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**The Interactive Effects of Psychological Capital and Organizational Identity on Employee Organizational Citizenship and Deviance Behaviors**

Abstract

We studied 199 working adults from a cross section of organizations in the United States to examine the relationship between positive psychological capital and organizational identity on employee deviance and organizational citizenship behaviors. Organizational identity was found to moderate the relationship between psychological capital (PsyCap) and both employee deviance and organizational citizenship behaviors such that employees highest in psychological capital and most strongly identified with the organization were most likely to engage in organizational citizenship behaviors and least likely to engage in deviance behaviors. We discuss implications for research and practice in the areas of psychological capital and employee identification with the organization.

**Keywords:** Psychological capital, organizational identity, organizational citizenship behavior, employee deviance, moderation

## **The Interactive Effects of Psychological Capital and Organizational Identity on Employee Organizational Citizenship and Deviance Behaviors**

Recent research has highlighted the important role of accentuating the positive in organizations. The accumulating conceptual and empirical research has emphasized the relationship between various previously underemphasized psychological constructs such as virtuousness (e.g., Cameron, Bright, & Caza, 2004); compassion (e.g., Lilius, Worline, Maitlis, Kanov, Dutton, & Frost, 2008); well-being (e.g., Wright & Cropanzano, 2007); and efficacy, hope, optimism, and resilience (e.g., Avey, Luthans & Youssef, in press; Peterson & Byron, 2008; Youssef & Luthans, 2007) and employee outcomes in the workplace. However, as noted in important critiques of this line of research, (e.g., Hackman, 2009; Fineman, 2006), most of the studies to date have examined linear relationships between predictor and criterion with limited accounting for context and especially moderating variables. Important questions such as “when does positivity matter more or less?” have not yet been addressed. Thus, the purpose of this study is to add to a growing line of research on what has been termed positive psychological capital or simply PsyCap, by considering the moderating role of organizational identity on the relationship between PsyCap and employee organizational citizenship behaviors (referred to as OCBs) and deviance behaviors (also referred to as counter productive work behaviors or CWBs).

As a variable of interest in this study that is relatively new in the management literature, PsyCap has been defined as “(1) having confidence (efficacy) to take on and put in the necessary effort to succeed at challenging tasks; (2) making a positive expectation (optimism) about succeeding now and in the future; (3) persevering toward 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 (resilience) to attain success” (Luthans, Youssef & Avolio, 2007, p. 3). Researchers of PsyCap have consistently argued conceptually (Luthans, Youssef & Avolio, 2007; Luthans & Youssef, 2007) and demonstrated empirically (Avey, Luthans, Youssef, in press; Avey, Wernsing & Luthans, 2008; Luthans, Avolio, Avey & Norman, 2007; Luthans, Norman, Avolio, & Avey, 2008) that PsyCap is a core construct or what Law, Wong and Mobley (1998) refer to as a multi-dimensional construct and is comprised of hope, optimism, efficacy and resilience. While research on this core construct has yielded support for relations with workplace performance (e.g., Luthans, Avey, Clapp-Smith, & Li, 2008; Luthans, Avolio, et al., 2007), there have been limited studies on other important employee outcomes. Further, no studies to date have considered to what extent the important role of individual orientation toward the organization may matter in understanding the role of PsyCap at work. Thus, organizational identification is examined here as a moderator in our hypotheses. The discussion begins with a brief introduction of the evolution of PsyCap followed by a brief discussion of each dimension. Next, there are discussions linking PsyCap and the criterion variables OCBs and deviance including the moderating role of organizational identification. The methods section describes the test of hypotheses and is followed by a discussion and results and implications for research and practice.

### *Theory and Hypotheses*

Given previous research on positive organizational behavior (e.g., Luthans, Avolio, et al., 2007; Luthans & Youssef, 2008, Wright 2003; Wright & Cropanzano, 2007; Wright, Cropanzano, & Bonett, 2007) has extensively described the evolution of thought in this area, this discussion will be brief yet necessary as a centerpiece variable in this study, PsyCap, emerged from the study of positive organizational behavior. Grounded in the seminal research of positive

psychology (Seligman & Csikszentmihalyi, 2000), Luthans brought positive psychology to the workplace through the study of positive organizational behavior (Luthans, 2002a, b). Positive organizational behavior (herein referred to as POB) necessarily includes an examination of positive oriented psychological constructs and how they manifest in the workplace. Specifically, the constructs of hope, resilience, optimism, and self-efficacy have been considered as components of positive organizational behavior.

