LITERATURE REVIEW AND KEY VARIABLES

Job Satisfaction

Scholars have defined job satisfaction as the extent to which an employee expresses a positive affective orientation or attitudinal reaction to the job (Smith, Kendall, & Hulin, 1969; Spector, 1985). It reflects the on-the-job utility of workers, and in result influences employee behaviors and organizational productivity (Artz, 2008). Job Satisfaction refers to affective reactions of the individuals to various features of the job. As noted earlier, Job satisfaction is a primary outcome of work experiences that meet valued needs of individuals and thus represents a key indicator of the QWL (Igbaria et al., 1994). Job satisfaction refers to an employee’s overall sense of well-being at work. It is an internal state based on assessing the job and job-related experiences with some degree of favor or disfavor (Locke, 1976). The significance of job satisfaction in an organization could be understood from the contentions that, despite being a perceptual variable, job satisfaction is considered as an economically relevant variable (Freeman, 1978).

Researchers have consistently reported high correlations between overall job satisfaction and performance. Studies have also seen the effect of job satisfaction on employee motivation and turnover intentions (Stazyk, 2010). Job satisfaction has been treated as both a global concept referring to overall satisfaction and as a facet-specific concept referring to various aspects of work, such as pay, supervision, or workload (Cook, Hepworth, Wall, & Warr, 1983). On a higher level there exists a positive match between job satisfaction and high self-esteem, high self-efficacy and low neuroticism (Srivastava & Locke, 2006). This study offers a new perspective to study job satisfaction by offering a combined effect of justice and QWL on the same. The
significance of this study is that it attempts to explain job satisfaction using justice as an antecedent. This becomes crucial when the literature provides differing viewpoints on whether job satisfaction is an antecedent or a consequence of the overall organizational performance (Petty, McGee, & Cavender, 1984).

In terms of operationalization of job satisfaction, Job Descriptive Index (JDI) developed by Smith and colleagues (1965) is a widely accepted measure of job satisfaction (Indik, 1971). JDI describes satisfaction as having five different facets, namely, satisfaction with work, co-workers, supervision, pay, and opportunities for promotion.

**Organizational Commitment**

The concept of organizational commitment has received increased attention from both organizational scientists as well as practicing managers. Simultaneously it has become an issue of concern for the managers to enhance organizational performance and check employee turnover (Steers, 1977). The study of commitment is important for various reasons. To identify a few, studies have highlighted that commitment is a better predictor of various other employee outcomes like performance and turnover (Koch & Steers, 1978; Porter et al., 1974). One set of study also suggest that employees with high commitment are better performers than their less committed counterparts (Porter et al., 1974). Some authors have suggested that organizational commitment is one of the prime indicators of organizational effectiveness (Schein, 1970; Steers, 1975).

Organizational commitment is defined in terms of the strength of an individual's identification with and involvement in a particular organization (Porter et al., 1974). It is an extent to which an individual employee identifies with and is involved in an
organization (Curry et al., 1986). On the basis of group theory and role theory
Reichers (1985) argues that, commitment is a process of identification with the goals
of an organization's multiple constituencies. These constituencies comprises of the top
management, customers, unions, and/or the general public at large (Reichers, 1985).
Commitment initiates a rationalizing process through which individuals "make sense"
of their current situation by developing attitudes that are consistent with their
commitment (Bateman & Strasser, 1984). The development of organizational
commitment appears to require an individual to think in fairly global terms about his
or her relationship to the organization during the employment period (Porter et al.,
1974).

The pioneering work on organizational commitment was a study by Gouldner
(1960) where the main focus was to identify and distinguish between the dimensions
of commitment. The first level of distinction between the forms of commitment was
borrowed from Public Administration by Simon, Smithburg & Thompson (1950).
This first level distinction was made between commitment to the total organization
and commitment to specific values of the organization (Simon, Smithburg, &
Thompson, 1950). Gouldner (1960b) conducted a study on the members of a women's
voluntary association and extended Simon et al.'s (1950) view. This study reported
that both forms of commitment, to total organization and to specific values, can be
further divided into four factors. Commitment to total organization can be categorized
into cosmopolitan integration and organizational introjections; and commitment to
organizational values can be divided into cross-sectional membership and political
party responsibility. Cosmopolitan integration is the degree to which the individual is
active in and feels a part of the varying levels of the particular organization, especially
the higher levels, and is active as well in other organizations; and organizational
introjections is the degree to which the individual's ideal self-image includes a variety of organizationally approved qualities and values. Cross-sectional membership is the desirability of getting members from different income brackets, different political philosophies, different levels of education, and so forth; and political party responsibility is the desirability of including individuals consistently supporting organization (Gouldner, 1960b).

