CHAPTER-I
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Most formal definitions are unclear as to which human association should be thought of as organizations i.e. Large Corporations, armies, universities, trade unions etc. and which should not i.e. football crowds, theatre audiences, nuclear families, tribes, gangs etc. An organization is described as a collection of individuals who are organized into groups and Sub-groups and interact with each other in an independent relationship and they work towards common, specific goals which are not always clear, this way related is determined by the structure of the organization (Duncan, 1981). According to Wanger and Hollinbeck (1995) "A collection of people and Materials brought together to accomplish purposes beyond the means of individuals working alone". Lewis, Goodman and Fandt, (1995) stated that a group of individuals who work together towards common goals.

On the basis of the above definitions following common elements has emerged.

- Organizations are hierarchical in level.
- Organizations have distributed authority systematically and Involve teamwork, make decisions, exhibit, and conflict.
- Organization has on organizational culture, socialize members.
- Organization has an increasingly diverse workforce, motivate members and solve problems.
- Organization have influenced by economic, political and legal forces.
- Organizations are associations of several people who are aware of being members and who are generally willing to cooperate.
- Organizations are mainly long term and survive change of personnel.
- Organizations profess some goals and objectives which they pursue in a methodical manner; there will be more or less shared or at least assented to by the members.
- Organizations involve a certain degree of formality and impersonality.

In fact, organizations are made up of a number of factions with different agendas and conflicting objectives and commitment can be directed to specific aspects of the employees experience at work. Overall, commitment in the occupational context is a global phenomenon and the person, his occupation, his job and the organization cannot be separated.

Commitment can be defined as the individual's feelings of identification with and attachments to the organization. Commitment, a key ingredient, in human resource management could be defined as the relative strength of an individual's identification with
and involvement in an organization (Mowdey, Porter and Steers, 1982). This view of commitment was derived primarily from the Model of commitment developed by Klesler (1971), with intellectual roots going back to Festinger (1957) and Lewin (1947). The concept of commitment has different connotations in different fields e.g. commitment to the job, commitment to occupation or profession etc.

Commitment (whether to organization or to any other thing) is important because commitment suggests that certain things will not change, namely the behavior to which it is committed, behavior serves as a constraining reality around which our beliefs, interpretations, attitudes and justifications revolve (Salaneik, 1977). This view of commitment was derived primarily from the model of commitment development by Klesler (1971), with intellectual roots going back to Festinger (1957) and Lewin (1947). The commitment is said to go through three phases, i.e., compliance, identification and internalization.

Theories of Commitment:

Human is a social animal, so that the one question Aries in his mind: why do we commit? This thing can be resolved by focusing on various theories:

Psychological Theory

The Psychological theory is that the explanation for consistent behavior is sometimes imported from psychoanalysis. Maslow (1954) proposed that employee's needs emerge in a hierarchical fashion and it is important for the organization to satisfy their needs failing which the employees may exhibit non-commitment which may result in loss of productivity and effectiveness of organization. Psychoanalyst attribute consistency of behavior to a stable structure of personal needs. They predicate that individuals have stable needs and consistently act so as to maximize the possibilities of satisfying them. But the explanation to behavior by reference to needs not directly observable lead to the problem of its implementation, and lead to the problem of its critically evaluated. So that needs are consistently maximize and possibilities of satisfying their needs.

Sociological Theory

Social theories revolve around the related concepts of social sanction and social control. The process of social sanction states that people act consistently because activity of some particular kind is regarded as right and proper in their society or social group and
because deviations from this standard are punished. People act consistently, therefore, because it is morally wrong, practically inexpedient or both, to do otherwise.

"Social Control" phenomenon stated that people obey social rules even when no sanctions would follow an infraction, has been dealt with by positing the internalization which constitutes the hidden audience that enforces the rules. This explanation is generally accepted by sociologists but they just as a generally criticized also because it offers no reasonable explanation of how people choose one from among the many audiences they can mentally survive on to observe any given act.

**Side-bet theory**

A person manifests a consistent course of action because of two states of mind:

1. Made a commitment: means that a person is envisioned as having acted in such a way or
2. Being committed: Means that being in such a state that he will follow a consistent course.

Instead of this concept of commitment is used, the proposition that commitment produces consistent lines of activity is tautological. In order to avoid this tautological Sin, the characteristics of 'being committed' must be specified. Becker (1960) described commitment, in general, as dispositions to engage in 'consistent lines of activity' as a results of accumulation of 'side bits' that would be lost if the activity were discontinued.

