Psychological Capital: Concepts, Measurement, and Interventions

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Abstract: *Psychological capital is a durable and relatively stable psychological foundation that individuals acquire through avenues such as learning and investment. It is an important concept that influences the psychological health, happiness, and work behavior of individuals and groups. Individualized psychological interventions include providing psychological services and social support, enhancing social capital or human capital, and increasing community resource support, among other approaches. Group interventions led and participated in by organizations are more effective and cost-efficient intervention strategies. Organizational-led group micro-interventions not only include four processes of collective hope, collective efficacy, collective resilience, and collective optimism but also reinforce group perception through leadership behavior and member contagion, reshaping group emotions. Organizational platform interventions are another important form of group intervention. Through workplace and community platforms, individual care and group cohesion can be achieved. A combination of these three strategies can lead to better practical outcomes.*

Keywords: *Psychological capital, Intervention strategies, Group micro-intervention, Organizational platform intervention*

1. Introduction

The concept of psychological capital originates from economics. As economists delved deeper into their understanding of capital, they gradually reached a consensus on the concept that, in addition to physical capital, human capital and social capital could also be used for production and generating returns. With this realization, the personality and qualities of individuals, as part of psychological capital, began to receive attention. Economists Goldsmith, Veum, and Darity (1997-1998) argued that psychological capital comprises a series of personality traits that influence people's productivity[1]. These traits reflect an individual's self-perception or self-esteem and govern their work attitudes and behaviors.

The development of positive psychology and positive organizational behavior has propelled research on psychological capital. Building upon the ideas of positive psychology, Seligman explicitly introduced the concept of psychological capital in 2002. He pointed out that psychological capital is a durable and relatively stable psychological foundation that individuals acquire through avenues such as learning and investment. By enhancing psychological capital and increasing psychological reserves, individuals can better cope with complex social environments, leading to increased happiness and satisfaction (Seligman, 2002)[2]. Luthans et al. (2005) introduced this concept into the field of organizational behavior and, along with Youseef & Avolio (2007) and others, provided a clear definition of psychological capital, stating that it refers to the psychological state that leads to positive organizational behavior in individuals. This emphasizes that psychological capital goes beyond human capital and social capital, no longer limited to the field of organizational behavior[3][4].

In terms of its structure, after extensive theoretical research and empirical testing, it is generally accepted that psychological capital consists of four sub-dimensions: self-efficacy, hope, optimism, and resilience (Luthans & Youssef,2004)[5]. As fundamental psychological factors, these four concepts have a rich theoretical basis in psychology. They possess both positivity and uniqueness and meet the criteria of measurability, developability, and enhancing organizational performance according to the Positive Organizational Behavior (POB) standards proposed by Luthans et al. (2005)[3].

Self-efficacy is the positive belief in one's ability to mobilize resources and successfully execute tasks. According to Luthans and colleagues, individuals with high self-efficacy exhibit five key characteristics:

setting high or challenging goals, growing in challenging environments, being highly self-motivated, investing time and effort to achieve their goals, and persevering in the face of difficulties (Luthans, Youssef, & Avolio, 2007)[4].

Hope is a positive motivational state formed by the interaction of goals, energy, and pathways. Specifically, hope requires individuals to have clear pathways to envision achieving their desired goals and to demonstrate the necessary motivation through self-directed determination (Snyder, Irving, & Anderson, 1991)[6].

Optimism, as defined by Scheier (1994),is an overall positive outlook evaluation[7]. Seligman (1998) points out that optimists tend to view positive events as internal, stable, and universal while seeing negative events as external and unstable (Luthans, Avolio, Avey, & Norman, 2007)[8][9]. Schneider (2001) further suggests that optimism, distinct from excessive excitement, should be cultivated as a "realistic optimism" based on an assessment of oneself, the current situation, and an analysis of past events[10].

Resilience, also known as psychological resilience, is defined by Luthans (2002) as the positive psychological ability to bounce back from adversity, uncertainty, conflict, failure, or even excitement[11]. Skodol (2010) believes that individuals with resilience qualities should encompass the following characteristics: strong self-awareness (such as self-guidance, self-understanding, a positive future orientation, and the ability to control negative emotions) and strong interpersonal skills (such as social competence, empathy, understanding others, and altruism)[12]. In today's world of significant social and psychological changes, resilience has become increasingly important for individuals.