One of the conceptualizing works on organizational commitment, conducted as a longitudinal study amongst a sample of psychiatric technician trainees, has proposed three-components of the construct (Porter et al., 1974): first, a strong belief in an organization's values and goals; second, a willingness to expend considerable effort for it; third, a strong intent or desire to remain employed by the organization (Angle & Perry, 1981; Mowday, Steers, & Porter, 1979).

The definitions of commitment, these can be broadly categorized into three (Reichers, 1985). First, the side-bets, which says that Commitment is a function of the rewards and costs associated with organizational membership; these typically increase as tenure in the organization increases. Individual employees usually make such bets to avoid being perceived as unstable or “a job hopper”, the side-bet theory (Becker, 1960). Second, as an attribution, commitment is a binding of the individual to behavioural acts that results when individuals attribute an attitude of commitment to themselves after engaging in behaviors that are volitional, explicit, and irrevocable. Third, as Individual/organizational goal congruence, Commitment occurs when individuals identify with and extend effort towards organizational goals and values. The Organizational Commitment Questionnaire (OCQ), developed by Porter and his colleagues (1974), is the primary operationalization of this definition.
Further, some researchers view commitment as a behavior. For example, O'Reilly & Caldwell (1981) in their study of the MBA students have shown that some aspects of the initial decision to join an organization were related to subsequent commitment and satisfaction. Here commitment is defined as a behavior. In addition, this study demonstrated an empirical support in a field setting for the attributional nature of commitment. This work indicates that commitment results from irrevocable and volitional acts that the individual engages in during the job choice process (O'Reilly & Caldwell, 1980).

Mowday et al. (1982) have distinguished between commitment as an attitude (affective) and commitment as a behavior. Attitudinal commitment reflects the individual's identification with organizational goals and his/her willingness to work towards them. Thus, attitudinal commitment is synonymous with organizational commitment as measured by the OCQ. Behavioural commitment, on the other hand, is represented by what is here termed attributional approaches to commitment, and it results from the binding of individuals to behavioural acts. There is a cyclical relationship between these two types of commitment (Mowday, Porter, & Steers, 1982). As an integration of attitudinal and behavioural commitment Mowday et al. (1982) have argued that, under conditions that increase felt responsibility, behavior may be instrumental in shaping attitudes, which in turn influence subsequent behavior.

The most recent development in the commitment literature is the three-component model. This conceptualization goes beyond the traditional distinction between behavioural and attitudinal commitment and argue that it is a psychological state (Meyer & Allen, 1991). The argument by Meyer & Allen (1991) for labelling
commitment as a psychological state rather than as an attitude is that “commitment also includes the desire, need and obligation to remain” which is not within the scope of the definition of commitment as an attitude. Out of the definitions stated by various researchers, three general themes have been identified: affective attachment to the organization (affective commitment), perceived cost associated with leaving the organization (continuance commitment), and obligation to remain with the organization (normative commitment). For example, Meyer & Allen (1991) has categorized the views of various authors under the three labels: Affective commitment (Buchanan, 1974; Kanter, 1968; Mowday et al., 1979; Porter, Crampon, & Smith, 1976; Porter et al., 1974); Continuance commitment (Becker, 1960; Farrell & Rusbult, 1981; Hrebiniak & Alutto, 1972; Kanter, 1968; Mowday et al., 1982; Scholl, 1981; Stebbins, 1970; Stevens, Beyer, & Trice, 1978); Normative commitment (Marsh & Mannari, 1977; Wiener, 1982; Wiener & Vardi, 1980). Thus, on this basis Meyer & Allen (1991) have defined commitment as a psychological state that characterizes the employee’s relationship with the organization and has implications for the decision to continue or discontinue membership in the organization.

According to Allen and Meyer (1996), affective organizational commitment can be defined as an employee’s emotional attachment to or with an organization or an employer. Employees experience several different commitments to the goals and values of multiple groups (Reichers, 1985).

In addition, there are two points to note about the three-component model; first, Meyer & Allen (1991) have not proposed any new component of commitment rather they have provided a new conceptualization of commitment with this model; second, it is more appropriate to consider affective, continuance and normative as components
rather than types of commitment. The three-component model identifies behavioural commitment as an antecedent of affective commitment and as part of a feedback chain in which positive work behaviors (for which employee accepts responsibility, ‘felt responsibility’ Mowday et al., 1982) increases behavioural commitment and consequently affective commitment (Meyer & Allen, 1991).