The term 'Side bet' is used to refers to anything of value the individual has invested (e.g. time, efforts, money) that would be lost or deemed worthless (fustians) at some perceived cost of the individual if they were to leave the organization. Such investments might include contributions to non-invested pension plans, dependant upon organization specific.

When used to explain commitment to the organization, the consistent lines of activity refer to maintaining membership in the organization.

So that the overall says that the organizational commitment membership and their relationship are very important for organizational productivity and depend upon organizational specific.
Organizational Commitment:

The concept of commitment is often associated with both attitudes and emotions. Commitment to a relationship, an organization, a goal, or even an occupation involves emotional attachments, as well as evaluations of whether current circumstances are what one expected or might expect in the future. Organizational commitment is defined as "the relative strength of an individual's identification with and involvement in a particular organization" (Steers, 1977). It is characterized by:

1. A strong belief in the acceptance of the organization's goals and values,
2. A readiness to work hard for the organization, and
3. A strong desire to remain in the organization (Porter, Steers, Mowday & Boulian, 1974).

Hall, Scheider and Nygren (1970) define organizational commitment as the "process by which the goals of the organizations and those of the individual become increasingly integrated and congruent". Sheldon (1971) defines organizational commitment as an attitude or an orientation towards the organizations, which links or attracts the identity of the person to the organizations. Salancik (1977) defines organizational commitment as "a state of being in which an individual becomes bound by actions to beliefs that sustains activities and involvement". Porter, Steers, Mowday and Boulian (1974), define organizational commitment as "the strength of an individual's identification with and involvement in a particular organization".

Organizational commitment is defined as a state in which an employee identifies with a particular organization and its goals and wishes to maintain membership in the organization (Balu, 1987). Commitment to an organization involves three attitudes: (i) a sense of identification with the organizational goals (ii) a feeling of involvement in organizational duties and (iii) a feeling of loyalty for the organizational. Because of this multidimensional nature of organizational commitment, there is growing support for the three-component model proposed by Allen and Meyer in 1990. The three dimensions are as follows:

"Affective Commitment" involves the employee's emotional attachment to, identification with, and involvement in the organization. One of the earliest and most conceptualization of affective commitment set forth by Porter and Smith (1974), characterizes a highly committed individual as one who has:
1. A strong desire to remain a member of a particular organization;
2. A willingness to exert high levels of efforts on behalf of the organization and
3. A definite belief in and acceptance of the values and goals of the organization.

"Continuance commitment" the perceived economic value of remaining with an organization compared to leaving it. An employee may be committed to an employer because she is paid well and feels it would hurt her family to quit and this may be because of the loss of sonority for promotion or benefits.

Finally, the "Normative Commitment" refers to the employee's feelings of obligation to remain with the organization for moral or ethical reasons. For example, an employee who is spearheading a new initiative may remain with an employer because he feels it would "leave the employer in a lurch" if he left. Individuals committed to the organization on a normative basis engage in activities on the basis of a sense of duty. They believe behave in accordance with organizational goals because "they believe it is the 'right' and moral thing to do" (Weiner, 1982).

Factors Affecting of organizational commitment

Many factors are effecting the organizational commitment such as:

1. **Age/Seniority**: The higher level of seniority and status and more financial investment in the company than younger or newer employees have. Younger employees tend to be more mobile in workforce and may be less likely to for fit significant contributions to pension plans or high levels of seniority by leaving on organization. Because it costs the organization money to recruit, select, and train new employees, relation of high performing individuals at all levels is desirable. Several studies (Meyer and Allen 1984) findings suggested that older worker become more attitudinally committed to an organization for a variety of reasons, including greatest satisfaction with their jobs, having received better positions and having ‘cognitive justifies’ their remaining in an organization. And although the another study found that the commitment and involvement are enhanced both by personal factors such as age and years of tenure in the organizational characteristics such as degree of participation allowed in decision making and the level of security employees feel (Steers 1977).
2. **Gender:** Although Grusky (1966), discussed study regarding sex differences in organizational commitment. He proposed that women would become more committed to organizations because they had membership. And another study purposed by Burning and Snyder (1983), findings revealed that the older individuals with seniority in their positions tended to evince higher organizational commitment.

