

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

Due to the issues, research questions, objectives and hypotheses identifies in Chapter 1, this chapter elaborates on the definition of job performance, psychological capital (PsyCap) elements namely hope, optimism, resilience and self-efficacy, also work engagement in order to justifies and makes the literature of these concept more reliable and robust. The role of work engagement as a mediator is also presented. The previous empirical studies on the relationships between the independent variable and dependent variable, theoretical framework and the conceptual framework are also highlighted in this study.

2.2 Job Performance

For a long time, organizations have been looking for different avenues to improve performance. This involves a step-by-step evaluation of variables in businesses (human resources, material resources, motivation, and finances, among others). Job performance denotes the actions taken by employees at work that contribute to the attainment of the objectives set by the organization. Also, it is about employee behaviors that are under their control, not about the outcomes

(effectiveness), what it takes to achieve those outcomes (productivity), the number of results achievable in a given period (efficiency), or the value an organization places on certain performance, effectiveness, productivity, or efficiency.

Job performance is a subjective term that cannot be quantified or identified easily. It can be a sum of different parts or measurements (Koopmans et. al, 2011). Meanwhile, according to Campbell (1990) in Koopmans et. al., (2011), "job performance is defined as behaviours or actions that are relevant to the organization's goals." This definition highlights three concepts: (i) work performance should be defined behaviourally rather than result-based, (ii) only those behaviours deemed important to the organization's goals should be accounted for in work performance, and (iii) work performance has diverse dimensions.

Job performance is referred to a person's ability to do his or her job well (Campbell, 1990; Campbell et. al., 1993). As seen from the occupational psychology, Campbell et al (1993) defined performance as behaviour, and job performance as an individual level variable; something manageable. Despite this, no comprehensive definition of learning disabilities in relation to individual staff job performance has been conclusive in the learning disabilities literature. It is vital to focus on the fact that terminology like "job satisfaction" and "productivity" should not be mixed up with "work performance," as these terms refer to various concepts that can exist as a direct result of job performance. 'Job performance' refers to the quality of work of an employee and is described as an abstract construct represented by concrete phenomena that are quantified, i.e. performance indicators, for evaluation.

Robbin (1996) defined performance as the acknowledgement of an employee's success and output by his or her organization. The components that represent job performance include skill, effort, and the work nature. Employee incentives can be monetary like bonuses and pay increases, or non-monetary incentives in the form of vacation perks. An employee's job satisfaction is higher when he or she receives acknowledgment or a certificate for an achievement in the workplace. In effect, the employee is inspired to do his or her job well. Job performance is a measurement of how well-completed a task is, done by an employee. If an organization rewards employees who demonstrate commendable work performance, job satisfaction will be increased (Giga et. al., 2003). To ensure that employees do realize about the organization's expectations in terms of what they are assigned to do, Key Performance Indicators (KPIs) should be provided by employers to measure staff's job performance (Cascio, 2006).

2.2.1 The Elements of Job Performance

According to Elger's (2007) theory of performance, a job is a journey not a destination. The level of performance differs for every condition and job description. One exemplary condition is provided by Elger (2007) indicating job performance, such as when a lawyer's level of performance improves, the legal research she conducted becomes quicker, more comprehensive and detailed. Similarly, members of an academic department can provide more successful student learning, more effective research, and a more effective culture as the performance of the department gets better. Performance is sometimes adaptive towards the changing environment.

Factors like the changing technologies, the changing managerial decision, the globalization and cultural difference are always significant to reflect upon performance (Van Der Linden, Sonnentag, Frese, & Van Dyck, 2001).

As mentioned by Borman and Motowidlo (1997), job performance can be measured by either the task, or contextual, performance. Task performance denotes the willingness to do the expected work (actual and routine work), as the individual already acknowledge and understand their responsibilities. Meanwhile, contextual performance refers to the activities that are not part of their job descriptions. It is the individual willingness to go further than the expectations.

To add, performance can be divided into the in-role and extra-role. Officially required results and actions that directly serve organizational objectives might be classified as in-role performance (Motowidlo & Van Scotter, 1994). Task performance is another term used for in-role performance (Goodman & Svyantek, 1999). nurses, police officers and academicians for instance have their own respective tasks to fulfil.

Organizational Citizenship Behaviors (OCB) (Mackenzie, Podsakoff, & Ahearne, 1998) are interchangeable with extra-role performance which a great deal is known about the nature of the behavior and its complex network of correlates. For example, OCB—generally defined as the set of positive workplace behaviors that are distinct from the employee's work tasks and that support organization members and/or the work environment, although the contribution to the organization is less direct (Motowidlo, Borman, & Schmit, 1997). Extra-role accomplishment fosters a social and psychological environment that helps complete the in-role activities (Goodman & Svyantek, 1999) and can be defined as “individual behavior that is discretionary, not

directly or explicitly recognized by the formal reward system, and in the aggregate promotes the efficient and effective functioning of the organization” (Organ, 1988). There are 2 elements in job performance such as in-role performance and extra role performance and this will be elaborated in the next section.