2. Measurement of Psychological Capital

Due to varying interpretations of the content and structure of psychological capital, numerous scholars have developed corresponding psychological measurement scales. Goldsmith et al. (1997) considers psychological capital as synonymous with self-esteem, thus measuring psychological capital equates to measuring self-esteem[1]. Jensen (2003) posits that psychological capital should encompass four dimensions: hope, optimism, self-efficacy, and resilience[13]. Building upon these four dimensions, Page et al. (2004) introduced the "Positive Psychological Capital Assessment Scale," adding integrity as a fifth dimension[14]. Luthans, along with Youseef and Avolio, divided psychological capital into four dimensions: self-efficacy, optimism, resilience, and hope, and based on this, developed the "Psychological Capital Questionnaire (PCQ-24)", consisting of 24 items[4]. Some scholars, following Luthans' definition of the four dimensions (self-efficacy, optimism, resilience, and hope), have conducted separate measurements of each dimension using existing questionnaires.

Luthans and colleagues contend that cultural background can alter the composition of psychological capital, and the performance of different psychological abilities will also vary in collectivist and individualist cultures. Some Chinese scholars have focused on the localization of psychological capital structure and measurement, studying it within the context of the local environment and population. For instance, Ke Jianglin et al. (2009) examined Chinese indigenous psychological capital components among part-time graduate students and working professionals, proposing a two-factor structure consisting of task-oriented psychological capital (self-confidence, courage, optimism, hope, enterprising spirit, and tenacity) and interpersonal psychological capital (humility, sincerity, stability, tolerance, respect, courtesy, and gratitude)[15]. Wu Weijiong et al. (2012) presented similar findings, suggesting that teachers' psychological capital comprises both task-oriented psychological capital (hope, optimism, and resilience) and interpersonal psychological capital (humility, gratitude, altruism, emotional intelligence, confidence, and self-efficacy)[16].

Many of the aforementioned scales are applicable to professionals and managers, but there is a lack of psychological capital measurement methods tailored to the general population. Zhang Kuo, Zhang Sai, and Dong Yinghong (2010) developed the "Positive Psychological Capital Questionnaire (PPQ)" to enhance the universality of psychological capital measurement. It includes four dimensions: self-efficacy, optimism, resilience, and hope, and each sub-dimension exhibits a significant correlation with indicators reflecting positive psychology, such as self-esteem, internal locus of control, emotional balance, and psychological conflicts[17]. Ye Yiduo et al. (2012) created a 22-item version of the Adolescent Student Psychological Capital Questionnaire, containing four dimensions: hope, optimism, self-confidence, and resilience[18].

Currently, the measurement of psychological capital mainly relies on self-report questionnaire

methods. Some scholars also employ observation methods and outcome variable measurement methods to assess psychological capital, primarily using peer assessments to evaluate outcome variables closely related to psychological capital to assess an individual's psychological capital status.

3. Psychological Capital Interventions

Psychological capital can be developed and utilized through specific intervention strategies, and research on the intervention of psychological capital is an important area within the field of psychological capital research. Luthans has proposed a micro-intervention model of psychological capital based on the work context. In subsequent research (Luthans, 2007, 2017), he has outlined operational action plans for enhancing psychological capital from four dimensions:

Hope Dimension: Effective development strategies include goals and pathways design, implementing scenario and obstacle planning.

Self-Efficacy Dimension: Effective strategies include experiencing success and modeling relevant others, persuasion, positive feedback, and arousal.

Resilience Dimension: Effective strategies can involve identifying and building assets, avoiding risks, and influencing the influence process.

Optimism Dimension: Effective strategies encompass interpreting and attributing events positively, adopting a "glass half full" perspective, and developing positive expectancy[8][19].