3. **Motivation:** Mowday, Steers and Porter (1979) Proposed that "highly committed employees are thought to be motivated to exert high level of energy on behalf of the organization. The magnitude of such a relationship is expected to be higher for 'Attitudinal commitment'. Internal motivation (e.g. feelings of accomplishment and self fulfillment is highly related to attitudinal commitment) whereas external motivation (i.e. that derived from the attainment of tangible rewards, such as cash bound) should be related to 'calculative commitment'. However the question of whether or not external motivation correlated more highly with calculative commitment needs empirical implication. And the older employees with a high "Achievement Motivation" tends to have high levels of organizational commitment and presumably have a stronger desire to maintain their affiliation.

4. **Job Satisfaction:** The nature of relationship between job satisfaction and organizational commitment has been a point of debate among researchers. Mathieu and Zajac (1990) conducted a series of variables, including job satisfaction. An average correlation was found between organizational commitment and overall job satisfaction. Another study Angle & Parry (1986) they examined the extent to which dual commitment (a measure that asks whether one is committed both to the organization and to union) existed among bus drivers sampled from 22 different companies. They found the existence to higher degree of dual commitment, has been found more cooperative congenial climate. Some employees are more willing to engage in extra work for their employers than others when they experience levels of Job satisfaction and perceived that the organization teals them in fair and just manner. Also important are organizational citizenship behaviors which include voluntary helping behaviors. That aid the
organization; such as speaking well about the organization to others, attending optional functions and staying current in company changes and policies, citizenship behavior may also include voluntarily helping other employees by, for example, easing a co-worker’s workload during a busy time, volunteering for assignments and being efficient in order to avoid wasting others time. Another study purposed by Verma (1986), found that the relationship of organizational commitment, job involvement and job satisfaction of 100 non executive employees of a steel plant, all the three variables were found to be interrelated.

5. **Stress:** Several studies (e.g. Bateman, & Strasser, 1984; Hrebiniak, 1972) defined stress as a composite of role strains, often measured by summing role conflict, ambiguity and overload items into a single index, intuitively, stress should relate negatively to employees attachment to an organization. Role conflict stemming from incompatible demands placed on an employee by his or her supervisors and coworkers is likely to decreases commitment. Alternatively, highly committed employees are likely to experience greater stress streaming from world-non-work conflict (e.g. simultaneous desires to work overtime and to spend time with one's family). Moreover, employees who are highly committed to an organization may experience greater stress and anxiety following a widely publicized industrial accident or a less committed employee. Though extensive research is needed to examine how organizational commitment may act to increase stress (Mathieu and Zajac, 1990).

6. **Organizational Values and Culture:** Organizational commitment is also said to be affected by the employees’ perception of organizational values. This is an important finding of study conducted by Finegan (2000) which explored the relationship between personal or organizational values and organizational commitment where the participants comprising of the organizations as well as complete a Meyer and Allen’s commitment scale. This study highlights the importance of recognizing the multidimensionality of values and how they affect behavior (Finegan 2000). And the Culture and goals, are important role play in organizations because they decides the how willing he or she is to exert extra
effects on the company's behalf, and whether she/he has a strong desire to remain affiliated with the organization. Employees tend to have higher levels of commitment when there is a strong Match between their personal values and goals and those of the organization.

7 **Job Involvement:** Marrow (1983) distinguished between organizational commitment and job involvement as the latter is “the degree of which a person is identified psychologically with his/her world”. Whereas, organizational commitment is described as a attachment between an employee and the organizations. It is expected that the two variables are correlated to the extent that an organization provided employees with jobs that they desire. Moreover, it follows that job involvement correlates more highly with 'Attitudinal commitment' as compared to 'Calculative commitment', as employees may become committed to an organization and maintain membership because it offers numerous side bets, even though they may not be psychologically attached to their jobs. Romzek (1989) stated that the higher level of organizational involvement resulted in higher non work and career satisfaction.