As a variable of study in POB, research in hope primarily leverages Snyder and colleagues' (1991) definition of hope as "positive motivational state that is based on an interactively derived sense of successful (a) agency (goal directed energy) and (b) pathways (planning to meet goals)" (p. 287). Thus, hope includes both the motivation (will) and a plan (pathways) to succeed at a given goal. In other words, hope is comprised of a motivational propensity Snyder refers to as willpower as well as the uncanny cognitive ability to generate multiple paths to the same goal (way power). The latter can be understood as the ability to continually think of a new method to accomplish a goal. If one path to a goal is stopped (e.g., funding is cut for a project), rather than giving up and feeling hopeless, the person high in hope can generate additional paths or ways to accomplish the goal thus, increasing chances of goal accomplishment. This way power enhances the motivational component by generating beliefs effort applied on a specific path will lead to success. Prior research has generally supported the relationship between one's hope level and his or her athletic and academic achievement as well as psychological well-being (Snyder, 2000; Snyder & Lopez, 2002). Further, Luthans and colleagues brought hope research to the work environment (Luthans & Jensen, 2002; Peterson & Byron, 2008; Peterson & Luthans, 2003).

Resilience is based on the research initiated by Masten and colleagues (Masten, 2001; Masten & Reed, 2002) and is viewed generally as a positive reaction or adaptation in the face of risk or adversity. Luthans directed this definition to the workplace as the “positive psychological capacity to rebound, to ‘bounce back’ from adversity, uncertainty, conflict, failure, or even positive change, progress and increased responsibility” (Luthans, 2002a, p. 702). Workers’ resilience has been positively related to their level of job satisfaction, commitment, and happiness (Larson & Luthans, 2006; Youssef & Luthans, 2007).

Optimism is based in attribution theory and is most closely associated with Seligman (1998) who describes optimism toward internal, relatively stable, and general attributions regarding positive events and external, relatively unstable, and specific excuses regarding negative events. However, viewing optimism in this manner doesn’t account for what is realistic given the person’s resources (or lack thereof). Therefore, it would seem to follow that disappointment would follow eventually and perhaps frequently given that some tasks are clearly outside of the person’s capabilities. Conversely, optimism as described by Luthans and colleagues relative to the organizational context aligns with Seligman’s research on realistic optimism and is grounded in reality. This realistic optimism (Peterson, 2000) factors in the capabilities of the perceiver and is therefore grounded in nature. Specific to the workplace, Seligman (1998) has found that optimism had a significant and positive relationship with performance levels of insurance sales agents. Additionally, optimism has been shown to have a significant relationship with one’s rated performance (Luthans, Avolio, Walumbwa, & Li, 2005; Youssef and Luthans, 2007) as well as his or her work happiness and job satisfaction.

Self-efficacy is based in large part on Bandura’s research (1997, 1998, 2000), but as applied to the workplace. Specifically, Stajkovic and Luthans (1998b, p. 66) define efficacy as

“the employee’s conviction or confidence about his or her abilities to mobilize the motivation, cognitive resources or courses of action needed to successfully execute a specific task within a given context.” Thus, self-efficacy as viewed here is directed specifically to a given context and has been supported via meta-analysis to have a significant positive relationship with work-specific performance (Stajkovic & Luthans, 1998a).

### *Positive Psychological Capital*

Current research in positive organizational behavior has now been directed toward what is being called positive psychological capital, or PsyCap (Luthans, Avolio, et al., 2007; Luthans & Youssef, 2007; Luthans, Youssef, & Avolio, 2007). While initial positive organizational behavior research viewed each of the four included constructs (hope, optimism, resilience, and self-efficacy) more so in isolation of each other, PsyCap research views these constructs in relation to each other and the commonalities between each variable. This core PsyCap construct has been defined as “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 effort to succeed at challenging tasks; (2) making a positive reference (optimism) about succeeding now and in the future; (3) persevering toward 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 (resilience) to attain success” (Luthans, Youssef, & Avolio, 2007, p. 3).

The four components have been psychometrically supported to be indicators of one underlying construct (PsyCap) and accounts for higher positive effects than each component individually. Further, PsyCap is measurable and discriminant from related concepts such as core self evaluations (Luthans, Avolio, et al., 2007). Conceptually, Luthans, Avolio et al., (2007) have

noted that the underlying threads that link the four capacities into a higher order core construct resides in a combination of the following: (1) the positive perceptions, attributions, interpretations and appraisals of one's experiences; (2) the availability of physical and psychological resources; and (3) the resultant actual and perceived probability of success based on personal choices, vested effort and perseverance.

Higher order factors (often referred to as second order factors) are similar to what Law, Wong and Mobely (1998) refer to as multi-dimensional constructs. In a first order factor (e.g., job satisfaction) when modeled as a latent factor the variable is operationalized as the shared variance between the items used to measure it. In a second order factor, there are more than one single order factors (hope, optimism, resilience and self efficacy, in this case). As such, when modeled, the variable can be thought of as the shared variance between the first order factors (which again are the shared variance between the items of each first order factor). Hobfoll (2002) argued that second order factors are quite useful in social sciences as researchers often split hairs between very similar constructs (e.g., hope and optimism) which may have significant differences but not necessarily meaningful differences. Today, second order factors are commonplace in management literature such as transformational leadership, core self evaluation traits, and empowerment which all have four first order factors. .

