

# Relationship between Psychological Capital and Organisational Commitment: A Study among the Medical Professionals of Selected Hospitals in North India

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## ABSTRACT

*The organization's success depends upon the positive behaviour and commitment of its employees to the goals and objectives of the organization. The psychological capital is an emerging concept of positive organizational behaviour that focuses on the approach of humans at workplace. The psychological capital is a higher order construct having four dimensions of hope, resiliency, self-efficacy and optimism. Organizational commitment as a psychological concept has been identified as an important factor, which plays a significant role in the relationship between individuals and organizations. The study aims at studying of psychological capital and organisational commitment among medical professionals in north India. The data sample has been 110 employees in medical profession of the north-Indian region and questionnaire was distributed for the same in both physical copy and online form. The independent variable in this study is psychological capital which was measured using questionnaire developed by Luthans et al (2007) having 24-item questionnaire and the dependent variable in the study is organizational commitment measured through scale adapted from Allen and Meyer (1993) having 18 items which measured three dimensions viz. the affective commitment, continuance commitment and normative commitment. The analysis of the data collected through t-test, ANOVA, correlation and regression analysis have indicated significant correlation between the variables in the study.*

## Keywords

*Positive Organizational Behaviour, Psychological Capital, Organisational Commitment, Medical Professionals.*

## INTRODUCTION

Today's environment requires flexibility, innovation, speed-to-market, effectively developing employee's

knowledge, experience, skills, and expertise—collectively defined as “human capital”—which has become a key success factor for sustained organizational performance.

In the competitive business environment it is essential that organizations create and make use of benefits from their internal resources. Organizational Commitment plays an important role in organizations with regards to employee performance and organizational success. Successful organizations want employees that are willing to do more than their job requirements and that provide performance that surpasses expectations.

## PSYCHOLOGICAL CAPITAL

Improvements in business life have brought about resources that provide competitive advantage. As a result of this, although traditional competition means such as financial, physical, and technological capitals are essential for sustainable competition, they begin to lose their sufficiency. As well as these means, new kinds of capitals have arisen such as human, social and psychological capital. (Luthans and Youssef, 2004). In this respect, Lewis (2011), emphasizes that psychological capital is one of the most influential means in attaining the desired organizational performance. Psychological capital is identified as personal traits contributing to individual productivity by psychologists (Gohel, 2012). Luthans et al., (2007) delineated psychological capital as “the study and application of positively oriented human resource strengths and psychological capacities that can be measured, developed, and effectively managed for performance improvement in today's workplace”. Luthans et al., (2005) list important points of psychological capital as it is dependent on positive psychology paradigm. (for example; strong aspects of human) and it involves psychological situations based on positive organizational behaviour or positive organizational behaviour criteria (for example, unique, theory and research based, valid measure and state-like) also, it goes beyond human capital (for example, “what we know”) and social capital (for

example, “who we know”) while expressing “who we are” lastly it comprises investments and improvements that lead to performance development and competitive advantage (for example, economic and financial capital). Psychological capital consists of four dimensions namely; self-efficacy, hope, resiliency and optimism. (Luthans et al., 2008): Self-efficacy is one’s belief to perform the task successfully and fulfil motivational, cognitive and operational resources (Stajkovic and Luthans, 1998). Hope is a belief to determine significant purposes and a process an individual overcomes obstacles (Çetin and Basım, 2011). Snyder et al., (1996); however, describe hope as “a motivational state whereby two elements, agency (goal-directed determination) and pathways (or planning to achieve those goals), interact.” Hope makes it possible to put up with barriers during goal attainment with the strength of motivation (Synder et al., 1991). Resiliency is an ability to settle and deal with the circumstances when facing negative situations, risk or important changes (Luthans, 2002b). The concept of resiliency complicated and sensitive process that lasts lifelong and that an individual struggles with uncertainty, makes a contact with his/her environment and constant change can be stated as “developable capacity which is in relation to difficulties, conflicts, even positive improvements, and increasing responsibilities” in terms of business life (Luthans, 2002b). Optimism means positive expectations about the future (Peterson et al., 2011). Synder et al., (1991) define optimism as generalized expectations that individual hopes for the best and persistence for achieving the target. Optimism requires objective assessments that a person follows to succeed (Luthans et al., 2008). While optimists are insistent about their aims and try to do the best, pessimists aren’t patient when meeting difficulties.