8 **Leadership Style:** The styles of leadership discussed were relations-oriented leadership and task-oriented leadership. To differentiate, relations-oriented leadership involves building trust, inspiring a shared vision, encouraging creativity, emphasizing development and recognizing accomplishments. On the other hand, task-oriented leadership involves ignoring problems or waiting for problems to becomes serious before taking action (Brown 2003). Findings of the study conducted by Brown (2003) suggest that relations-oriented leadership style explains some of the variation in the affective commitment of employee sample population. The same is observed between normative commitment and the said leadership style. As cited by Brown (2003), Allen and Meyer posited that these findings are not at all surprising considering that many of the work experiences similarly affect affective commitment and normative commitment, and also found out that neither style of leadership affect continuance commitment due to the absence of correlation. Continuance commitment is
observed to be affected by other factors such as transferability of skills, education, retirement, money, status, job security and availability of alternative employment opportunities.

1. **Capital:** The word capital refers to the value of assets and resources available for a specific need. For years, economic capital including finances and tangible assets such as plant equipments, Patents, data etc. has received all the attention. But slowly business academic and practitioners recognized the importance not only of tangible assets, physical resources and finances, but also of the intangible human capital, sometimes called as intellectual capital.

The idea that human intelligence can be managed for competitive advantage like financial assets has gained immense importance. In today's competitive world, employee's knowledge, education, experiences, skills, institutions, attitude and expertise, collectively connotated as "human capital", has become a key factor for organizational performance. Stewert (1999) defines intellectual capital as 'organized knowledge that can be used to produce wealth', and contents that it is the most important resource in today's organizations, which must operate in the information age where knowledge is the preeminent resource.

Human capital is simply "What you know", whereas another related concept, social capital is "Who you know", as shown in figure 1.

Therefore, evaluating the level of human capital one brings to the top management team of an organization is very important to consider. Often, the degree of human capital sought is directly related to the specific needs of the business in regard to the environment in which it operates.

Social capital has been introduced as an extension to physical and human capital, social capital refers to resources of relationships, network of contacts and friends. These social relationships are formed through connections, norms and trust. The human capital, it is very important to assess how much social capital one could bring to the entrepreneurial venture if chosen to be a member of the top management team. Like changes in economic capital, represented by technological change, rapid innovations and advanced equipments, improvements and investments in human capital through developing knowledge, skills and abilities, and valuing social capital, valuing relationships between people and social networks developed over time, seems vital to the success and competitive advantage of the organization. However, in today's scenario there is a need to go beyond human and social
assets and recognize the positive capacities within the individual, termed as "Positive Psychological capital."

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<tr>
<th>Traditional economic capital</th>
<th>Human capital</th>
<th>Social capital</th>
<th>Positive psychological capital</th>
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<tbody>
<tr>
<td>What you have</td>
<td>when your know</td>
<td>who you know</td>
<td>who you are</td>
</tr>
<tr>
<td>Finance</td>
<td>Experience</td>
<td>Relationships</td>
<td>Confidence</td>
</tr>
<tr>
<td>Tangible assets</td>
<td>Education</td>
<td>Network of</td>
<td>Hope</td>
</tr>
<tr>
<td>(Plant, equipment,</td>
<td>Skills</td>
<td>contacts</td>
<td>Optimism</td>
</tr>
<tr>
<td>Patents, data)</td>
<td>Knowledge</td>
<td>Friends</td>
<td>Resilience</td>
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<td></td>
<td>Ideas</td>
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Figure 1: Expanding capital for competitive advantage source: Luthans, Luthans & Luthans (2004).

Meeting and exceeding performance requirements in today's hyper-competitive environment are becoming increasingly difficult as organizations vie for the same pool of talented human resources. To further complicate the current situation, a new psychological contract has emerged in which neither employers nor employees are willing or able to sustain their mutual commitment and loyalty for extended periods of time. Adding to the complete equation of today's competitive battles for talent and market share are the challenges of a global economy with borderless and ever-changing political, economic, technological, social and ethical climates.

Moreover, most organizations do not realize the full potential of their human resources (Avolio, 2005). They do not believe in the true value of human resources and thus, neither invests in nor develops their invaluable human resources. However, more recently, a trend towards a positive research stream work has gained momentum. Under the leadership of Martin Seligman (1998), the positive psychology movement emerged as a reaction to preoccupation of psychology with what is wrong and dysfunctional with people. This negativity also penetrated into the organizational behavior and HRM fields and exposes individuals and organizations to the danger of shifting to a fight or flight mode, where scarce
time, energy and resources are only invested in basic tried and true survival Mechanism (Luthans, Youssef and Avalio, 2007).