Social cognitive theory and social contagion theory suggest that individuals in a group, during the process of information communication and exchange, create a social context in which individual psychological capital tends to become similar. Over time, individuals within the group develop more consistent perceptions of certain aspects of the group, ultimately forming group (collective) psychological capital. Currently, research on psychological capital intervention is predominantly focused at the individual level, with relatively fewer studies exploring the mechanisms of group psychological capital. However, some scholars have begun to explore psychological capital interventions at the organizational and group levels.

Shared reality theory posits that when social standards are unclear or social uncertainty increases, especially when social norms and social attitudes change, individuals tend to share social standards and psychological states with others, making individual psychological facts into social psychological facts, thereby enhancing their sense of stability. Based on shared reality theory, Yang Yiyin (2012) proposed an upward-downward model of shared reality theory, providing a theoretical basis for group interventions in psychological capital research[20]. Individual needs, emotions, and attitudes can transcend individuals and reshape group emotions, making it theoretically possible to enhance group psychological capital through individual interventions.

3.1. Personalized Psychological Capital Interventions

Current research indicates that personalized interventions for psychological capital include both direct and indirect approaches. Direct interventions primarily involve the provision of psychological services and cultural products, such as professional counseling, psychological training, and leadership support. Some scholars advocate for indirect interventions by enhancing the human and social capital of target groups to indirectly enhance psychological capital. It is generally believed that special groups like the elderly and impoverished families tend to have relatively less human and social capital and limited access to social support resources. However, research shows that social support plays a crucial role in the development of psychological capital. The social support individuals receive can be converted into other forms of resources, such as psychological capital. By strengthening the social or human capital of these special groups, their psychological capital can also be effectively intervened. This finding provides insights into psychological capital intervention strategies for special groups. Mishra (2015), for example, suggests that improving neighborhood relationships and providing community daycare or healthcare services can help family members build confidence in handling family affairs. This, in turn, enables family members to provide instrumental and emotional support to each other, increasing family resources and enhancing family psychological capital[21]. However, Morgan et al. (2019) point out that merely accumulating human and social capital may not bring about social justice and social inclusion for these groups[22]. Therefore, intervention strategies emphasizing organizational participation should be introduced to help them reevaluate and appreciate themselves, recognize their responsibility and control

over life choices, and foster a sense of empowerment.

3.2. Group Micro-Interventions for Psychological Capital

Luthans' intervention model has served as the basis for many studies on psychological capital interventions and has also provided guidance for research on group-level psychological capital micro-interventions. For example, Broad still considers hope, optimism, self-efficacy, and resilience as the four dimensions when thinking about group micro-interventions for psychological capital. He believes that when conducting psychological capital interventions at the group level, it is essential to establish common collective goals, create a collective consciousness, and encourage group members to form relatively stable individual characteristics and core self-evaluations from a collective perspective. It's also crucial to fully utilize interpersonal influence among members to reinforce positive organizational attributes and foster a more consistent perception among members towards the organization. Yao Jin and Yang Liping (2023), after comparing Broad's and Luthans' intervention models, propose that collective psychological capital interventions should not only include the four processes of collective hope, collective efficacy, collective resilience, and collective optimism but also involve leaders in creating a healthy and safe interactive environment and leveraging member influence to reinforce a shared group perception[23][24]. Based on this, they have developed specific strategies for collective psychological capital interventions (as shown in Figure 1). The effectiveness of this model has been verified by Fang Bijin (2012), who also proposed group micro-intervention programs tailored for adolescent groups. These interventions aim to enhance collective psychological capital by addressing the specific needs and characteristics of young people within a group context[25].
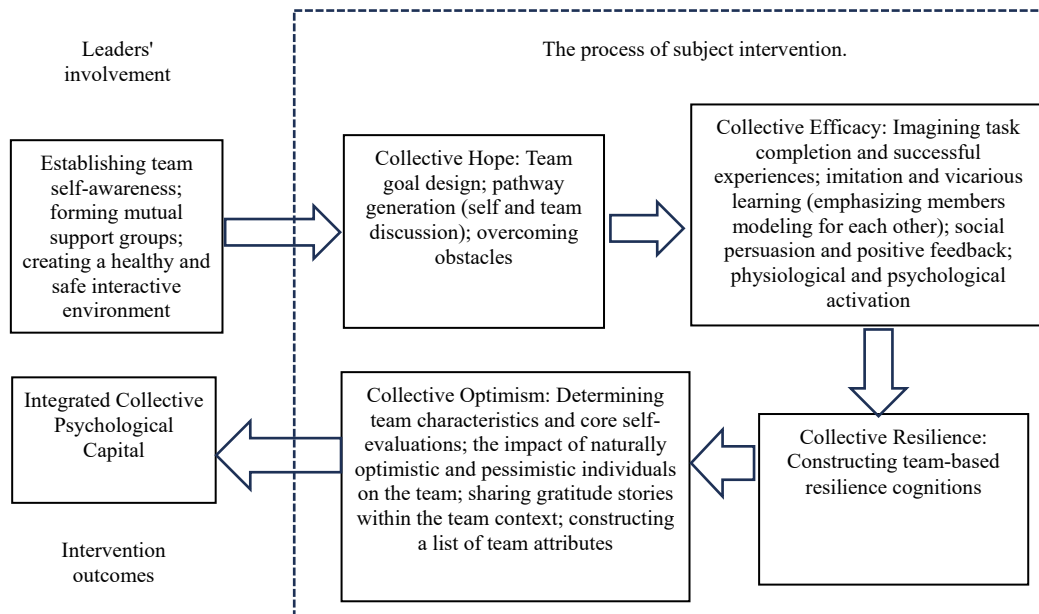