Empirical support for psychological capital as a core construct comes from research using a competing measurement models analysis that found psychological capital was best measured as a second order factor. Specifically, the results indicated that each of the four dimensions load onto one core factor, which we term psychological capital (Luthans, Avolio et al., 2007). PsyCap research continues to grow and has been found related to job satisfaction, organizational

commitment, trust, and performance (Luthans, Avolio, et al., 2007; Luthans, Norman et al., 2008; Norman, Avolio, & Luthans, in press).

### *Organizational Citizenship Behaviors (OCBs)*

Research in organizational citizenship behaviors (OCBs) has become more popular since the work of Organ (1988), who originally conceptualized OCBs as the discretionary behaviors exhibited by individuals which are not formally recognized by the organizational system, but which generally facilitate the effective and efficient functioning of the organization to which that individual belongs. Organ later defined OCBs more in terms of behavior that facilitates “the maintenance and enhancement of the social and psychological context that supports task performance” (Organ, 1997, p. 91). Both general conceptualizations include the idea of extra-role behaviors that are aimed at benefiting the organization to which the individual belongs.

OCBs were originally categorized as falling into one of two categories: altruistic behaviors or generalized compliance behaviors (Smith, Organ, & Near, 1983). Altruistic behaviors are intended to help another individual. Such behavior would include helping a co-worker with an assignment, covering for a co-worker while they are away from the office, and similar behaviors aimed at helping a co-worker where it is not formally a part of that person’s (the helper’s) recognized duties. Generalized compliance behaviors include those behaviors that comply with or support organizational policies, norms, and procedures. These behaviors may include for example being on time to work and/or supporting organizational policies.

OCBs were later classified into five categories (Organ, 1988) that included a similar but narrower view of altruism than Smith et al’s (1983) view: conscientiousness, which can be considered a narrow view of Smith et al’s generalized compliance; courtesy, or considering others that would be impacted before taking action that might affect them; civic virtue, or being

sensitive to and committed to an organization's best interests; and sportsmanship, or generally having a positive attitude and not complaining about adversity. There have been subsequent views of OCBs, some that were similar to Organ's (1988) typology with significant construct overlap (Morrison, 1994; Van Scotter & Motowidlo, 1996), others that categorized OCBs as either organizationally-focused (OCBO) or individually-focused (OCBI) (Lee & Allen, 2002; Williams & Anderson, 1991). Organizationally-focused behaviors are those that are directed toward benefiting the organization. An example would be staying late to finish a project in order to help the organization. Individually-focused behaviors are those directed toward helping a specific individual. An example would be filling in for a co-worker while he or she was away from the office. In this study, given the focus on the organizational referent, citizenship behaviors at the organizational referent (OCBO) was selected as an outcome variable of interest.

#### *Positive Psychological Capital and OCBs*

Earlier research (Van Dyne & LePine, 1998) devoted careful attention toward the antecedents of organizational citizenship behaviors by attempting to uncover specific predictors of OCBs. Following the original definition of OCBs put forth by Smith et al., (1983) and later supplemented by Lee & Allen (2002) where some OCBs are classified as being positively oriented toward the organization, it is reasonable to consider positive psychological capital (PsyCap) as a precursor to OCBs.

PsyCap, viewed here as a potentially more valuable contributor as a composite variable derived from the combination of hope, optimism, self-efficacy and resilience, is expected to be related to desirable work behaviors that support the organization through non-prescribed job behaviors. Hence, there is a likelihood that positive psychological capital (PsyCap) may lead to

desirable work behaviors, not considered as part of the employee job description, that are offered voluntarily by the individual employee in support of the organization itself.

The current research proposes that an employee's level of positive psychological capital (PsyCap) is related to the likelihood that the employee will engage in OCBOs for the following reasons. First, as a positive individual construct, PsyCap is generally oriented towards goal success through one's ability to find various (path)ways (i.e. hope) to success, some of which might be creative and thus not part of the 'formal' task role, being resilient when needed in order to persist toward goal attainment, confident in one's abilities and therefore not afraid to try novel methods, and optimistic about the future to maintain a positive orientation. There is a logical and practical association between each of these qualities, as well as in combination with each other, and extra-role behaviors to help achieve that success, both individually and organizationally. In fact, earlier research (Avey, Luthans & Youssef; in press) suggests the composite variable of PsyCap may have higher positive effects than the individual variables of hope, resilience, self-efficacy and optimism when related to desirable employee behaviors.

