responsible and capable of controlling his/her life and its subsequent outcomes. Therefore they (Bland & Darlington, 2002) argue, that it would follow that being hopeful is positively correlated with empowerment.

Optimism and resilience has a statistically significant, positive relationship (practically significant, medium effect), ($r = 0,45$, $p \leq 0,05$). This relationship is supported in literature (Soloman, 2005; Waller, 2001) and means that the higher the level of optimism experienced, the higher will the level of resilience be and vice versa. Soloman (2005) indicated that the explanatory style of optimists produce resilience and Waller (2001) indicated that a resilient person will seek social support which may result in optimistic appraisals and increased competence. In addition, self-efficacy has a statistically significant positive relationship with optimism ($r = 0,40$, $p \leq 0,05$). This means that the higher the level of self-efficacy experienced, the higher will be the levels of optimism experienced and vice versa. The greater the employee's conviction about his/her ability to mobilise a specific task within a given context (self-efficacy) (Bandura, 1997), the more positive his/her expectancies of their future will be (optimism). This relationship was expected as Scheier and Carver (1993) observed that both self-efficacy and optimism involved expectancies. Bandura (1977) also indicated that these two concepts influence one another.

A statistically significant, strong positive relationship (practical significance, large effect) was found between resilience and self-efficacy ($r = 0,65$, $p \leq 0,05$). This means that the higher the level of resilience experienced, the higher will be the level of self-efficacy and vice versa. In other words, the greater the employee's confidence about his/her ability to perform a specific

task in a specific context (self-efficacy) (Bandura, 1997), the greater will be the employee's ability to bounce back from set-backs, challenges and flourish under such situations (Saleebey, 2002) and vice versa. This concurred with Mallak's (1998) suggestion of there being a relationship between these two capacities where self-efficacy was believed to be the cognitive side of resilience.

Based on the above, the following hypothesis can be concluded:

Ho1: There is a significant positive relationship between hope, optimism, resilience, self-efficacy and job performance of employees in a financial organisation. The hypothesis is only partially accepted.

Ho2: There is a significant positive relationship between psychological empowerment and job performance of employees in a financial organisation. The hypothesis is rejected.

Ho3: There is a significant positive relationship between the positive psychological capacities of hope, optimism, resilience, self-efficacy and psychological empowerment of employees in a financial organisation. The hypothesis is only partially accepted.

Stepwise regression analysis

Regression analysis was carried out to determine the percentage variance in the dependent variable that is predicted by the independent variables. In this study a multiple regression analysis was computed to determine the proportion of the total variance of job performance (dependent variable) as explained by hope, optimism, resilience, self-efficacy and psychological empowerment (independent variables). Stepwise multiple regression analyses were computed and are reflected in Table 9 below.

The findings in Table 9 shows that 9% of the variance explained in job performance is predicted by hope ($F = 14.60, p < 0.05$). By adding optimism the statistical significance of the R^2 increased ($\Delta R^2 = 0.03$). From Table 9, it is evident that 11% of the variance explained in job performance is predicted by hope and optimism ($F = 9.60, p < 0.05$). Hope and optimism were statistically

significant predictors of job performance. By adding self-efficacy, the statistical significance of the R^2 increased ($\Delta R^2 = 0,01$). Thus, it is thus evident from Table 9 that 13% of the variance explained in job performance is predicted by hope, optimism and self-efficacy ($F = 7,28$, $p < 0,05$). However, these were not statistically significant predictors.

Table 9

Multiple Regression Analyses with Job performance as Dependent Variable

| Step | | Unstandardised coefficients | Standardised coefficients | t | p | F | R | R ² | ΔR^2 |
|------|---------------|-----------------------------|---------------------------|--------|--------|---------|------|----------------|--------------|
| | | B SE | Beta | | | | | | |
| 1 | (Constant) | 0,639 | | 1,03 | 0,3 | 14,603* | 0,30 | 0,09 | 0,09 |
| | Hope | 0,065 | 0,295 | 3,82 | 0,000* | | | | |
| 2 | (Constant) | 0,101 | | 0,152 | 0,879 | 9,6009* | 0,34 | 0,11 | 0,03 |
| | Hope | 0,042 | 0,192 | 2,103 | 0,037* | | | | |
| | Optimism | 0,083 | 0,189 | 2,07 | 0,04* | | | | |
| 3 | (Constant) | -0,780 | | -0,899 | 0,370 | 7,286 | 0,36 | 0,13 | 0,01 |
| | Hope | 0,031 | 0,141 | 1,456 | 0,147 | | | | |
| | Optimism | 0,071 | 0,162 | 1,747 | 0,083 | | | | |
| | Self-efficacy | 0,045 | 0,139 | 1,571 | 0,118 | | | | |