**Organizational Justice**

The concept of justice has been of interest for the scholars over the millennia (Colquitt, Greenberg, & Zapata-Phelan, 2005). This is primarily because there has been an inherent concern about the overall fairness situation. For instance, in an organizational scenario, employees are concerned about the fair treatment by their supervisors and managers are interested in the fair reporting procedures. All such concerns and similar, fall under the purview of organizational justice (Greenberg & Colquitt, 2005).

Organizational justice is defined as the degree of fairness in an organization (Colquitt, 2001; Greenberg & Colquitt, 2005); it is concerned with the ways in which employees determine if they were treated fairly in their jobs and the ways in which those determinations influence other work-related variables (Moorman, 1991). Researchers have broadly defined organizational justice as “people’s perceptions of fairness in organizational settings” (Greenberg, 1990b). As such the concept is relevant to the process of organizing because securing fair treatment for union members at the workplace is perhaps the most important goal of unionization (Simpson & Kaminski, 2007). Researchers have demonstrated that workers feel more positive about their affiliation (with the organization) to the extent that they perceive the organizational rewards systems to be fairer (Simpson & Kaminski, 2007).
In development of the concept of organizational justice, two- and three-factor views have been proposed. In the chronology of the development of the factors of justice, distributive justice is the first in order, as it originally emerged out of the equity theory (Colquitt, 2001); second in the order is procedural justice (Thibaut & Walker, 1975); and third factor is interactional justice, as introduced by Bies and Moag (1986). Following this Greenberg (1993a) proposed a more generative conceptualization of organizational justice (Beis, 2005). This taxonomy had two independent dimensions: first, the category of justice – procedural and distributive, and second, the focal determinants – the structural and social (Greenberg, 1993a). Thus this taxonomy had four classes of justice, namely, systemic justice (achieving procedural justice through structural means), configural justice (achieving distributive justice through structural means), informational justice (social determinants of procedural justice), and interpersonal justice (the social aspect of distributive justice). However, this conceptualization has not been empirically tested (Colquitt, 2001). Taking a lead from the Greenberg’s (1993) taxonomy, Colquitt (2001) proposed and validated the four-factor model/measure of organizational justice (Bies, 2005; Colquitt, 2001). Thus the literature on organizational justice currently provides a four-factor view, with distributive, procedural, interpersonal, and informational as the four factors (Colquitt, 2001).

Initial researches on justice focused on the quality of the decision outcomes and termed it as Distributive justice (Colquitt, 2001), it refers to the perceived fairness of the amounts of compensation employees receive (McFarlin & Sweeney, 1992). It is the degree to which rewards are allocated in an equitable manner (Niehoff & Moorman, 1993). Distributive justice is nurtured where outcomes are consistent with implicit norms for allocation, such as equity or equality (Colquitt, 2001), thus it is the
perception of employees that the degree to which the rewards received as outputs are equitably related to performance inputs (Moorman, 1991). Distributive justice is the perceived fairness of reward allocation within an organization, such as their current pay and benefit levels (Simpson & Kaminski, 2007). Prior research and theory on social exchange and distributive justice suggest that when employees receive inducements that are commensurate with their knowledge, skills, and abilities, they are more likely to think that their outcomes such as pay, benefits, and terms of work are fair and just (Greenberg, 1990b).

The second form of justice, procedural justice, is focused on the justice of the processes that lead to decision outcomes, termed procedural justice (Leventhal, 1980; Thibaut & Walker, 1975). Procedural justice refers to the formal level of the decision-making process associated with these and related outcomes, including the provision of some system of employee complaint or appeal regarding the consequences of first-stage decision-making (Simpson & Kaminski, 2007). Some researches postulate procedural justice as composed of two sub-factors, formal procedures and the interactional justice (Moorman, 1991; Skarlicki & Folger, 1997). Formal procedure reflects the degree to which fair procedures are used in the organization (Moorman, 1991). Thibaut and Walker (1975) have further subdivide procedural justice into two components, namely, process control (“voice effect”) and decision control (“choice effect”) (Campbell & Finch, 2004). As the most recent development in the study of justice, a four-component model of procedural justice has been proposed (Blader & Tyler, 2003a). The model differentiates between both justice type (i.e., decision making, quality of treatment) and justice source (i.e., formal, informal) in developing these components (Blader & Tyler, 2003b). People are influenced by two aspects of the formal procedures of the group: those aspects that relate to decision making and
those that relate to the quality of treatment that group members are entitled to receive under the rules. In addition, people are separately influenced by two aspects of the authorities with whom they personally deal: the quality of decision making by those authorities and the quality of the treatment that they receive from them (Blader & Tyler, 2003a).