In addition, related positive psychological research supports the relationship between positivity and broader thought-action repertoires (Fredrickson, 2001) which can provide additional support for the proposed relationship. Fredrickson's broaden-and-build theory (1998, 2001) suggests that positive emotions and orientations broadens people's attention and focus, their patterns of thinking, and their behavior as well which has been empirically supported by Kahn and Isen (1993). These broader behaviors can be expressed as OCBOs. In other words, it is possible that the positive emotions as discussed by Fredrickson, which are related to PsyCap, lead to broader actions manifested as OCBOs. More specifically, Fredrickson (2003) considers the contribution of positive emotions by employees through voluntary behaviors, such as sharing

with or assisting co-workers or helping improve the organization through ideas and suggestions that would not normally be considered part of the job description. As seen in Figure 1, the preceding discussion leads us to our first hypothesis:

Hypothesis 1a: *Psychological capital is positively related to organizational citizenship behavior directed toward the organization (i.e., OCBO).*

--Insert Figure 1 Here--

### *Organizational Identity*

Organizational identity as examined here will be viewed through the lens of social identity theory, or SIT (Ashforth & Mael, 1989). SIT attempts to understand why individuals classify themselves into some groups, but not others. It has been proposed that perhaps the process of social identification is both comparative and relational by nature (Ashforth & Mael, 1989; Tajfel & Turner, 1985). There are said to be two separate purposes of social identification: to segment and order the social environment through one's cognitive processes and to enable each individual to visualize and define themselves within a social context. It is the second of these functions which is of most interest to SIT since this suggests that individuals classify themselves and others within each social context in which they are embedded at the time by engaging different categorization schemas (Ashforth & Mael, 1989).

Given the cognitive processes that individuals engage in to classify themselves within social categories (including organizational membership), that person is going through the sense making process which allows that person to posture him or herself within the associated social class, which subsequently influences one's self-concept (Chatman & Spataro, 2005; Tajfel, 1982; Tsui, Egan, & O-Reilly, 1992; Turner, 1982).

According to SIT, the self-concept is influenced by various recognizable qualities and the similarities that the individual has to referent others relative to these qualities. Such qualities that one will compare relative to the referent others include one's abilities, attributes, and psychological qualities. The degree of similarity between the individual and the organization's leadership and management can directly influence the degree of identification that person has with the organization. This identification might make the organization more attractive to the employee which might lead to actual behavior in the form of OCBs (Rousseau, 1998).

#### *Organizational Identity, PsyCap, and OCBOs*

Organizational identity has been said to define, at least in part, the employee's view of him or herself. In other words, at least a part of an employee's self-image is said to result from the organizations that person chooses to identify him or herself with. If the organization is said to have such a strong impact on how an employee feels about him or herself, then it would seem to follow that the employee will therefore do everything he or she can to make the organization successful thereby enhancing the image of their own identity. After all, it may be human nature to want to be part of a winning team consistent with the need to maintain or enhance one's self esteem. This being said, organizational identity is believed to influence the degree to which an individual will exhibit OCBOs.

As supported above, it is believed that organizational identity will affect an employee's exhibited level of OCBOs. However, it is of particular interest to examine whether organizational identity will affect (moderate) the relationship between PsyCap and an employee's displayed OCBOs. In other words, will those employees that are high in both PsyCap and organizational identity be even more inclined to exhibit OCBOs than when employees are not high in one of these factors? Given the relationship supported for each of

these constructs, it is likely that there is an interaction between these variables that will differentially affect the relationship previously hypothesized. This leads us to our next hypothesis:

*Hypothesis 1b: Identity with the organization moderates the relationship between PsyCap and OCBOs such that those higher in PsyCap and who highly identify with their organizations will engage in the most OCBOs.*

### *Deviance*

Research in positive organizational behavior (POB) and psychological capital (PsyCap) has historically been aimed at examining the relationship between POB and PsyCap with positively-oriented organizational outcomes such as job satisfaction, organizational commitment, and performance (Luthans, Avolio, et al., 2007; Luthans, Norman, et al., 2008). However, it has been proposed that POB and PsyCap should also be examined with less desirable outcomes (Luthans & Youssef, 2007) such as workplace cynicism and counterproductive work behaviors (CWBs) (Bennett & Robinson, 2000), also referred to as deviance (Fox & Spector, 1999).

Counterproductive work behaviors or CWBs are defined as “voluntary behavior of organizational members that violates significant organizational norms, and in doing so, threatens the well-being of the organization and/or its members” (Bennett & Robinson, 2000, p. 556) CWBs can work to the detriment by their definition and nature and can include such active behaviors as spreading negative rumors, work-to-the-job or slowdown behaviors, co-worker harassment, sabotaging the work of other employees or key projects, or purposely failing to follow instructions. The more passive workplace behaviors include actions such as failing to help a coworker, neglecting to pass on key information, or otherwise withholding something that can

help the organization and its members achieve relevant goals with the intent of restricting the accomplishment of organizational goals.

Traditionally, CWBs have been considered separately as either organizationally or individually oriented, much like organizational citizenship behaviors. Hence, the CWB would be aimed uniquely at either a co-worker or the organization itself. Recently however, Berry, Ones & Sackett (2007) have provided empirical studies that found organizational and interpersonal deviance to be strongly correlated. Hence, a specific instantaneous negative behavior or form of deviance is seen as being positively associated with CWBs.