* $p < 0,05$ – Statistically significant

These findings were supported by other research findings. For example Locke and Latham (1990) argued for the significance that hope possesses to predict performance levels. However, Begley et al., (2000) found a statistically significant predictive relationship between job performance and optimism ($p < 0,05$). In support of this finding, a study by Fariselli, Ghini, and Freedman (2008) found that optimism emerged as a strong predictor of job performance, where 17,9% of the variation in performance was predicted by optimism. Heslin and Klehe (2006) argued that self-efficacy was a predictor of job performance due to the fact that a high degree of self-efficacy leads people to work hard and persist in the face of setbacks.

Based on the above findings, it appears that 13% of the total variance of job performance (dependent variable) is explained by hope, optimism, and self-efficacy (independent variables).

This concludes the next hypothesis:

Ho4: The positive psychological capacities of hope, optimism, resilience and self-efficacy can be used to predict employee's level of job performance in a financial organisation. This hypothesis is only partially accepted.

Ho5: Psychological empowerment can be used to predict employee's level of job performance in a financial organisation. This hypothesis is rejected.

CONCLUSIONS

The reliability and validity of the measuring instruments were tested with the Cronbach alpha coefficients and factor analysis (using eigen-values). Pearson correlations were done to examine the relationship between the different variables and stepwise regression analysis was done to determine the percentage variance of the dependent variable as explained by the independent variables. Statistical analyses confirmed the internal consistency of the five measuring instruments employed in this research.

It was found that the research group experienced above average levels of hope and average/moderate levels of optimism. The study also revealed that the respondents experienced high levels of resilience and self-efficacy, as well as above average levels of psychological empowerment. Correlation analyses revealed a statistical and practically significant positive relationship between hope and job performance. A statistically significant relationship was found between optimism and job performance and self-efficacy and job performance. However, no statistical or practically significant relationship was found to exist between resilience and job performance. The study also investigated if a significant positive relationship existed between psychological empowerment and job performance and no statistical or practically significant relationship was found to exist between the two constructs.

The correlation analyses also revealed a statistical and practically significant relationship between hope and optimism, hope and resilience, hope and self-efficacy, and hope and psychological empowerment. There was also a statistically significant practical relationship

between optimism and resilience; self-efficacy and resilience and between optimism and self-efficacy. However, no practically significant relationship was found between resilience and psychological empowerment and between self-efficacy and psychological empowerment.

This study also investigated if the positive psychological capacities of hope, optimism, resilience and self-efficacy could be used to predict job performance. It was found that hope, optimism and self-efficacy could be used to predict job performance. Resilience however was found not to be a predictor of job performance. Finally this study investigated if psychological empowerment could be used to predict job performance and it was found that psychological empowerment was unfortunately found not to be predictor of job performance.

Based on the finding of practically significant correlations between hope and job performance and Snyder's (2000b) postulation that individuals hope-related notions occur as a result of environmental circumstances, it would make sense that the organisation under study, realise that if they want their employees to function at their the optimum, they need to effectively implement strategies that will result in an increase in job performance. This could result in sustainable competitive advantage and a happier and more committed workforce. These can be implemented through the facilitation of processes where employees are empowered to formulate their own goals and sub-goals for the accomplishment for work-tasks. Decision-making also needs to become a participative process where employees input and involvement is sought and valued. These will serve to increase the willpower/agency and pathways components of hope, as well as enabling employee buy-in to processes and change initiatives. Employees may also have a sense that they are capable of making a valuable contribution to theirs, as well as the lives of others (Snyder et al., 2002).

