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While investment in psychological capital is not necessarily a direct coaching focus, the coaching process by its nature invests in psychological capital. The rich return on the investment arrives in the form of new resources to support a coachee's present and future agenda for change.

PsyCap, in short, is a big building block of coaching science. It's also new (in the past 15 years), classic (timeless), rigorous (extensive literature), and practical (valuable in coaching).

The construct emerged out of the positive psychology movement, which started in 1998. PsyCap comprises four resources that every person, every team, and every organization needs in order to navigate change well: hope, optimism, resilience, and efficacy – HERO for short.

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Today's dose features a seminal 2017 article on PsyCap written by Fred Luthans and Carolyn Youssef-Morgan at the University of Nebraska, entitled *Psychological Capital: An Evidence-Based Positive Approach*.

This article is populating two research doses. This first one focuses mainly on related concepts – Positive Organizational Scholarship (POS) and Positive Organizational Behavior; the latter being the organizational expression of PsyCap. The second dose, coming soon, will more fully explore PsyCap and how coaching cultivates PsyCap.

Positive Organizational Scholarship (POS)

Positive Organizational Scholarship (POS), developed at the University of Michigan is a *“movement in organizational science that focuses on the dynamics leading to exceptional performance.”* We give you only the briefest summary here – get the [Oxford Handbook](#) if you want a deep dive.

The featured dynamics include developing positive leadership, relationship, HR and organizational practices, including cultivating positive emotions, strengths, resilience and vitality. The authors note: *“POS is an umbrella concept that integrates a variety of positive scientific perspectives, including positive traits, states, processes, dynamics, and outcomes, all of which are of relevant to organizations.”*

POS is also valuable in that it balances a negativity bias in organizations where negative events get more urgent attention than the cultivation of positivity.

The authors summarize well four characteristics of the POS framework:

1. *A positive approach “adopts a unique or alternative lens that alters the interpretation of phenomena, which by themselves may or may not be positive. Example: a problem or an obstacle can be interpreted as an opportunity for learning and growth.”*

2. *This approach is characterized by extraordinary positive outcomes. “This is framed in terms of positive deviance, as opposed to negative deviance or even normal or common results. A frequently cited example was when under a positive approach the closure and cleanup of the infamous Rocky Flats Nuclear Arsenal greatly exceeded expectations by being 13 to 60 years ahead of schedule, and \$30 billion under budget.”*
3. *A positive approach in POS has an affirmative bias, which places a higher weight on positive versus negative constructs, dynamics, and outcomes.*
4. *A positive approach emphasizes understanding the best of the human condition, including flourishing, thriving, forgiveness, compassion, goodness, and other life-giving dynamics. The emphasis is on positivity for its own sake, not just as a means toward other ends.*

Positive Organizational Behavior (POB)

For those who want to invest in human capital and upgrade their own and their employees' positivity – the concept of positive organizational behavior (POB) offers an evidence-based behavioral approach. PsyCap is the “HERO” of POB.

POB combines rigor, relevance, and real answers to everyday leadership dilemmas including increasing productivity, boosting employee satisfaction and engagement, and making the workplace a meaningful and civil place where people want to be.

Where POS is an umbrella concept, POB is about specific positive constructs. This is typically at the individual level, not the team or collective level. POB is defined as the study and application of positively oriented human strengths and psychological capacities that can be measured, developed, and effectively managed for performance improvement in the workplace. The authors share several criteria for a psychological construct to be included in POB:

1. *First, it must be theory and evidence-based, in order to lend itself to scientific study.*
2. *Second, it must be positively oriented and thus consistent with positive psychology, POS, and other positive research streams.*
3. *Third, it should be validly and reliably measurable, to allow for rigorous scientific study and research.*
4. *Fourth, it needs to be open to development and management.*
5. *Finally, it must be related to desired and measurable work attitudes, behaviors and performance criteria.*

On to the HERO of POB - PsyCap

Let's take a look at HERO, made up of four constructs that are interactive and synergistic, not isolated and independent:

Hope (work of Snyder as Hope Psychology)

"A positive motivational state based on a sense that potential success is within reach. Hope includes two dimensions: agency, which is the willpower or determination to pursue goals, and pathways, which is the "waypower" or ability to generate alternative paths to achieve goals when obstacles hinder plans."

Efficacy (work of Bandura as Social Cognitive Theory)

"An individual's 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." Four approaches to developing self-efficacy include: mastery or success experiences, vicarious learning or modeling from relevant others, social persuasion and positive feedback, and physiological and psychological arousal."

Resilience (varied sources)

"A capacity to bounce back from adversity, conflict, failure, progress and increased responsibility. Resilience is about the deployment of positive adaptation patterns and processes to overcome adversities or risk factors by capitalizing on personal, social or psychological assets."

Optimism (work of Seligman as Learned Optimism)

"A positive 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. In contrast, a pessimistic explanatory style attributes positive events to external, temporary, and situation-specific causes, and negative events to personal, permanent, and pervasive ones. Optimists are those who expect good things to happen."

Positive Leaders

Coaches can help leaders become positive leaders or HEROs, who are "all in" and committed to the overall value of positivity. This often isn't easy given that negative cultures, abusive leadership, and organizational politics can be pervasive. Negativity sticks to culture like Velcro! Positivity requires a committed mindset of openness, inquiry, and appreciative leadership to loosen and open

the Velcro grip.

This goes well beyond paying lip service to the adage “people are our most important asset.” Genuine, authentic belief in the value of people, and a deep desire to help employees develop their strengths and psychological resources, is vital. This is a new take on HEROic leadership.

Takeaways for Coaches

1. **Consider how you already cultivate PsyCap in your coaching.** What do you do now to cultivate positivity, hope, optimism, resilience and efficacy in your coaching?
2. **What can you do better in cultivating PsyCap with your coachees?** Consider open-ended questions that explore your coachee’s PsyCap – what’s strong, what could use more development.

Don’t just be a coach, be a HERO, helping your clients invest in PsyCap – hope, optimism, resilience and efficacy. The next dose will expand your PsyCap toolbox – stay tuned!

**"May your choices reflect
your hopes, not your
fears."**

- Nelson Mandela



From the IOC Team.

Coaching with science in mind.

Featured Article: Luthans, F., & Youssef-Morgan, C. M. (2017). **Psychological capital: An evidence-based positive approach**. *Annual Review of Organizational Psychology and Organizational Behavior*, 4, 339–366. <https://doi-org.ezproxy.sju.edu/10.1146/annurev-orgpsych-032516-113324>