#### *Psychological Capital and Workplace Deviance*

Recently, in addition to the easily identified conceptual differentiation between OCBs and CWBs, empirical evidence has shown that it is preferable to consider CWBs, viewed here as a form of deviance within the organization, and OCBs as independent constructs with their own specific relationships and outcomes rather than as opposite ends of a single continuum (Sackett, Berry, Wiemann, & Laczko, 2006). Following this finding and for the purposes of this study we consider OCBs and CWBs as independent outcomes.

The question of what causes organizationally deviant behavior or CWBs must also be considered. According to Fox and Spector (1999) individual stressors brought about through behavioral constraints within the workplace, may be a cause of counterproductive work behaviors as the individual responds to or rebels against the constraint. For example, a line employee faced with ever-increasing pressure for additional output might purposely sabotage the assembly line to slow it down thereby allowing the employee to catch up. Interestingly, it may be that those employees higher in PsyCap are more able to rebound (resilience) from the pressure

for additional output by recognizing (hope) that they are able (self-efficacy) to withstand the pressure as it is only momentary and will soon be reduced (optimism).

Positive psychological capital (PsyCap) is proposed to be negatively related to workplace deviance in the following ways. First, by nature PsyCap is positively-oriented since each component aims to achieve and succeed. Therefore, negatively-oriented behaviors are inherently counter-productive to goal attainment. This would encourage the individual toward behaviors that are more directed toward helping that person succeed, rather than hindering success.

Next, the individual components of PsyCap can specifically be contrasted with deviance or CWBs. Snyder (2000, 2002) suggests that hope is driven toward the twin positive outcomes of goal accomplishment and finding ways to accomplish individual and organizational goals. By nature then, CWBs are contrary to these goals and therefore, not behaviors that are normally exhibited by those high in hope. Resilience is directed toward positive adaptation in the face of adversity. Therefore, those high in resilience are looking for positive reactions and adaptations, not negative emotions and cynicism. Hence, CWBs are clearly not in the category of positive adaptations and therefore, not likely for those high in resilience.

Self-efficacy is directed toward gathering the needed motivation and confidence toward succeeding at a given task. In opposition, CWBs are clearly behaviors that are aimed more toward de-motivation of an individual relative to organizational goals. Therefore, these behaviors are clearly not behaviors displayed by individuals that are looking to succeed at a given task. Last, optimists have a generally-positive orientation toward the future. Given that CWBs by nature are geared toward a negative result, they are clearly not behaviors normally displayed by people high in optimism. Given the above, we submit our next hypothesis:

*Hypothesis 2a: Psychological capital is negatively related to employee deviance.*

## *Organizational Identity, Psychological Capital, and Workplace Deviance*

Organizational identity, as discussed earlier, is associated with an individual viewing him- or her-self as part of the organization in a long-term sense and is rooted in social identity theory (SIT) (Ashforth & Mael, 1989). Thus, an individual would be more likely to engage in behaviors that would make the organization more successful (i.e., OCBOs) enhancing their own identity and less likely to engage in behaviors that would negatively affect the organization which would denigrate their identity. Further, given the negative relationship that was proposed before between PsyCap and CWBs, we would expect not only those who are lower in PsyCap to engage in more deviant behaviors, but additionally those lower in PsyCap and do not identify with their organizations to engage in the most deviance behaviors. Overall, individuals detached and negatively oriented while at work are those most likely to be deviant. Conversely, those highly identified with the organization and hopeful, optimistic, efficacious and resilient are least likely to be deviant. Given this, we submit the final hypothesis:

Hypothesis 2b: Identity with organization moderates the relationship between PsyCap and deviance such that those higher in PsyCap and highly identified will have the lowest amount of deviance.

## Method

### *Sample*

The directional hypotheses can be seen in Figure 1. The sample for this study was comprised of 199 working adults. To enhance external validity of the results the sample was drawn from multiple industries and organizations. This included 94 females and 104 males with 1 participant not indicating gender. Approximately 12% of participants reported an annual salary

of \$80,000 or higher. Participant age ranged from 18 to 81 years with an average of 31.5 years and a standard deviation of 13.35 years. Participant tenure with the organizations ranged from 1 year to 20 years with an average tenure of 6.45 years (standard deviation of 6.95 years).

Individuals worked in general services, education, finance, manufacturing, marketing and social work.