Recommendations are also made to develop optimism and self-efficacy in the organisation under study as statistically significant relationships were also evidenced. The organisation needs to enable a culture where coaching and mentoring becomes the norm rather than the exception. These will provide employees with support and enable personal and organizational growth. Leaders within the organisation need to inspire followers to reach greater heights and challenge their way of thinking. In addition to this, leaders need to lead by example by manifesting the

positive behaviours they want their employees to emulate. The climate needs to be a supportive one where employees are provided with tangible evidences of their efforts and successes. The organisation under study should also embark on a wellness programme to facilitate a healthy organisation where employees are taught various skills like relaxation techniques, stress management and meditation.

Recommendations for future research culminating from the limitations of this study are also offered. For example: As opposed to only including employees from one organisation and in one industry, efforts should be made to obtain a larger, more diverse sample group. This would enable the research findings to be generalised across different sectors. This study also only measured psychological capacities and psychological empowerment at a single point in time and it is probable that state levels will vary. It would thus be more feasible to measure these at different intervals in order to better predict performance outcomes. Based on this, it would also be viable to conduct a longitudinal study which incorporates a pre-test/post-test control group experiment. This may serve to help determine if the constructs under study cause improvement on the job, i.e. further research should investigate causality, rather than simply being exploratory. In addition to this, no consideration was given to the extent to which other variables such as leadership style, social support, organisational culture and climate, and training and development may impact on the constructs under study. Thus, it is suggested that any future study should aim to understand and consider other potential moderators that may impact of positive psychological capacities, psychological empowerment and job performance.

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CHAPTER 3

CONCLUSIONS, LIMITATIONS AND RECOMMENDATIONS

In this chapter, a synopsis of the study will be presented. Conclusions regarding the theoretical and empirical objectives will be specified. Recommendations to assist the organisation to progress towards a strengths-based environment will be provided. Limitations of this study are discussed and suggestions for future research will also be presented before reaching a final conclusion.

3.1. SYNOPSIS OF THE RESEARCH STUDY

In chapter one the problem statement was discussed and research objectives were outlined as well as research methods to be followed in the study. The research methodology, including the measuring instruments and statistical process were outlined. In chapter two, the literature objective of the study was achieved. It provided a framework for the conceptualisation of positive psychological capacities, empowerment and job performance. The empirical research methods were also discussed here. The research sample was presented and a discussion presenting the development and motivation for using the measuring instruments were included. Hypotheses statements were postulated and a statistical analysis to obtain the empirical results was provided. The empirical results were also described in detail and illustrated in tables to ensure that the reader of this research is informed of the statistical findings obtained in this research. Discussion on the findings obtained was presented in terms of positive psychological capacities, psychological empowerment and job performance. Correlations between variables were determined and discussed. In this regard, the empirical objectives as stated in Chapter one and two were achieved and statistically verified.

3.2. CONCLUSION REGARDING THEORETICAL AND EMPIRICAL OBJECTIVES

Positive psychology in the context of healthy work

Within an organisational context, the ultimate aim of positive psychology should be to create a healthy organisation. It should be one where employees are engaged in their work, and where the environment empowers employees to feel that they are able to do the things that they are best at. This in turn will result in a culture in which employees perform at their best. This may seem like a Utopia. However, when one considers the amount of time organisations spend on training the weakness out of people, it would only seem logical that these resources are also used to build healthy, as well as globally and nationally competitive organisations (Linley & Joseph, 2004). There are several important reasons to pay attention to the work in positive psychology. First, people who are happy and positive tend to be healthier and live longer (Peterson, 2000; Ryff & Singer, 2002). Secondly, there are other benefits associated with experiencing positive emotion, including increased cognitive flexibility and creativity and higher production, which is beneficial, particularly work (Schmeichel & Baumeister, 2004).

Positive psychology focuses on promoting and maintaining good health and research has shown that hope has been positively implicated in doing exactly that (Snyder, 2000). People, who had demonstrated higher levels of hope, seemed to use information about physical illness to their advantage (Snyder, Irving & Anderson, 1991b). Within the hope theory framework, knowledge is used as a pathway for prevention and is directly linked to positive work adjustment and wellness. There is substantial evidence on the importance of optimism related to physical and psychological health (Seligman, 1998). For example optimists tend to be healthier and have better immune system functioning than pessimists. Optimists are also more likely to remain committed to efforts to improve their health (for example through exercising), and in the event of experiencing health problems, are often more capable of identifying them relatively early due to their belief that their actions can have beneficial results which leads them to seek a doctor's opinion (Peterson & Steen, 2002). Research suggests that optimism can have a positive impact on stress and emotions. In research undertaken by Hooker, Monahan, Shifren, and Hutchinson (1992) people with more positive expectations about their situation demonstrated better mental health than those with fewer positive expectations.