Two major parallel and complementary positive movements, being observed in the Industrial organizational world are positive organizational scholarship (POS) and Positive organizational Behaviors (POB). POS tends to concentrate more on the macro, organizational level, while POB at Micro, individual level. Positive organizational scholarship emphasizes the positive characteristics of the organization to facilitate its ability to function during crisis. Positive organizational behavior focuses on positive psychological abilities of the employees.

It is in the work of Luthans (2002a) that the value of positive psychology to organizations is most evident. He helped to Bering the nation of positivity to the disciplines of leadership and organizational behavior by extending the construct of POB, which he defined as "the study and application of positively oriented human resources strengths and psychological capacities that can be measured, developed, and effectively managed for performance improvement" (Luthans, 2002b). The measurable and manageable nature of these capacities is most critical to developing relevant scholarship: by focusing on those factors that can be thus affected, POB presents a clear mandate for the development of tools that respond directly to the needs of practitioners.

Positive Psychological Capital (PsyCap)

Extending further the positive organizational behavior frame work for organization, Luthans and his colleagues present positive Psychological capital (PPC) as a key contributor to the competitive advantage of organizations (Luthans, Luthons and Luthans, 2004; Luthans & Youssef, 2004).

The nature of the affective states that comprise PPC is such that the distinction between each is not always clear, hope, for example, might easily be confused with optimism. The widely recognized human and social capital is a take off from economic capital, whereas psychological capital goes beyond human (what you know) and social (who you know) capital and is more directly concerned with 'who you are' and 'who you are becoming'. Luthons, Youssef and Avolio (2007) operationally define PsyCap as follows:

"An individual's positive psychological state of development that is characterized by: (1) having confidence (self-efficacy) to take on and put in the necessary efforts to success at challenging task; (2) Making a positive attribution (optimism) about succeeding now and in the future; (3) Preserving towards goals, and when necessary, redirecting paths to goals
(hope) in order to succeed; and (4) when beset by problems and adversity, sustaining and bouncing back and even beyond (resiliency) to attain success."

For a variable, to be included in the conception of PsyCap, the following criteria must be met: (1) grounded in theory and research; (2) valid measurement; (3) relatively unique to the field of organizational behavior; (4) state-like (i.e. open to development and improvement using relatively brief training programs; (5) have positive impact on sustainable performance (Luthans, 2002a.b; Luthans and Youssef, 2004; Luthans, Youssef and Avolio, 2007). Till now confidence/Self-efficacy, optimism-hope and resiliency have been found to best meet the PsyCap inclusion criteria (Luthans, 2002a; Luthans and youssef, 2004).

PsyCap is a higher order core construct that integrates the various POB criteria-meeting capacities, not only additively but also perhaps, synergistically. Thus, the resulting impact of investing, developing and managing over all psyCap on performance and satisfaction is expected to be larger than the individual, positive psychological capacities that comprise it (Luthans, Avolio, Avey & Norman, 2007). In Simple words the whole psyCap may be greater than the sum of its parts i.e. confidence/self-efficacy, optimism, hope and resiliency.

The four major positive psychological capacities, as depicted in figure 2 are described as follows:

1. Confidence/Self-Efficacy:

The positive psychological capital PsyCap efficacy is founded on the extensive work of Bandura (1997) and is defined as, "an individuals conviction (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, 1998a). Such beliefs are said to be "the most important determinants of the behaviours people choose to engage in and how much they persevere in their efforts in the face of obstacles and challenges." (Maddurx,2002). In positive psychology the two terms, self-efficacy and confidence are used interchangeably. However, confidence is the commonly used term in the applied domain of performance.

According to Luthans et al. (2007), Self-efficacious people are distinguished by five characteristics, which help them to develop independently and perform effectively even with little help from external sources. The important five characteristics are setting high goals for
one, thriving on challenge, high self-motivation, investing the necessary effort to accomplish ones goals and persevere when faced with obstacles.

Instead, overall in simple terms, that the benefit confidence offers an individual is not any particularly advantageous cognitive process or other tools, but a certain openness to challenge, and willingness to expend effort in the pursuit of a successful result (Perhaps because he or she expects a positive return on that investment). As dictated by the POB frame Work, the concept is measurable (see StajKovic & Luthans, 1998), developable (Bandura, 1997), and has a clear impact on performance.