### *Measures*

PsyCap was measured with the 12 item instrument reduced from the 24 item instrument developed and validated by Luthans and colleagues (Luthans, Avolio, et al., 2007). Like the full scale, the shorter 12 item instrument (Avey, Luthans & Mhatre, 2008; Norman, Avolio & Luthans, in press) included a 6 point Likert type scale ranging from strongly agree to strongly disagree. Example items are “I feel confident analyzing a long-term problem to find a solution” (efficacy), “There are lots of ways around any problem.” (hope), “I usually take stressful things at work in stride.” (resilience), and “I always look on the bright side of things regarding my job.” (optimism). The full instrument has been validated across multiple samples and consistently demonstrated strong psychometric fit to the data when modeled as a second order factor where each item is fit to its latent construct (e.g., efficacy items fit to an efficacy latent) and each of the four latent constructs (e.g., hope, efficacy, resilience and optimism) were fit to an overall PsyCap construct. Across multiple samples and industries the 24-item PsyCap questionnaire has consistently demonstrated strong psychometric performance (e.g., Avey, Luthans & Jensen, in press; Avey, Luthans & Youssef, in press; Avey, Wernsing & Luthans, 2008; Luthans Avolio, et al., 2007; Luthans, Avey, et al., 2008). The shorter 12 item instrument used here was previously used by Norman and colleagues (in press) and demonstrated an internal reliability of  $\alpha = .92$  with each item significantly loading on its respective latent factor.

Identity with the organization was measured with the 3 item instrument used in Avey, Avolio, Crossley and Luthans (2008). Items were “I feel this organization’s success is my success.”, “I feel being a member in this organization helps define who I am.” and “I feel the need to defend my organization when it is criticized.” Internal reliability for this instrument was  $\alpha = .86$ .

Organizational citizenship behaviors-Organization (OCBOs) were measured with Lee and Allen’s (2002) OCB instrument, which uses eight items for individual OCB’s and eight items for organizational OCBs. In this study specifically we selected eight items consistent with the organizational referent and therefore, examined relationships specifically with organizational OCB’s (OCBO). An example item is “I offer ideas to improve the functioning of the organization.” This eight item OCBO instrument demonstrated adequate internal reliability ( $\alpha = .90$ ).

Counterproductive work behaviors (CWBs) were measured using 10 items from Fox and Spector’s (1999) counterproductive work behaviors scale ( $\alpha = .81$ ), which has demonstrated strong psychometric properties. Example items are to what extent have you “purposely ignored your boss” and “purposely wasted company materials/supplies.” Ratings were on a 6-point Likert scale ranging from “Hardly, if ever” to “Frequently, if not Always”. Ten items were chosen from this instrument to reduce scale length. These items have been used in previous research (Avey, Luthans & Youssef, in press) and were selected based on face validity for the broad sample and having high reported frequency in Fox and Spector’s (1999) work.

### *Procedure*

Participants were contacts of faculty and students from a large mid-western university. All participants were from U.S. organizations and after volunteering to participate were sent a

uniform resource locator (“link”) to an on-line survey. Data collection was set up in two temporally separated waves to minimize affects of common method variance (Podsakoff, MacKenzie, Lee, & Podsakoff, 2003). Survey #1 included demographic information, the PsyCap questionnaire and the organizational identification measure. The response rate for time 1 was 86%. After completion of time 1 and a two week separation period, participants were sent a second link to Survey #2 which included the organizational citizenship behavior and counterproductive workplace behaviors scale. The response rate for time 2 was 74% which resulted in useable data from 199 participants. Participant data was matched with a randomly generated 7 digit code for logging in the Survey #2.

--Insert Tables 1 and 2 Here--

### *Analyses and Results*

Means, standard deviations and bivariate correlations can be seen in Table 1. As can be seen, PsyCap and organizational identification were both related to OCBOs with  $r = .60, p < .01$  and  $r = .56, p < .01$  respectively. Further, both predictors were also related to employee deviance with  $r = -.45, p < .01$  and  $r = -.33, p < .01$  respectively. These suggest support for the main effect hypotheses in our study. However, to provide further tests of our hypotheses beyond simple bivariate correlations, we used regression analyses to test both main and interactive effects of PsyCap and organizational identity on both OCBOs and employee deviance. Specifically, the regression model included three steps. First, covariates of age, gender and tenure were entered into step 1 in order to better isolate the variance in the criterion of our predictor variables. In step two, both PsyCap and organizational identity were added to the models as predictors. Finally, in step three the interaction term was added to the model. This

interaction terms was a mean centered product between PsyCap and organizational identity. Results of the regression model can be seen in Table 2.

Hypothesis 1a predicted that PsyCap would be positively related to OCBOs. As seen in Table 2, PsyCap was a significant predictor of OCBOs after controlling for demographic variables ( $\beta = .39$   $p < .01$ ) providing support for hypothesis 1a. Hypothesis 1b predicted that organizational identity would moderate the relationship between PsyCap and OCBOs such that the relationship would be stronger when identification was high was also supported. Specifically, the interactive effect of PsyCap and organizational identity predicted small but significant variance above and beyond the main effect of PsyCap and organizational identity ( $\Delta R^2 = .03$ ,  $\beta = .31$   $p < .01$ ). Thus, overall there was support for both hypotheses 1a and 1b.