A third factor is also highlighted in the literature on organizational justice, labeled as interactional justice, defined as the interpersonal treatment people receive as procedures are enacted (Bies & Moag, 1986b). This organizational justice dimension has been called the “social side of justice” (Simpson & Kaminski, 2007) and it focuses on the quality of informal interpersonal interactions in the workplace, especially between supervisors and subordinates. The expectation associated with interactional justice is for subordinates to be treated with honesty, courtesy, respect, and politeness (Bies & Moag, 1986b; Fuller Jr. & Hester, 2001). Although some group of researchers have treated interactional justice as a third dimension/type of justice (Barling & Phillips, 1993; Bies & Shapiro, 1987; Skarlicki & Folger, 1997), yet others have considered it a subset of procedural justice (Moorman, 1991; Niehoff & Moorman, 1993). Still others have used separate measures of procedural and interactional justice but have combined them because of high intercorrelations (Mansour-Cole & Scott, 1998; Skarlicki & Folger, 1997). Further we also find that two facets of interactional justice have been identified, namely, interpersonal and informational (Greenberg, 1993a). These two forms of interactional justice were suggested by Greenberg (1993). **Interpersonal justice** is defined as the treatment employees received by authorities when procedures are enacted in an organization (Colquitt, 2001; Colquitt et al., 2001; Greenberg, 1993a; Greenberg, 1993b). Further explanations provided to employees that conveys information about why and how
procedures are distributed in a particular manner, is referred to as *informational justice* (Colquitt, 2001; Colquitt et al., 2001; Greenberg, 1993a; Greenberg, 1993b).

In relating forms of justice, procedural justice is considered as a means to distributive justice (Sheppard, Lewicki, & Minton, 1992). Procedural justice concerns with the rules and procedures followed to reward the employees, in line with this, distributive justice is thus a second step as the degree to which employees perceive such a reward distribution (arising out of the procedural justice) as equitable on basis of the performance inputs.

With regard to distributive justice, numerous studies have demonstrated that individuals differ in terms of how they define fair allocation outcomes (Simpson & Kaminski, 2007). Some believe in an equity norm in arguing that individuals should be rewarded based on their individual level of productivity. Others support an equality standard in which all individuals in the same job should receive the same levels of compensation. According to equity theory (Adams, 1963), perceptions of an unfair distribution of work rewards relative to work inputs create tension within an individual, and the individual is motivated to resolve the tension. Whenever workers were either overpaid or underpaid relative to another person with equal contributions, were assumed to be unpleasant. Some researchers have argued the outcome of distributive justice on basis of the equity theory approach and specified that overpaid workers would feel "guilty" and that underpaid workers would feel "angry" (Greenberg, 1987).

This discussion of specific norms and rules within the organizational justice dimensions makes it clear that individuals vary with regard to how their perceptions of organizational justice are determined. Gender is plausibly one possible source of
such variation and certainly the anecdotal literature on organizing women has implicitly conceded this point (Simpson & Kaminski, 2007). The literature consistently highlights the view that, men value distributive justice more than women (Brockner & Adsit, 1986; Sweeney & McFarlin, 1997). Moreover, whether or not the human resource managers are familiar with the classification as distributive, procedural, interpersonal and informational justice, they certainly are aware of the variations that these forms of justice can have on employees (Skarlicki & Folger, 2003).

Quality of Work Life

The literature on quality of work life (QWL) portrays the term as an umbrella concept and there seems to be no agreed upon definition of QWL, it has been used as a construct which relates to the well-being of employees (Chan & Wyatt, 2007). The concept encompasses a wide range of organizational phenomenon (Campbell, Converse, & Rogers, 1976; Davis & Cherns, 1975; Loscocco & Roschelle, 1991; Walton, 1974), but most relevant to this study is the view that QWL is “the degree to which members of a work organization are able to satisfy important personal needs through their experiences in the organization” (Suttle, 1977). Thus, the QWL of an individual is defined by an individual’s affective reactions to both objective and experienced characteristics of the work organization (Igbaria et al., 1994). A slightly different view is presented from a union-management perspective, which says that QWL is a cooperative effort on part of both union and management to involve employees in day-to-day process of decision making (Fields & Thacker, 1992).

The concept of QWL goes beyond measuring employee’s experiences within a particular organization and encompasses a wider value set that is specific to
individuals (Considine & Callus, 2002). QWL is a dynamic multidimensional construct that currently includes such concepts as job security, reward systems, training and career advancement opportunities, and participation in decision making (Considine & Callus, 2002).