Self-efficacy beliefs influence a number of biological processes, which in turn influence wellness. Self-efficacy beliefs affect the body's physiological responses to stress, including the immune system, and a perceived lack of control over environmental demands (such as those brought on by organisational change), can increase susceptibility to infections and hasten the progression of disease (Bandura, 1997). The results from this study found that the research group was experiencing above average levels of hope and moderate levels of optimism. The study also revealed that high levels of resilience and self-efficacy, as well as above average levels of psychological empowerment were being experienced by the respondents. This could yield positive outcomes in terms of a healthy work environment for the organisation under study.

The *first objective* of the study was to conceptualise the positive psychological capacities of hope, optimism, resilience and self-efficacy, psychological empowerment and job performance and the relationship between these constructs in the literature.

Hope is conceptualised as the ability to plan routes or pathways to desired goals and the agency or motivation to use these pathways. Hope is a summation of these two aspects (Carr, 2004). It is perceived that those with high hopes are motivated by their sense of having the ability to develop ways to get the things they want, which provides them with the ability to generate alternative pathways toward the accomplishment of their goals if the original ones are blocked (Lopez, Snyder, & Pedrotti, 2003). Although research on the positive impact of hope's work-outcomes is just emerging, recent research has shown that leaders' level of hope has a significant positive impact on business unit financial performance, employee job satisfaction and retention (Lopez et al., 2003). In addition, studies have linked hope to job performance (Luthans & Youssef, 2004), which highlights the value-adding benefit that hope may have in contributing to sustainable competitive advantage.

Optimism may be defined a "generalised expectations that good things will happen" (Scheier & Carver, 1985, p. 171). According to this classification, self-regulators plan in advance for the management of obstacles that might hinder goal achievement, and they also show evidence of confidence, that despite difficult obstacles, they will persevere towards achieving their goals. Peterson (2000) considers optimism as involving cognitive, emotional, and motivational

components and that people high on optimism tend to have better moods, tend to be more persevering and successful, and experience better physical health, which may contribute to better job performance. Studies by Risch (1999); Scheier, Carver, and Bridges (1994); Seligman (1998) and Sujan (1999) have positively linked optimism to job performance and have suggested that employees with higher levels of optimism are more likely to motivate themselves and the people around them to meet daily challenges.

POB describes resiliency as "the positive psychological capacity to bounce back from adversity, uncertainty, conflict, failure, or even positive change, progress and increased responsibility" (Luthans, 2002, p. 702). Highly resilient people have a deep belief, based on a strong set of values, that life is indeed meaningful and has a mysterious ability to improvise and adapt (Coutu, 2003). Saleebey (2002) attributed this to their ability to focus on their abilities, assets and positive attributes more than on their weaknesses. Resilient employees tend to positively adapt after a set-back and rebound to more optimal levels of functioning (Masten & Reed, 2002). The ability of employees to handle organisational stressors in a manner that is deemed proactive and healthy can be a constant challenge for some individuals (Conner, 1993). For those employees who struggle in coping with workplace stress, the workplace is impacted by higher absenteeism rates, job turnover, tardiness, job dissatisfaction, and (more relevant to the study), on job performance (Williams, 2003; Wright, Beard, & Edington, 2002). Research conducted by Luthans, Avey, Avolio, Norman, and Combs, (2006) and Luthans, Avolio, Walumbwa, and Li (2005) all showed a positive relationship between resiliency and performance and bottom-line gains in the workplace.