The hypotheses regarding the effects of the predictors on deviance behaviors were parallel in content, however opposite in direction. Hypothesis 2a predicted that PsyCap would be negatively related to employee deviance. Again evident in Table 2, the main effect of PsyCap on employee deviance was significant above the influence of demographic covariates ( $\beta = -.34$   $p < .01$ ) suggesting support for hypothesis 2a. Further, hypothesis 2b predicted that organizational identity would moderate the negative relationship between PsyCap and deviance such that the relationship would be stronger when identification was high. In other words, those high in PsyCap and highly identified with the organization would engage in the lowest levels of deviance. We also found full support for this hypothesis as the interaction term was both significant and arguably quite meaningful in terms of predicting variance in deviance above and beyond the main effects of PsyCap and organizational identification ( $\Delta R^2 = .13$ ,  $\beta = .74$   $p < .01$ ). Thus, similar to the first set of hypotheses, we found full support for hypothesis 2a and 2b.

### *Discussion*

This study represents the first empirical analyses integrating research on identity with advances in research on positive psychological capital. More specifically, we investigated the extent to which an individual identified with the organization “mattered” in terms of how employee PsyCap manifests in the workplace. In short, results suggest that identification with the organization does matter somewhat (small yet significant) relative to OCBs in general and OCBOs in particular and even more meaningfully (negatively) on employee deviance. Specifically, in this study participants who were higher in PsyCap reported engaging in more OCBOs. Further, those who were both high in PsyCap and who identified highly with their organization reported engaging in the highest frequency of OCBOs as compared to those who did not identify with their organizations. A similar pattern of results was evident when considering employee deviance as a criterion. As hypothesized, participants reporting higher levels of PsyCap within the domain of their job reported engaging in fewer deviance behaviors. This relationship was moderated by organizational identity such that those who were high in PsyCap and who identified highly with the organization would engage in the lowest levels of deviance.

These results add to the growing body of research on PsyCap in several ways. First, PsyCap research has tended to consider the main effects of PsyCap on a given individual level and organizationally related criterion and has rarely considered individual level moderators on these relationships. Given that relations between employee attitudes and outcomes do not occur in a vacuum but in a context of related phenomenon at multiple levels, this study represents a first step in beginning to consider moderators to observed relationships. Next, this study provides replication and extension of previous work linking PsyCap and both OCBOs and deviance (e.g., Avey, Luthans, & Youssef, in press) by showing in a separate sample that the

relationship between these constructs can be replicated and that this relationship depends on individual level cognitions. Additionally, this research adds to research on workplace deviance and OCBOs by linking the research domains of positive psychology and these organizationally-oriented individual level behaviors.

Next, the current research answers a call from organizational identity researchers to examine the extent as well as the mechanisms through which workers identify with their organizations (Rousseau, 1998). Having examined the concept of identification and underlying mechanisms, we can now perhaps better consider the role that organizational identification plays in organizational change. By examining one's level of identity with the organization as a moderator of the relationship between that person's PsyCap and the amount of OCBOs demonstrated by that person, we can better help uncover such mechanisms.

Further, by merging research in PsyCap (Luthans, Youssef, & Avolio, 2007) and research in OCB's (Organ, 1988, 1997), we extend the theoretical leverage points of each area and support related research (Avey, Youssef, & Luthans, in press). By extending past relationships between PsyCap and OCBOs (Avey, Youssef, & Luthans, in press) in a different setting, we add external validity to this past association. Further, by adding the variable of organizational identity as a moderator of the relationship found previously, we begin to understand more about the mechanisms of this relationship.

### *Implications for Managers*

These results also suggest implications for managers of organizations contributing to an evidence-based management (EBM) approach (see Rousseau, 2006; Rousseau & McCarthy, 2007). First, in a context of higher unemployment and a struggling economy, organizations must realize the potential of its human capital to garner a competitive advantage. This study suggests

that managers may invest in developing employee's PsyCap (e.g., see Luthans, Avey & Patera, 2008 for a review of interventions that have successfully increased one's level of state-like PsyCap), and as a result, to possibly achieve an increase in organizational citizenship behaviors. These resulting non-prescribed helpful behaviors may enhance team and organizational functioning (Organ, 1997).

Similarly, a second practical implication is the investment in PsyCap for a decrease in employee deviance. During challenging economic times employees and potential employees may engage in more deviance to gain an advantage over internal competitors for organizational resources (jobs, promotions, assignments, see O'Connell, 2009). Since those higher in PsyCap reported lower levels of employee deviance, this study suggests the enhancement of PsyCap may have a suppressing effect on deviance.

A final practical implication is related to the effects of identity. Despite layoffs, mismanagement and forms of breach in the psychological contract, results from this study provide support that employees still identify with organizations (Rousseau, 1998). Given that organizational identity was associated with higher levels of OCBs and lower levels of employee deviance, this suggests that managers ought to increase employee identification with the organization. This increase in employees feeling like an extension of the organization, along with increases in PsyCap, may be associated with lower deviance and more citizenship behaviors toward the organization, which was supported in our findings relative to OCBOs.