## ORGANISATIONAL COMMITMENT

Organisational Commitment refers to the nature of the employee’s attachment to their organisation (Shahnawaz and Jafri, 2009) and to the employee’s identification with and involvement in a particular organisation (Mowday, Porter and Steers, 1982). Allen and Meyer (1990) proposed a three-component model of organisational commitment: affective, continuance and normative commitment. Affective commitment refers to the employee’s emotional attachment to, identification with and involvement in the organisation. Continuance commitment refers to commitment based on the benefits of staying with the organisation versus the costs that are associated with leaving the organisation. Normative commitment refers to an employee’s feeling of obligation to remain with the organisation. Much research has

focused on the affective component of organisational commitment (Field and Buitendach, 2011). The affective component has the strongest and most consistent relationship with desirable workplace outcomes. In the recent years, organizational commitment has emerged a subject of significant importance as it leads to an emotional affection of the employee to the organization. The measure of organizational commitment yields the thinking and feeling of employee towards his organization which can lead to make decisions for making organization a comfortable place for working. Organizational commitment is defined as a degree to which a person identifies himself or herself with the organization and its goals (Stinglhamber et al. 2002). Bateman and Strasser (1984) defined organizational commitment as employee’s loyalty to the organization, and aspire to Organizational commitment identified by Meyer and Allen (1997) as having three models viz. affective commitment, continuance commitment and normative commitment. Affective commitment is defined as employee’s psychological attachment and involvement to the organization. Continuance commitment is associated with the costs relevant to leaving the organization as employee’s feelings to be dependent on the organization. Normative commitment is seen as perceived obligation to remain with the organization. Organizational commitment has been studied by various researchers as a variable to increase performance of the employee in the field of organizational behaviour. It was taken as “the strength of an individual’s identification with and involvement in a particular organization, characterized by a strong belief in an acceptance of an organization’s goals and values; a willingness to exert considerable effort on behalf of the organization; and a definite desire to maintain organizational membership” (Porter, et al., 1974). Becker (1960) identified organizational commitment as “the tendency to engage in consistent lines of activity, such as intent to stay in the organization if they willingly continue with the organization and devote considerable effort to achieving its goals”. Wiener and Gechman (1977) attributed normative commitment to the organization as a result of a socialization process that individuals experience as a member of the family during their growing years.

## REVIEW OF LITERATURE

Luthans et al (2005) in their study on the linkage between psychological capital and commitment to organizational mission among nurses found a highly significant positive relationship between psychological capital and the “intentions to stay” and commitment to the mission, values, and goals of the hospital. Lifeng (2007) studied the

effects of psychological capital on employees' job performance, organizational commitment, and organizational citizenship behavior, the research results indicated that psychological capital had positive impacts on employee's performance, organizational commitment, and organizational citizenship behavior. Shahnawaz and Jafri (2009) in their study on psychological capital as predictors of organizational commitment and organizational citizenship behaviour found that psychological capital did not predict organizational commitment. Simons and Buitendach (2013) studied psychological capital, work engagement and organisational commitment amongst call centre employees in South Africa, the results showed that there was significant positive relationships were found between psychological capital, work engagement and organisational commitment. Idris and Manganaro (2017) studied the relationships between psychological capital, job satisfaction, and organizational commitment in the Saudi oil and petrochemical industries and found positive relationship between psychological capital and organization commitment among the employees. Sahoo and Sia (2015) studied psychological capital and organisational commitment its nature, structure and relationship in an Indian sample found that psychological capital is the predictor of organizational commitment.