The term "Quality of Work Life", was first introduced in 1972 during an International Labour Relations Conference held at Cambridge University (Davis & Cherns, 1975). QWL as we understand is a categorization of the major head Quality of Life. The goals of research psychologist conducting basic research are to describe, explain, predict, and control behavior (Zimbardo & Gerrig, 1998). The applied psychologist has a fifth goal – to improve the Quality of Life. Quality of Life in scientific terms, envelopes all those activities which leads to a constant development in the overall nature of human life. Quality of Life is a national culture attribute, that describes the extent to which social values are characterized by assertiveness and materialism (Robbins, 2003).

One hallmark of a socially responsible organization is its success in achieving not only high performance outcomes, but also in helping its team members experience a high level of job satisfaction. QWL is a key indicator of the overall quality of human experience in the workplace. QWL expresses a clear way of thinking about people, their work, and the organization in which their careers are fulfilled. In recent years, increasing attention has been given to the overall quality of work life an individual experiences in an organization. As traditional assumption about managing are challenged and as the technological and human aspects of work change, organizations are devoting more resources and energy to developing work environments that are excellent for both people and production. QWL describes this
broader concern for the total work environment. During the last two decades, social
and economic forces have converged a lot bringing important work innovations. The
composition of the work force changed dramatically during this period; women
entered the labour force in unprecedented numbers, the proportion of elder workers
declined and the average level of education increased. In addition, the rate of
productivity declined in United States, and European and Japanese manufacturers
emerged as strong competitors in markets previously dominated by American
companies. QWL had its beginnings during this period.

The areas of concern and activity encompassed by QWL are broad and diverse
in nature. Consequently, the term has acquired many different meanings. According to
Glaser (1976) the term QWL implies more than job security, good working
conditions, adequate and fair compensation, more even than equal employment
opportunity all together [as cited in (Hsu & Kernohan, 2006)]. To some managers and
employees, QWL refers to industrial democracy, increased worker participation in
decision making, or achieving the ultimate goals of the human relations approach to
management (Hackman & Suttle, 1977: 174). To others, the term suggests various
strategies and techniques for increasing productivity through human resources rather
than capital or technology. Finally, some managers and employees interpret the QWL
concept as closely related to, such concepts as job satisfaction, organizational
commitment, or humanistic organizations (White & Bednar, 1986).

Wagner III & Hollenbeck (1995) has defined QWL as the degree to which work
and membership in an organization facilitates the satisfaction of important personal
needs and interests. Similar to this QWL of an individual is also defined as, an
individual’s affective reactions to both objective and experienced characteristics of
the work organization (Igbaria et al., 1994). Perhaps the most comprehensive and
well-known definition of QWL was presented by Walton (1974), he suggested eight
major criteria that characterize a high QWL, these are: adequate and fair
compensation; safe and healthy environment; development of human capacities;
growth and security; social integration; constitutionalism; the total life space; and
social relevance. QWL therefore encompasses a wide range of concerns and activities.
The relationships among these eight criteria are complex; for example, the extensive
rules governing job security and job rights often inhibits efforts to make work more
challenging, a high level of employee involvement may make balance between work
and family/leisure pursuits difficult to achieve. Although, these issues and dilemmas
are and will continue to be great interest to managers and scholars as they attempt to
improve the QWL in modern organizations. In addition, recent research also points
out the factors of QWL, these are, consideration of work (material and non-material),
emotional state (appreciation, esteem, stress, self-motivation, job satisfaction, safety
for job), learning and improvement (career opportunities, acquirement of new
knowledge and skills), social relationship in the organization (relation with colleagues
and supervisors, delegation, communication, command, division of work), self-
realization (career opportunities, involvement in decisions making, self-sufficiency in
one’s workplace), physical state (stress, fatigue, burn-out, work load), safety and work
environment (Akranavičiūtė & Ruževičius, 2007).

Obvious, that an effectively aligned organization can facilitate initial high
performance. When an organization is properly aligned, there is a direct connection
between its vision, mission, strategic business goals, compensation plan, policies, etc.
Strong leadership and a focus on continuous improvement can potentially facilitate
continuous performance. Additionally, a continuous-improvement, high-employee-
involvement work environment can improve ‘job satisfaction levels’ over varying degrees through constraints of time.

Although QWL originated more than three decades ago, the interest in the construct has not waned entirely (Chan & Wyatt, 2007). During the 1990s, scholars and practitioners regained an interest in the study of QWL and this concept has become of renewed concern and increased importance to the organization and its human resources both in terms of employee job satisfaction and in terms of the overall performance of the organization (Chan & Wyatt, 2007).