#### *Future Research and Conclusion*

Looking forward, future research in the area of PsyCap would benefit from considering PsyCap in multiple accepted organizationally-related theoretical frameworks. Here we have focused on one theory-driven method of integrating PsyCap, organizational identification

processes, and organizational citizenship behaviors. While this is a logical first step, untangling the web of nomological networks and relations between PsyCap and other well accepted theories will be critical to generating a better understanding of how advances in the sister field of positive psychology may affect our understanding of organizational phenomena. For example, what role might affectivity play in the current investigation? It is possible that positive affectivity is related to both PsyCap and OCB's whereas negative affect might be related to deviance behaviors such as CWBs as viewed here. Future research might be aimed at exploring these relationships in attempt to untangle both similarities and differences. Further, while this research extends understanding the moderators on the relationship between PsyCap and employee outcomes at work, future research should continue to explore both moderators and mediators at multiple levels within and between organizations and cultures to fully grasp how and why this emerging construct PsyCap matters in today's organizations.

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Figure 1

Theoretical Model on the Interaction between Psychological Capital and Organizational Identity

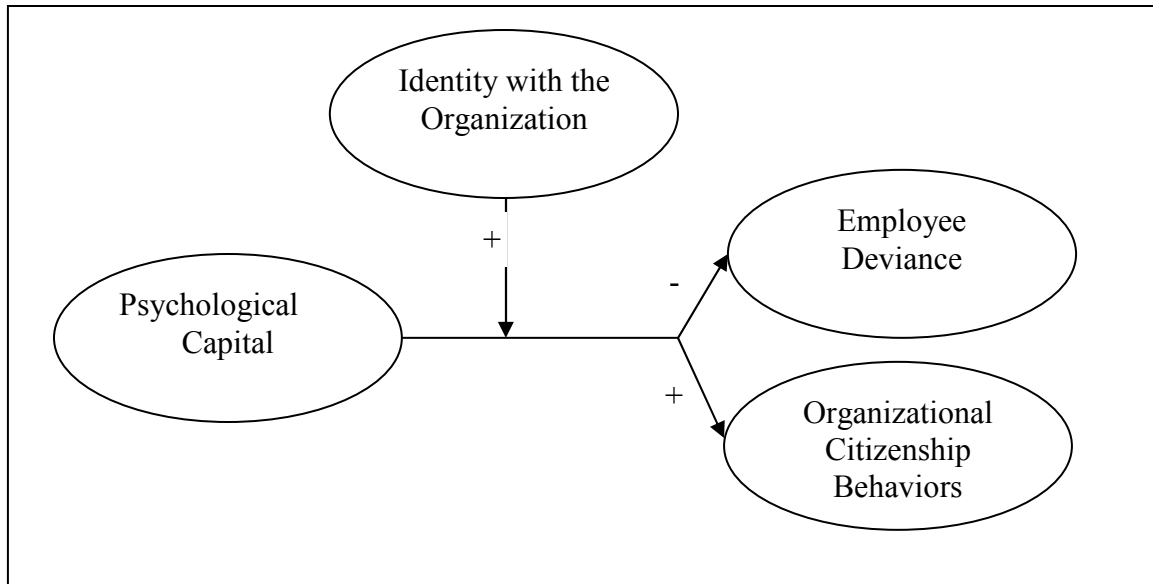


Table 1- Inter-correlations among Study Variables

	Mean	S.D.	1.	2.	3.	4.	5.	6.
1. Age	31.54	13.35						
2. Tenure	6.45	6.95	.64*					
3. Gender (DC)	1.47	.50	.14	.05				
4. PsyCap	4.61	.82	.20*	.16	.19*			
5. Organizational Identity	3.92	1.23	.34*	.20*	.20*	.57*		
6. OCBO	4.92	1.2	.34*	.18*	.28*	.60*	.56*	
7. Deviance	2.18	.97	-.22*	-.11	-.12	-.45*	-.33*	-.26*

$N = 199$ , \*  $p < .01$

Table 2  
Regression Analyses with PsyCap, Outcomes and Covariates

	Organizational Citizenship Behaviors - Organization			Workplace Deviance		
	Step 1	Step 2	Step 3	Step 1	Step 2	Step 3
Age	.33*	.24*	.23*	-.21*	-.18	-.21*
Tenure	-.06	-.11	-.12	.03	.08	.05
Gender	.29*	.15*	.16*	-.11	-.02	-.01
PsyCap		.39*	.30*		-.34*	-.58*
Organizational Identification		.24*	.04		-.06	-.53*
Interaction Term (PsyCap and Organizational Identification)			.31*			.74*
Total R <sup>2</sup>	.20*	.47*	.50*	.04*	.16*	.29*
Δ in R <sup>2</sup>		.27*	.03*		.12*	.13*

*N* = 199, \* *p* < .01