## NEED FOR THE STUDY

Psychological capital and organizational commitment are an emerging concept in the field of Human Resource Management. The relationship of psychological capital on organizational commitment has been studied at an individual level. The major research has been done in western countries and few researches have been done in Indian context especially on medical professionals. This study is conduct to assess the psychological capital and organizational commitment among the medical staff members and paramedical staff members of hospitals as we know today scenario of medical staff and paramedical staff's organizational commitment to their hospitals are decreasing day by day.

## OBJECTIVES

1. To examine the effect of demographic variables (age, educational qualification, years' of experience, gender and marital status) on psychological capital of the employees of the select medical and paramedical staff of different hospitals.
2. To examine the effect of demographic variables (age, educational qualification, years' of

experience, gender and marital status) on organizational commitment of the employees of the select the select medical and paramedical staff of different hospitals.

3. To study the relationship and impact of psychological capital on organizational commitment in the select Hospitals.

## HYPOTHESIS

- H1: There exists a significant relationship between psychological capital and organizational commitment and the demographic variables (Gender, Age, Experience, Marital Status, and Educational Qualification) in the selected Hospitals under study.
- H2: There exists a significant relationship between psychological capital and organizational commitment in the selected Hospitals under study.
- H3: There exists a significant impact of psychological capital on organizational commitment in the selected Hospitals under study.

## RESEARCH METHODOLOGY

This study is exploratory cum descriptive in nature. The variables in this study are psychological capital and organisational commitment. The population of this study consisted of the employees who were working in the north region of India in private hospitals both. The sample comprises of 110 respondents working as nurse, doctors and other paramedical staff in different organizations.

**Source of the Data:** Data was collected from primary sources. Primary source included the employees of the selected hospitals who were provided with suitable questionnaires, hard copy or Google Form Links, as requested.

**Data Collection Tools:** The respondents were provided with well-structured questionnaire consist of 2 parts broadly.

## DATA ANALYSIS

The difference among the gender and marital status was measured by administering t-test and results showed no significant difference ( $p > .05$ ) among the employees across gender and marital status with regard to psychological capital and organizational commitment as follows:

Group Statistics						
Gender		N	Mean	Std. Deviation	t-value	P-value
Psychological capital	Male	58	100.8793	15.37037	1.407	.162
	Female	52	97.1923	11.61142		
Organizational Commitment	Male	58	53.0000	4.76095	-.398	.691
	Female	52	53.3462	4.30178		

The above table exhibits the results of independent t-test, which shows the difference in the means of male and female respondents for variables psychological capital and organizational commitment. Since, the p-value for all the variables are coming out to be non-significant and hence, we can conclude that there is a non-significant difference between the means of male and female respondents for variables psychological capital and organizational commitment.

The difference across the education was measured by administering t-test and results showed there is significant difference ( $p < .05$ ) among the employees across education with regard to psychological capital and organizational commitment. The mean score shows that employees at post graduation level are more committed and employees at under graduation level are least committed.

Group Statistics						
Academic Qualification		N	Mean	Std. Deviation	t-value	p-value
Psychological capital	Under graduate & Graduate	62	100.2903	13.84740	.998	.321
	Postgraduate & Above	48	97.6458	13.70586		
Organizational Commitment	Under graduate & Graduate	62	53.2742	4.67701	.290	.773
	Postgraduate & Above	48	53.0208	4.38319		

The above table exhibits the results of independent t-test, which shows the difference in the means of academic qualification for variables psychological capital and organizational commitment. Since, the p-value for all the variables are coming out to be non-significant and hence,

we can conclude that there is a non-significant difference between the means of undergraduate & graduate and post graduate & above respondents for variables psychological capital and organizational commitment.