For the purpose of this study, the most recent and detailed conceptualization of QWL has been used. This is also a QWL scale developed and validated by Van Laar and colleagues (2007). Six factors of QWL have been delineated under this conceptualization, namely, (1) Job and Career satisfaction, it reflects an employee’s feelings about, or evaluation of, their satisfaction or contentment with their job and career and the training they receive to do it. (2) General well-being assesses the extent to which an individual feels good or contented in themselves, in a way which may be independent of their work situation; it influences and is influenced by work. (3) Stress at Work, is determined by the extent to which an individual perceives they have excessive pressures and feel stressed at work. (4) Control at Work, reflects the level to which an employee feels they can control their work through the freedom to express their opinions and being involved in decisions at work. (5) Home-Work Interface, reflects the extent to which the employer is perceived to support family and home life. (6) Working Conditions assess the extent to which the employee is satisfied with the fundamental resources, working conditions and security necessary to do their job effectively.
Psychological Capital

The concept of psychological capital emerged as one of the major contributions of the POB (positive organizational behavior) movement. The overall domain of POB focuses on individual strengths and the manner in which they grow and thrive (Luthans, Norman, Avolio, & Avey, 2008b). The POB perspective adopts a more appreciative perspective on human potential, motives and capacities (Sheldon & King, 2001). The pathway to understand individual employee through the POB perspective has demonstrated that PsyCap positively relates to desirable work outcomes (Luthans, Avolio, Avey, & Norman, 2007a; Luthans et al., 2008b), and negatively associated with undesirable work outcomes (Avey, Luthans, & Jensen, 2009; Avey, Luthans, & Youssef, 2010b; Larson & Luthans, 2006; Luthans et al., 2008b).

Psychological capital is the construct label given to the best-fit POB capacities. Four basic criteria for a POB concept have been enumerated: (a) the uniqueness of the concept; (b) valid measure; (c) open to development; and (d) should be capable of performance improvement in the workplace (Luthans, 2002a, b, c).

Luthans in his first article on conceptualization of the POB (Luthans, 2002b), presented five core concepts, namely, confidence (or self-efficacy), hope, optimism, subjective well-being (or happiness), and emotional intelligence (i.e., the acronym CHOOSE). In his second article (Luthans, 2002a) finally three were narrowed down as best fitting the criteria: the capacity with highest impact - self-efficacy (or confidence); the most unique capacity and potentially having great impact - hope; and finally a positive psychological capacity, new to the CHOOSE classification was proposed - resiliency. Further, in his 2004 article with Youssef, Luthans has added a fourth component to the list of core concepts of POB, it is optimism (Luthans &
Youssef, 2004). These four components together are referred to as the positive psychological capital or simply PsyCap (Luthans & Youssef, 2007). Specifically, PsyCap is a second-order factor which comprises of the shared variance between the four recognized positive psychological resources of hope, optimism, efficacy, and resilience; it signifies that PsyCap incorporates the mechanism(s) that these four discriminant constructs have in common (Avey, Reichard, Luthans, & Mhatre, 2011).

Thus, all put together, an individual’s positive psychological capital is characterized by four components, confidence (self-efficacy, to take on and put in the necessary effort to succeed at challenging tasks), optimism (making positive attributions about succeeding the present and in future), hope (perseverance towards the goals and creating paths in the direction of the goals), resiliency (to sustain and bounce back from the adverse situations). These four are termed as core concepts of POB and PsyCap as a higher-order core concept (Avey, Wernsing, & Luthans, 2008). To qualify as a component in the conceptualization of psychological capital, following criteria should be met: (1) should be relatively unique to the field of organizational behavior; (2) should have a strong theory and research base; (3) should be measurable and have a valid measurement; (4) should have a state-like nature, only then it can be open for development (as opposed to trait-like which are hard-wired); (5) should have positive and sustainable impact on performance. Besides this a “common agentic capacity” running through the four components of PsyCap is the “positive appraisal of circumstances and probability for success based on motivated effort and perseverance” (Avey et al., 2010b). It is significant to note that, PsyCap and each of its constituent capacities are state-like in nature, rather than a mere fixed personality trait (Avey, Luthans, Smith, & Palmer, 2010a; Avey et al., 2010b).
Hope: A feeling that the desired would be fulfilled

Hope is the most unique POB capacity (Luthans, 2002a, b, c). Unlike the construct of self-efficacy/confidence, prior to the introduction of ‘hope’ in POB, it has not been presented in organizational behavior literature. Hope is a regularly used term in our day-to-day language, e.g. Barack Obama’s presidential campaign poster of hope, Albert Einstein’s quote “Learn from yesterday, live for today, hope for tomorrow”, or general usage as “hope for the best”. A general definition of hope thus can be that, hope is any thought that the desired deed may/should happen.