<table>
<thead>
<tr>
<th>Efficacy/Confidence</th>
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<tr>
<td>Believing in one’s ability to mobilize cognitive resources to obtain specific outcomes.</td>
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<th>Hope</th>
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<tr>
<td>Having the willpower and pathways to attain one’s goals.</td>
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<tr>
<th>Optimism</th>
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<td>Having the explanatory style that attributes positive events to internal, performance and pervasive causes.</td>
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<tr>
<th>Resiliency</th>
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<tr>
<td>Having the capacity to bounce back from adversity, failure or even seemingly overwhelming positive changes</td>
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**Positive Psychological Capital**

- Unique
- Measurable
- Developable
- Impactful on Performance.

Figure 2: Dimensions of positive psychological capital. Source: Luthans and Youssef (2004).

2. **Hope:**

Hope is a commonly used term in everyday life. However, positive psychological capital model describes hops as "having the will power and pathways to attain one's goals" (Luthans & Youssef, 2004). Snyder, Irving and Anderson (1991) the most widely recognized,
researcher group on hope in the positive psychological movement, defined hope as "a positive Motivational state that is based on an interactively derived sense of successful (1) agency (goal-directed energy) and (2) Pathways (Planning to meet goals)."

Hope is becomes an enduring psychological state when a person attributes permanent and universal causes to good events along with temporary and specific causes to bad events (Seligman, 2002). Hope has been shown to have a positive effect on leadership and workplace performance. Hope is cognitive or thinking state in which individual is capable of setting realistic but challenging goals and then reaching out for those goals through self directed determination, energy and perception of internalized control, referred by Snyder and his colleagues as "agency" or "willpower". They defined another equally important and integral component of hop, "Pathways" or "way power", as capability of generating alternative paths to their desired destinations when the original ones become blocked (Snyder, 1994; 1995a, 2000; Snyder, Ilardi, Michael and Cheavens, 2000; Snyder, Rand & Sigmon, 2002).

According to Snyder (1993, 2000, 2002), there is a continuous reiteration between agency and pathways, in which one's will power motivated the search for new pathways, while creativity, innovation, and resourcefulness involved in developing pathways in term ignites one's energy and sense of control, which when taken together, result in an upward spiral on their hope. As long as there is some possibility for forward Momentum down an alternative pathway, there is the potential for a positive contagion effect, where one advance leads to another and another.

3. Optimism:

The PsyCap model considers optimism as an "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). It draws on the concept given by Seligman (1998) that optimism is an explanatory style that attributes positive events to personal, permanent, and pervasive causes and interprets negative events in terms of external, temporary and situation specific factors. Individuals with optimistic explanatory style expect that the causes of the desirable events would continue to exist in future and would also be useful in handing other situations across life span. Thus, optimists positively view and internalize the good aspects of their lives not only to past and present, but also into future (Luthans, Youssef and Avolio, 2007). On the other hand optimism is defined as the
positive side of an emotional that is utilized to explain good and bad events (Seligman, 1998). This explanatory style has two important dimensions, permanence and pervasiveness. Permanence is in regard to time, when a bad event occurs; the optimist will see it only as a temporary situation, whereas a pessimist will view it as permanent. For example, assume an entrepreneur lost a key employee. Now consider the following two statements: "We need to find out why she left so we can prevent other employees from leaving," versus "We'll never be able to keep good employees." The first statement is temporary in nature, while the second statement is permanent, as the first one incorporates a sense that things can improve.

Pervasiveness is about space. People who make specific explanation about bad events are optimistic, while who make universal explanations about bad events are pessimistic. However, a non scrutinizing optimistic explanations style may have some undesirable side effects like under estimating the potential danger of the risks, optimistic are less likely to learn form their mistakes. Optimistic may also try to exert too much control over their lives and destines, thinking that if they try hard enough, they will always be successful and that they should take credit for their success (Luthans et al., 2007).

Optimism is a very important characteristic for an entrepreneur to possess. For PsyCap, Luthans et al. (2007) emphasized the need for the strength of optimism to be realistic and flexible effective PsyCap optimism should not take extremes, either in internalizing success or in externalizing failures. The realistic, flexible optimists can enjoy and learn from various life and work place event to the fullest (Avolio & Luthans, 2006).

4. Resiliency:

Resiliency is the process of adapting well in the face of adversity, trauma, tragedy, threats, or even significant sources of stress, such as business failure (Modified from Luhans, et al. 2004).