Among the POB constructs, self-efficacy has the most extensive theoretical and research support (Bandura, 1997, 2000, Stajkovic & Luthans, 1998) and refers to the belief individuals have in their ability to be successful in a given task (Avey, Hughes, Norman, & Luthans, 2007). Overall, findings indicate that self-efficacy is positively linked to work-related outcomes (Stajkovic & Luthans, 1998) and Randhawa (2007) found a significant positive relationship between self-efficacy and work performance, suggesting that the higher the self-efficacy specific to the job, the higher will be the job performance of the employee. People with high self-efficacy choose to perform more challenging tasks; they set themselves higher goals and stick to them. In the face

of setbacks, they recover quicker and maintain their commitment to their goals (Randhawa, 2007) and consequently appear to be a pivotal role-player in the war to gain sustainable competitive advantage.

Psychological empowerment is defined as the degree to which an individual desires or feels able to influence his or her work role and context Spreitzer (1995). Particularly relevant to the organisation under study, it was argued that psychological empowerment is essential for customer service within service organisations and is a key element to improving performance within organisations (Corsun & Em, 1999). Seibert, Silver and Randolph (2004) indicated in their research that there is a positive relationship between psychological empowerment and individual work performance. This is supported by previous research which also found small, but significant correlations between psychological empowerment and individual performance (Spreitzer, Kizilos, & Nason, 1997).

From literature it is evident that there is a relationship between the positive psychological capacities of hope, optimism, resilience and self-efficacy and psychological empowerment, as various research findings confirmed the relationship of these variables with performance on the job.

The *second objective* of the study was to determine the relationship between hope, optimism, resilience, self-efficacy and job performance of employees in a financial organisation. Correlation analyses revealed a statistical and practically significant positive relationship between hope and job performance. Only a statistically significant relationship was found between optimism and job performance and self-efficacy and job performance. However, no statistical or practically significant relationship was found to exist between resilience and job performance.

This means that the higher the level of hope experienced, the higher will be the level of performance and vice versa. In other words, the more employees pursue their goals, and the more they persevere and forge alternative routes to reach those goals in the event of their plans becoming hindered, the higher will the level of job performance be and vice versa. This finding

is supported by Scheier and Carver (1985). Employees in the organisation under study therefore appear to mentally motivate themselves to initiate and sustain movement towards whatever goal they have set for themselves. The positive qualities that high-hope employees have will by implication have a direct impact of job performance. For example: they tend to be more adaptable and flexible; are likely to be more motivated; they confidently take responsibility for tasks; readily adapt to new and collaborative relationships and are less anxious under stress (Snyder & Lopez, 2002).

This is particularly relevant in the current work context where in spite of the environment which is saturated with change, that employees continue to remain hopeful and deliver what is required from the job or they continue to deliver what their role requires and have thus developed to being hopeful. The turn-over rate in the organisation is relatively high (although it was not used as part of this study), but there are still those employees who choose to stay (employees with service of between 2 to 5 years are the majority) and this is possibly due to them being hopeful that things will work out for the better. This is linked to a study by Adams, et al., (2002) who reported that companies with higher hope employees are more profitable, have higher retention rates and have higher levels of employee satisfaction and commitment.

The study did reveal a relationship (albeit it only statistically significant) between optimism and job performance. This means that employees in this organisation's expectancies of success or failure impacts on their level of performance or that their level of performance has an impact on whether they will expect success or not. This is a promising sign as research has indicated that employee's perception of success or failure has a direct implication for on the job performance (Brown & Marshall, 2002). Optimism's positive associations with performance support the belief that it may contribute to goal accomplishment through encouraging persistence in the face of obstacles (Scheier & Carver, 1993). Begley, Lee and Czapka (2000) argued that high optimism can be expected to positively affect the relationship between striving for goal attainment and performance because the belief that success is possible will increase the motivation to strive. Low optimism, on the other hand, will not affect this relationship because low optimists will not see such striving as likely to produce positive outcomes (Begley et al., 2000)

This study also revealed a statically significant relationship between self-efficacy and job performance. Randhawa (2007) also found a positive and highly significant correlation between self-efficacy and job performance. Researchers have shown that high levels of self-efficacy leads to increased performance of employees (Stajkovic & Luthans, 1998). Bandura (1997) also indicated that self-efficacy reflects the individual's judgement to accomplish a certain level of performance. It makes sense then that literature has positively linked the two constructs. This finding, as relevant for this study, means that the participant's judgement of whether or not they can execute a certain task or action has implications for on the job performance and vice versa. This also impacts on the motivational state of the person and determines whether the person will persist and persevere in the face of difficulty or obstacles. The significant correlation between these two constructs also shows that self-efficacy plays an important role in determining the performance levels of employees, hence would warrant further development within the organisational context.