In its technical terms hope is defined as “a cognitive set that is based on a reciprocally derived sense of success of two aspects – willpower and way power” (Snyder et al., 1991). This definition is based on the goal-setting framework, where two elements of hope are proposed – agency (willpower, goal-directed determination) and pathways (way power, planning of ways to meet goals). First, hope is propelled by the perception of a successful agency related to goals. Agency refers to a sense of successful determination in meeting the present and future goals (Snyder et al., 1991). Second, hope is also influenced by the successful availability of pathways which are related to the goal. Pathways refers to a sense of ability to develop ways and means to meet the desired goals (Snyder et al., 1991). Thus, hope is defined as a cognitive set that is based on a reciprocally derived sense of successful agency and pathways (Luthans, 2002b; Snyder et al., 1991).

Snyder et al. (1991) assert that to sustain movement towards and accomplish a goal, both the elements i.e., a sense of agency and the sense of pathways must be available. These two components of hope are reciprocal, additive, and positively related, but they are not synonymous. For instance, though in an ideal condition both
agency and pathways should be clearly perceived, but this might not be the case all the time.

Hope, though was given no attention in the CHOSE framework, but it is the most unique POB capacity (Luthans, 2002b) as it meets the criteria of being state-like, open to development and has a valid measure “State Hope” (Snyder et al., 1991).

**Optimism: A feeling that all is going to turn out well**

Optimism as a component of PsyCap is borrowed from the positive psychology movement. It is a positive explanatory style that attributes positive events to internal, permanent, and pervasive causes, and negative events to external, temporary, and situation specific ones (Luthans & Youssef, 2004). The primary reason for such internal attribution is that it would lead to securing credits for favorable events thus helping to boost self-esteem and individual morale. Further such attribution helps an individual to distance themselves from negative and unfavourable situations of life, thus forming a seamless shield from depression, guilt, self-blame, and despair.

Optimists, in contrast to pessimists, internalize and take credit of the positive events. For optimists failures or negative events are external (out of their control), temporary (one-time happenstances), and situation specific (will not generalize to future situations). On the other hand, pessimists when faced with adversity and negative events magnify the setbacks in their lives and attribute it to personal crises (their own fault) that are permanent (will always be there) and pervasive (tend to generalize it to other situations also).
Self-Efficacy: A feeling of confidence in oneself

The concept of self-efficacy in POB literature is originally borrowed from (Bandura, 1994) concept of Self-efficacy; interchangeably used with the term ‘confidence’ in the POB literature (Luthans, 2002b). The concept was relatively new in the domain of positive approach, because it was omitted by the vanguards [e.g. (Peterson, 2000; Seligman, 1999)] of positive psychology (Luthans, 2002b). This was because, though the concept is positive in its nature but in its early days positive psychology was only focused on dispositional, trait-like characteristics and virtues, and that the Bandura’s (1994) concept of self-efficacy was a state characteristics. Since POB talks about positive state-like characteristics, self-efficacy in this form thus fits with the definition of POB. It is defined as “an individual’s convictions (or confidence) about his or her abilities to mobilize the motivation, cognitive resources, and courses of action needed to successfully execute a specific task within a given context” (Stajkovic & Luthans, 1998b: 66). Self-efficacy defined here is specific to task and context (Luthans, 2002a, b; Stajkovic & Luthans, 1998a; Stajkovic & Luthans, 1998b).

Further, providing a justification for how self-efficacy qualifies as a POB capacity, Luthans (2002b) asserts that, Bandura (2002) has commented on the negative approach of psychology and has called for “humanization of psychology” through a positive approach. Taking evidence from such work, Luthans (2002b) contends that work on self-efficacy is a positive approach and is open to development – this is backed by rich theory and considerable research support.

At this point it is desirable to differentiate between outcome expectancy and self-efficacy; the former may be viewed as a belief that a particular behavior will
produce a particular outcome (Bandura, 1977, 1982, 1989; Maddux & Volkmann, 2010), whereas the latter refers to a person's confidence in his or her own ability to perform a particular behavior that will lead to a desired outcome (Snyder et al., 1991).

**Resilience: A feeling that all things return to normal**

The general dictionary meaning of the term, resilience is the capacity to recover quickly from difficulties and toughness (Oxford-Dictionaries, 2011) it is the property of a material to return to its original shape after deformation that does not exceed its elastic limit.