Figure 1: Group Psychological Capital Intervention Model (Broad J. D, Luthans F., 2017, and Yao Jin, Yang Liping, 2023)[24][25].

3.3. Organizational Platform Intervention

Zhu Wanjing (2009) was the first to propose that there is a distinction between collective and individual psychological capital, and when conducting psychological capital interventions on groups, it is essential to consider the role of the organization[26]. Organizations can enhance individuals' psychological capital levels through measures such as setting up multiple incentive mechanisms, conducting education and training, and organizing cultural activities. Zhang Xiaojun and Zhou Wencheng (2013) also believed that when conducting positive interventions on employees' psychological capital, the organizational platform can be utilized for individual care and group cohesion. There has been a growing number of empirical studies on organizational platform interventions[27]. In Pavitra's (2015) empirical study, community platforms provided possibilities for family resource support strategies such as neighborhood activities, daycare services, and medical services[28]. Li Keke et al (2016) also pointed out that a psychological capital intervention system for college students can be collectively constructed by schools, families, and individuals. Activities such as psychological quality training, career planning,

and on-and-off-campus social practices conducted through the school platform can effectively promote the enhancement of college students' psychological capital[29]. Jaswant et al. (2018) proposed an organizational platform as a specific method for bridging individuals and groups. They conducted a psychological capital intervention experiment based on a community platform with a refugee population, integrating the ideas of platform intervention, group micro-intervention, and personalized intervention[30]. Haydn et al. (2019) further examined the effectiveness of organizational platform interventions. Their research implemented intervention programs for youth groups in marginalized communities, showing significant positive effects on psychological capital, especially in the dimensions of self-efficacy and hope[31].

4. Conclusion

As an important concept closely related to mental health, well-being, and organizational behavior, psychological capital has garnered increasing academic attention. There are several avenues for future expansion and development in this field.

From the overview provided above, it is evident that current research on psychological capital primarily focuses on healthcare workers, employees in organizations, teachers, and students, with a relatively narrow scope that overlooks the general population. Future research can expand the study of psychological capital to include a broader range of subjects, increasing its applicability.

Regarding research methods, questionnaires are commonly employed, but there is a lack of standardized and authoritative measurement scales. The reliability and validity of these scales also require further verification. In the future, the development of more general and adaptable measurement scales, forming standardized evaluation tools, would be beneficial.

In terms of research content, current studies mostly concentrate on the work context, and there is potential for increased emphasis on the relationship between psychological capital and happiness and mental health. More scholars are beginning to explore the field of collective psychological capital, and future research can delve deeper into the mechanisms of its impact. Empirical research can also be conducted to test the consistency and differences between individual and collective psychological capital, as well as to examine the effectiveness of intervention strategies.

Acknowledgments

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