In addition, no statistical or practically significant relationship were found to exist between resilience and job performance. This was rather surprising since Luthans et al. (2005) argued for a positive relationship between resilience and job performance.

The *third objective* of the study was to determine the relationship between psychological empowerment and job performance of employees in a financial organisation. However, no statistical or practically significant relationship was found to exist between psychological empowerment and job performance. This was rather surprising since literature argued for a positive relationship between psychological empowerment and and job performance (Quinn & Spreitzer, 1997; Seibert, et al, 2004).

Note that this does not mean that these constructs of resilience and job performance, and psychological empowerment and job performance are not related, it simply means that this specific study did not find a linear relationship between these constructs. It is thus recommended that this be investigated further.

The *fourth objective* of this study was to determine the relationship between the constructs of hope, optimism, resilience, self-efficacy and psychological empowerment of employees in a financial organisation. The study yielded statistical and practically significant relationship between hope and optimism, hope and resilience, hope and self-efficacy, and hope and psychological empowerment. There is also a statistically significant practical relationship between optimism and resilience; self-efficacy and resilience and between optimism and self-efficacy. However, no practically significant relationship (only statistically significant) was found between resilience and psychological empowerment and between self-efficacy and psychological empowerment. These relationships were expected as it has vast literature support but what this means for this study is that the constructs under this study appear to share some commonality which means that they can be grouped and studied together. This lends support for its conceptualisation under the concept of positive psychological capacities.

The *fifth objective* was to determine whether the positive psychological capacities of hope, optimism, resilience and self-efficacy could be used to predict job performance of employees in a financial organisation. It was found that the positive psychological variables of hope, optimism and self-efficacy could be used to predict job performance. However, resilience was found not to be a predictor of job performance. This means that hope, optimism, and self-efficacy have an important link to job performance in that its presence and/or absence were capable of predicting job performance. For purposes of this study, it means that any empowerment program or intervention that the organisation embarks on, aimed at increasing hope, optimism and self-efficacy, will ultimately serve the beneficial purpose of increasing job performance levels

The *sixth objective* of this study was to determine whether psychological empowerment could be used to predict job performance levels of employees in a financial organisation. Psychological empowerment was found not to be a predictor of job performance.

3.3 RECOMMENDATIONS

Following are recommendations based on the findings of the research study.

3.3.1 Recommendations for the Organisation

Practically significant correlations were found to exist between hope and job performance indicating that the higher the individual's level of hope, the higher will be the level of job performance and vice versa. Due to the notion of Snyder (2000) where he indicated that individuals hope-related notions occur as a result of environmental circumstances, it would make sense that the organisation under study, realise that if they want their employees to function at their the optimum, they need to effectively implement strategies that will result in an increase in job performance, which could develop into sustainable competitive advantage and a happier and more committed workforce.

Luthans, van Wyk, and Walumbwa (2004) proposed that through the development of hope within an organisational context, the willpower will be strengthened and the alternate pathways will increase the potential for attaining desired organisational goals and ultimately contribute to competitive advantage. The following strategies are suggested to enhance hope:

To enhance the agency or willpower component of hope, the employees must be allowed to participate in the formulation of the goals and as a result will "own" the goals they strive to achieve. These goals should be specific and challenging, but also be broken down into small manageable steps that will enable tracking of progress. In addition to this, to facilitate the pathways component of hope thought, superiors should make contingency plans and action plans for attaining goals a core role requirement (Luthans & Jensen, 2002; Luthans et al., 2004).

It should be noted that the organisation under study has as its philosophy (Organisation Intranet) that:

- people are one of its most important resource in creating sustainable profits
- people are inherently good and want to accept responsibility for reaching goals
- if people are allowed to make their own choices, they will do the sensible thing
- people use self-direction and self-control in reaching goals that they are committed to and
- [High] performance will occur as a result of internal motivation.