The concept of resiliency has it origin in clinical psychology, especially child psychology e.g. (Masten, 2001), where it is defined as class of phenomenon characterized by patterns of positive adaptation in the context of significant adversity or risk (Masten & Reed, 2002). It was considered as an extraordinary special gift, possessed by only a few. But the belief has changed and is now considered as an “everyday magic of the ordinary”. This belief of ordinariness of resiliency, i.e. all humans can be resilient, makes it available for implications in today’s workplace (Luthans, 2002b).

Similar to the other two constructs of positive psychological capital, resiliency has many different definitions, but of the purpose of POB we would focus on the state-like nature. Resiliency as a state-like capacity is the capability of individuals to cope successfully in the face of significant change, adversity, or risk (Luthans, 2002b). Resilience goes beyond the skill of adaptation, but it does include the resources required for basic adaptation. As noted by Masten (2001) these resources could be attachment, self-regulation, relations to competent and caring support, and motivation to be effective in the environment. Unlike the popular belief, resiliency is
not only concerned with coping with and to bounce back from negative situations but also from the positive changes. Thus as defined by Luthans (2002b) resiliency is defined as a positive psychological capacity to bounce back not only from uncertainties, adversities, failures and other negative situations but also from positive changes as progress, increased responsibility etc.

Resiliency is conceptually different from the other two constructs of positive psychological capital. The primary difference between resiliency and self-efficacy is that, the former is has a limited domain and is reactive rather, whereas the latter is proactive in its nature (Huey & Weisz, 1997; Hunter & Chandler, 1999). Highlighting its relationship with hope, researches contend that, resiliency is similar to the pathways component of hope but it does not has the agency component (Luthans, 2002b).

The concept of resiliency is new and unique to the field of organizational behavior. The concept has been studied in relation to the researches done on stress in organization because resiliency, as already mentioned, is also to bounce back from positive situation/changes and thus as part of stress it is studied as a component of eustress (i.e. positive stress). Besides this only a few attempts have been made to study resiliency in workplace and that too only at the organizational level (Doe, 1994; Home & Orr, 1998; Mallak, 1998). Thus we can safely conclude that, resiliency qualifies the criteria of being accepted as a POB concept, because it has been conceptualized as state-like and open to development (Carver, 1998; Dyer & McGuinness, 1996) and is also unique and measurable (Block & Kremen, 1996).

Conclusively, we may identify that these core-constructs of POB have certain similarities and they also differentiate significantly from one another. In terms of
similarities we may note the following: they are positive capacities (Luthans & Church, 2002; Snyder & Lopez, 2008; Youssef & Luthans, 2007); have a state-like nature (Luthans & Church, 2002; Luthans & Youssef, 2007; Youssef & Luthans, 2007); are open to development (Aspinwall et al., 2002; Luthans & Church, 2002; Luthans & Youssef, 2007; Snyder, 2002); have cognitive component and are goal directed (Luthans, Lebsack, & Lebsack, 2008c; Snyder & Lopez, 2008); are related to the concept of perceived sense of personal control (Luthans & Church, 2002; Peterson et al., 1982; Sciolli et al., 1997; Snyder & Lopez, 2008) and self regulation (Aspinwall et al., 2002; Vohs & Schmeichel, 2002); have theoretical foundations (Luthans & Youssef, 2007; Youssef & Luthans, 2007); have reliable and valid measures (Luthans & Youssef, 2007; Peterson, 1991; Peterson et al., 1982; Snyder, 1995; Youssef & Luthans, 2007).

Despite the above stated similarities, these constructs significantly differ from one another. For instance, hope is distinct from optimism; Snyder (1994) pointed out that hope is conceptualized as a process involving how people link themselves to positive goals, whereas optimism is one where people distance themselves from negative outcomes. But this is not applicable to flexible optimism (Snyder, 1995). Further, hope also differs from self-efficacy; if we see Bandura’s self efficacy theory and Snyder’s hope theory efficacy expectancies are corresponding to willpower component and outcome expectancies with waypower component. But the basic difference is that Bandura (1977, 1986, 1989) emphasized on efficacy expectancies whereas hope theory focus equally on both willpower and waypower component (Snyder, 1995). Self efficacy expectancies are situation specific whereas Snyder’s hope theory takes a cross situational perspective (Luthans & Jensen, 2002). There are also noted differences between optimism and self-efficacy: latter is concerned with
efficacy expectancies, whereas, the former is optimistic explanatory style for attributing causes behind certain behaviour or events.