Relevant to the time is resiliency, as positive psychological capital, is described as "having the capacity to bounce back form adversity, failure or even positive but seemingly overwhelming changes such as increased responsibility" (Luthans & Youssef, 2004). Research has shown that resiliency is ordinary, not extraordinary (Road to Resilience, 2004). People commonly demonstrate resilience; one example is the response of many Americans to the September 11, 2001 terrorist attacks and individuals' effects to rebuild their lives. These factors can be classified into assist, risk factors (Masten, 2001; Masten & Reed, 2002; Youssef & Luthans 2005a) and values (Coutu, 2002; Kabsa, 1982; richardson, 2002; Youssef
There is also recognition of adaptation processes that tie these three factors additively, interactively and synergistically resulting in resiliency (Crowan, Crowan & Schuly 1996). According to Coutu (2002), resilient people unalteringly accept reality; have an extraordinary ability to adapt to significant change, and deeply believed that life is meaningful.

Resiliency asset is defined as a measurable characteristic in a group of individuals or their situation that predicts a positive outcome in the future on a specific outcome criterion (Masten & Reed, 2002). Masten (2001) identified cognitive abilities, temperament, positive self-perceptions, faith, a positive outlook on life, emotional stability, and self-regulation, sense of humor, and general appeal or attractiveness as potential assets that can contribute to higher resiliency. A list of similar assets or strengths was offered by Wolin and Wolin (1999) which included insight, independence, relationships, initiative, creativity, humor and Morality. Based on a survey by Timmons (1999) resilience was found to be a common trait that all successful entrepreneurs share. He states that entrepreneurs respond to change and learn from their mistakes. They do not blame others for their mistakes, but rather use failure as a lesson.

Masten and Reed (2002) defined resiliency risk factors as those that cause an "elevated Probability of an undesirable outcome." Kirby and Frases (1997) had referred to it as "Vulnerability" factors. Risk factors may include clearly destructive and dysfunctional experiences, such as alcohol and drug abuse (Johnson, Bryant, Collin, Noe, Strader & Berbau, 1998; Sander-Beckler, Devale & de la Rosa, 2002) and exposure to trauma, such as experiencing violence (Qouta, EL-Sarraj & Punamaki, 2001). Some risk factors can also be less obvious and gradual, but eventually detrimental factors, such as stress and burnout (Smith and Carlson 1997), poor health, education and unemployment that guide and help individuals in elevating themselves over difficult and overwhelming present, linking them to a more pleasant future in which they can took forward (Luthans et al. 2007). Thus, resilience can be seen to have a clear impact on performance, can be measured (Schwarzer & Knoll, 2003), and might be developed at the individual level (Luthans & Youssef, 2007) provide further detail.

Any business would surely suffer if the entrepreneur (Leader of the venture) were not able to bounce back from adversities. He or she must also be able to accepts the reality of a given situation and adapt.
Extending Positive Psychological Capital:

The positive psychological capital Model is preliminary and researches shows that the positive psychology is in progress other dimensions or other components may also be added. For any positive construct to be included in PsyCap Model, certain must be met and have a positive impact on performance.

Luthans et al. (2007) classified the potential PsyCap constructs into broadly defined categories such as cognitive affective, social and higher order, as depicted in figure: 3. Potential positive constructs meet the criteria for inclusion in cognitively oriented category are creativity and wisdom, because these are related with the thought processes.

| Cognitive Strength                  |
| (Creativity and wisdom)             |
| Affective Strength                  |
| (Subjective well-being, flow and humor) |
| Social Strength                     |
| (Gratitude, forgiveness and emotional intelligence) |
| Higher Order Strength               |
| (Spirituality, authenticity and courage) |

Positive Psychological Capital
- Unique
- Measurable
- Developable
- Impactful on Performance.

Figure: 3 Potential positive psychological capital constructs classified into four categories.

On the other, Subjective well being, flow, and humor are relatively more affective and emotionally based, thus classified in affective category. The potential socially oriented capacitive or constructs that meet the criteria for an expended scope of PsyCap are gratitude, forgiveness and emotional intelligence. And for the category of Positive higher-order strengths, Luhtans et al. (2007) suggested spirituality, authenticity and courage to be the potential PsyCap capacities.
Before involving into methodology or technological aspects of the study it would be
desirable to arrive at semantic certification of the studies conducted in the area of
organizational commitment. The chapter-II deals with review of literature.