However, despite this, organisational changes at present are implemented with a top-down approach and employees are expected to simply accept and implement, employees are micro-managed due to the financial risks and are not responsible for setting their own goals for job performance. One result of this could be the high staff turn-over. To alleviate this, the organisation needs to become more inclusive, in the sense that decisions need to become a participative process which requires the input and involvement of the employees that will be affected. This will also serve to obtain employee buy-in and instil in them the feeling that they are making a valuable contribution to their and others work lives.

Management can also facilitate a sense of real hope by allowing employees to live the company's business philosophy and set their own methods of achieving company objectives. If the organisation seeks to empower their employees, then it needs to assist them through the education and development of the skills that will enable employees to do this. Employees should be afforded the opportunity to set their own performance goals (which can then be collaboratively agreed upon with their supervisor). These goals need to be specific (in terms of including targets, dates and measurables) and challenging (in the sense that the employee will have to move beyond the level they are accustomed to functioning in). In the course of doing this, employees should be required to determine alternative plans for set goals. Apart from this, the encouragement of celebrating accomplishment and goal achievements should become a norm, rather than an exception.

As suggested by Watkins and Mohr (2001), it is suggested that an appreciative inquiry approach to planned change be implemented and followed. For example, the organisation can require all members of teams to develop a joint statement of each other's positive qualities. This could amount to an "I like" list which can serve the dual purpose of making the norms by which the teams will operate more explicit, as well as energising the team by helping team members to focus their attention and intentions on positive steps toward change.

As previously indicated, high-hope individuals are creative and effective problem solvers. It would thus serve the organization well to utilise this by encouraging employees to focus on challenging the status quo, creating new solutions and persevering in the face of difficulty. For

example the organisation can facilitate a process where they get suggestions from employees on various issues that the organisation is currently dealing with like remuneration and change. This can include small group discussions and inputs prior to decision-making.

The process of coaching and mentoring of coping strategies to employees can also aid the development of the hope construct in the workplace (Luthans & Jensen, 2002; Luthans et al., 2004). This can be done through the development of support systems whereby employees are trained as coaches and coaches and mentors and mentees. These human resources can then be used as a social support system for development, on-the job training and general employee support. In addition to the above, the organisational environment must also provide open access to information, resources, support and an equal opportunity for everyone to learn and develop. This will entail more open and transparent decision-making, effective channels of communication and knowledge distribution.

This study also yielded a statistically significant relationship between optimism and job performance. The following recommendations are thus offered as supported guidelines for effective management of organisational human capital with regards to optimism:

The organisation should consider testing for optimism levels in prospective employees as part of their selection process (Scheier & Carver, 1993). The ability to select for optimism has been proven especially important for performance and retention (Seligman, 1998) and this seems especially relevant in the financial services industry where there are high recruitment and training costs and as mentioned a high turnover rate.

A developmental manner of addressing this would be to teach employees to distance themselves from pessimistic explanations teaching employees to recognise negative thoughts (which frequently occur automatically) and become aware of how those thoughts are a barrier to optimism (Krause, 2005). With regards to this, coaching can play a pivotal role where employees can be encouraged to document their negative thoughts, which can then be used as a point of discussion in terms of finding and encouraging other and/or more optimistic and/or plausible explanations. Coaching can also encourage a process which involves "arguing" with negative beliefs and replacing them with more positive alternatives. Coaches should encourage employees

to ask themselves the following: What is the objective support for these negative beliefs? How are these beliefs holding me back? What more optimistic and empowering thoughts could I replace them with? The climate of the organisation under study also needs to be transformed into one which encourages employees to surround themselves with optimistic, supportive people. This will help turn occasional optimistic thoughts into a habitual way of thinking. The work environment can facilitate through displaying posters of positive behaviours from employees and encouraging and rewarding optimistic actions.

In addition to this and due to the fact that the study yielded statistically significant relationship between self-efficacy and job performance, the following suggestions to develop self-efficacy in the workplace are also offered:

Leaders within the organisation need to inspire followers to reach greater heights; exhorting followers to think of challenges in ways that make it possible to confront them; having effective social support systems in the workplace and/or access to coaches, counsellors and mentors for dealing with stressors and organisational changes. In addition to this, leaders need to lead by example by manifesting positive behaviours that followers want to emulate. The work environment can also put up visual images and messages of employees in the environments that have excelled and who are making successes of themselves, as a motivator to other employees of the difference and impact that they too are capable of having in their work environments.