Descriptive				
		N	Mean	Std. Deviation
Psychological capital	Junior	9	97.6667	11.58663
	Middle	51	99.9608	14.70913
	Senior	50	98.5600	13.36483
Organizational Commitment	Junior	9	51.1111	6.58492
	Middle	51	53.5294	4.51820
	Senior	50	53.1600	4.10753

The above table depicts the descriptive statistics for the level of management category with respect to the variables psychological capital and organizational commitment. In the above table, for psychological capital, respondents at junior level of management has ( $M = 97.67$ ,  $S.D. = 11.59$ ), respondents at middle level of management has ( $M = 99.96$ ,  $S.D. = 14.71$ ), respondents at senior level of

management has ( $M = 98.56$ ,  $S.D. = 13.36$ ). For organizational commitment, respondents at junior level of management has ( $M = 51.11$ ,  $S.D. = 6.58$ ), respondents at middle level of management has ( $M = 53.53$ ,  $S.D. = 4.52$ ), respondents at senior level of management has ( $M = 53.16$ ,  $S.D. = 4.11$ ).

ANOVA						
		Sum of Squares	df	Mean Square	F	p-value
Psychological capital	Between Groups	70.713	2	35.356	.183	.833
	Within Groups	20644.242	107	192.937		
Organizational Commitment	Between Groups	44.740	2	22.370	1.091	.340
	Within Groups	2194.315	107	20.508		

The above table shows the output of the ANOVA analysis and whether there is a statistically significant difference between the group means of the variables. We can see that the significance value i.e.  $p\text{-value} > .05$  and, therefore, there is a statistically non-significant difference in the level of management of the respondents for variables psychological capital and organizational commitment.

### CORRELATION ANALYSIS

The table given below represents the correlation values between the different variables. Correlation value

measures the strength and direction of linear relationship between two variables. Correlation coefficient values lies between +1 to -1. -1 indicates a perfect negative correlation and +1 indicates a perfect positive correlation. Hence, Psychological capital has significant and positive correlation with organizational commitment with the  $r$  value is equal to 0.241. Thus hypothesis H2 i.e. there exists a significant relationship between psychological capital and organizational commitment in the selected Hospitals under study is accepted.

		Psychological capital	Organizational Commitment
Psychological capital	Pearson Correlation	1	.241*
	Sig. (2-tailed)		.011
	N	110	110
Organizational Commitment	Pearson Correlation	.241*	1
	Sig. (2-tailed)	.011	
	N	110	110

### REGRESSION ANALYSIS

Linear regression is used here to find the relationship between variables.

Model Summary								
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics			
					R Square Change	F Change	df2	Sig. F Change
1	.634	.403	.391	11.99203	.101	18.012	107	.001**

We find that the adjusted  $R^2$  of model 1 is .391 with the  $R^2 = .403$ . This means that the linear regression explains 40.3% of the variance in the data in model. Thus, psychological capital is having 40 impact on organizational commitment. Thus hypothesis H3, i.e., there exists a significant impact of psychological capital on organizational commitment in the selected Hospitals under study is accepted.

### CONCLUSION AND RECOMMENDATION

The above study represents the correlation values between the different variables. Correlation value measures the strength and direction of linear relationship between two variables. Psychological capital has significant and positive correlation with organizational commitment. The results of independent t-test, which shows the difference in the means of male and female respondents for variables psychological capital and organizational commitment. Since, the p-value for all the variables are coming out to be non-significant and hence, we can conclude that there is a non-significant difference between the means of male and female respondents for variables psychological capital

and organizational commitment. The results of independent t-test, which shows the difference in the means of academic qualification for variables psychological capital and organizational commitment. Since, the p-value for all the variables are coming out to be non-significant and hence, we can conclude that there is a non-significant difference between the means of undergraduate & graduate and post graduate & above respondents for variables psychological capital and organizational commitment. The above results depict the descriptive statistics for the level of management category with respect to the variables psychological capital and organizational commitment. Thus hospitals should incorporated psychological capital interventions to improve commitment among its employees.

### LIMITATIONS OF THE STUDY

There is always a room for improvement and this research study is not an exception. The study relies on the responses of the sample employees. The results of the study are affected by these responses and are subject to varying in a bigger or different sample. These limitations need to be addressed in future studies. The size of the sample used to determine the dimensions of the scale was small, hence its results cannot be generalized. Also, the participants were conveniently sampled based on easy accessibility and the employment of a cross-sectional design did not allow the establishment of causal direction of relationships between psychological capital and organizational commitment.

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