As indicated previously, the organisation needs to ensure a supportive climate in which this is all made possible and employees need to be provided with tangible evidence of their successes, because when people can see themselves coping effectively with difficulty situations, their sense of mastery will be heightened. This may involve creating hype around accomplishments; celebrating small successes with zest and providing greater incentives and motivation for successful task or goal accomplishment. In keeping with the notion of contributing to a healthy organisation, organisations should teach employees relaxation techniques like breathing exercises or yoga; stress management skills and meditation to reduce the arousal typically associated with low self-efficacy and poor job performance. Thus the organisation under study

should embark on a psychological wellness programme which encompasses all these factors to develop and enable employees to become more self-efficacious and hence higher job performers.

3.3.2 Recommendations for Future Research

The following recommendations can be made regarding research in the future:

- To enhance external validity, future research efforts should obtain a larger sample from various organisations.
- Data was collected at one point in time and included the sole use of self-report data. A longitudinal study would be recommended to investigate if the states change over time and its subsequent impact on job performance, as well as to investigate the impact of any interventions that would be put into place.
- Understanding and considering other potential moderators that may impact on positive psychological capacities, psychological empowerment and job performance such as social support, culture, organisational climate and training
- Consider the impact of other biographical factors such as tenure and race rather than only those taken into account in this study.
- Ideally, research should test hope, optimism, resilience, self-efficacy and psychological empowerment as an intervention in a pretest-posttest control group experiment. This would help determine if these constructs cause performance improvement, i.e. further research should investigate causality, rather than simply being exploratory.

3.4 LIMITATIONS OF THE RESEARCH

The following limitations are identified regarding this research:

- The empirical study only included employees of one company and in one industry, which means that the results cannot be generalised. Nonetheless, the results should add to the body of knowledge of psychological resources.
- This research encompassed too many constructs for a mini-dissertation study.

- Researcher should have been weary of the possibility of the questionnaires being interpreted as traits as opposed to states due to the manner in which the questions or statements are phrased.
- Another limitation of the study was the fact that the level of psychological capital and psychological empowerment in employees was only measured at a single point in time. It is probable that state levels will vary and that it might be more accurate to measure these states at several points over time in order to better predict performance outcomes.
- All the instruments used in this study were self-report inventories and the possibility therefore exists that some respondents may have deliberately distorted their answers.
- There was no consideration given to the extent to which variables such as leadership style or culture may impact on perceptions or feelings of empowerment. For example a work unit may be empowered because they have sufficient work resources and established accountability but the individuals in the unit may not feel psychologically empowered because the leader reserves control to themselves (Seibert, Silver & Randolph, 2004).

3.5 THE APPLICABILITY OF THE FINDINGS

The researcher finds the applicability from the findings of this study to be:

- A handy tool for management to integrate findings in this research into their strategic focus areas
- The practical significances obtained during this research are an indication that there is definitely a need to further explore the results obtained.

3.6 CONCLUSION

The objective of this research was to determine the relationship between positive psychological capacities, empowerment and job performance. The study population consisted of 155 employees from specific departments in a financial services organisation. A correlation design was used to test the hypothesis. Five questionnaires were used, being the State Hope Scale (STS); Life Orientation Test – Revised (LOT-R); Resilience Scale (RS); General Perceived Self-efficacy Scale (GPSES) and the Measuring Empowerment Questionnaire (MEQ). Practically

significant correlations were found between hope and job performance. Correlation analyses revealed a statistical and practically significant positive relationship between hope and job performance. Only a statistically significant relationship was found between optimism and job performance and self-efficacy and job performance. However, no statistical or practically significant relationship was found to exist between resilience and job performance and between psychological empowerment and job performance. The study also revealed statistical and practically significant relationship between hope and optimism, hope and resilience, hope and self-efficacy, and hope and psychological empowerment. There is also a statistically significant practical relationship between optimism and resilience; self-efficacy and resilience and between optimism and self-efficacy. However, no practically significant relationship was found between resilience and psychological empowerment and between self-efficacy and psychological empowerment. It was found that hope, optimism and self-efficacy could be used to predict job performance. Resilience and psychological empowerment were, however, found not to be a predictors of job performance.

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