2.2.2.1 In Role Performance

Task performance, the ability or capability of a single person to do a central work duty, is the most common description for in-role conduct. Each task's performance may vary from one job to another. Katz and Kahn (1978), defined in role performance as the necessary attitude the employees should have for the work accomplishment. Further research done by Katz and Kahn, as reported by Zhu (2015) recognizes three types of primary behaviors as below, with the core effects of the good operational and management system:

- a) Employees must cater for specific requirements for the role in independent ways.
- b) Employees will generate many acts spontaneously.
- c) Organizations are fragile when they solely depend on the behaviors required.

2.2.2.2 Extra Role Performance

Employees' extra-role performance behaviours are those that do not make up formal job requirements and job specifications but assist the organization as a social system function. Extra role performance behaviour include co-workers with a job-related problem; accepting orders without hassle; promoting a work climate that is tolerable and minimizing the distractions caused by interpersonal conflict; and protecting and conserving organizational resources (Bateman & Organ, 1983).

These types of employees are willing to go further and beyond their work specifications and descriptions to fulfil their career goals. Subramaniam and Zulhusni (2017), stress on the significant contribution of OCB to the entire organization performance. Kim (2006) also stated that the public service employees with OCB in their work will contribute to greater work performance. Literature provides some examples regarding OCB such as the acts of helpfulness, gestures of goodwill and cooperation among organizational members (Chughtai, 2008). Cohen and Vigoda (2000), also stressing the benefits of OCB such as managerial productivity and resource efficiency.

2.2.2 Importance of Job Performance

The concern for employee performance has been long-standing in organizational research and practice. Instead, the ultimate aim of research in an organizational set-up is usually to enhance performance and this will sooner or later benefit the organizations. Employee performance is very important for organizations'

output to survive, succeed, and grow (Katz & Kahn, 1978; Sullivan & Bhagat, 1992). Following several empirical studies, employees' task-based and non-task-based activities and behaviours make meaningful contributions to organizational success and achievement (Podsakoff, MacKenzie, Paine, & Bachrach, 2000; Podsakoff, Whiting, Podsakoff, & Blume, 2009).

As employee performance is very important to how organizations function, even few underperforming employees can affect the future prosperity of the organization. For the private sector, any lack of quality, or even quantity, in employee performance can stop organizations from achieving organizational profit and may cause the firm to close (Fitz-enz, 2009). Contrary to this, in the public sector, employee performance has varying implications. It is significant not only for the functioning of organizations but for the communities they serve. If we look at teachers and educational institutions in the public sector, without their efficient and effective performance, communities may not receive the education they deserve. This is also true for other critical public services and their agencies (LaPorta, Lopez-deSilanes, Shleifer, & Vishny, 1999). The close association between employee performance and organizational success has seen researchers examining the factors that could influence worker performance.

The one thing that impacts employee's ability to carry out his or her daily tasks is his or her personality or patterns of attitudes and behaviours. As employee performance is linked directly with the existence of organizations, the ability to know and improve the factors boosting performance could give organizations the type of information they need to make sound, performance-enhancing decisions. At present,

the newly-emerging discipline is explored as a dynamic energy in performance enhancement. Psychological capital referred as PsyCap and work engagement are the variables that are investigated rigorously in the Western world linking these variables to several favorable outcomes, one of which is performance.

2.2.3 Past Research on Job Performance

Job performance refers to observable behaviours that employees engage in at work crucial to the organization's goals (Arvey & Murphy, 1998; Campbell, 1990). Furthermore, Laeeque and Bakhtawari (2014) demonstrated that job performance can well create flexible workplaces, organised trainings, and enhanced production innovation aptitudes to influence employees to feel more comfortable and, as a result, expand their quality to boost job performance. In reality, job performance refers to an employee's participation and level of achievement in dealing with various workplace challenges. The incentives that a corporation delivers to representatives might be monetary or non-monetary, and it can also be in the form of a recognition of a worker's unique accomplishments. Workers are influenced by these factors to have great job satisfaction and to be motivated to perform well and better at work.

Also, the arduous task that must be done in a short period of time, according to Dajani and Zaki (2015), is the most popular element that determines workers' performance and causes stress. This kind of pressure, having to work in a tight deadline causes workers to experience work stress. Hiring employees with these characteristics and allowing them the opportunity to do so can help organizations establish an environment where colleagues can be a support system to one another.

Employees will feel the need to repay this favour by spending more time and making more effort to their jobs in order to make a substantial contribution to the organization's goals. In other words, they would work harder in their in-role responsibilities to repay the organization's favour by contributing to its goals. This is in line with Orpen's (1994) findings, whereby employees who receive organizational support from their employer put in more effort and perform better than those who do not receive organizational support. Furthermore, empirical research shows that employees who perceive organizational support tend to have a stronger attachment to the organization, which reinforces the anticipation that there will be rewards for the effort exerted (Gould & Fernandez, 1989). This means that employees believe that they will be rewarded for their extra effort and progress with a better working environment. The same logic can be applied when it comes to extra-role performance.

Vassos and Nankervis (2012) conducted a survey of 108 disability support professionals who went for a conference in Australia. The goal was to see which characteristics would be linked the most with burnout prediction based on three aspects: emotional weariness, depersonalization, and personal accomplishment. After analyzing the data, it was discovered that in terms of performance, personal achievement is strongly and positively connected with job feedback. The findings confirmed that there is little indication of a link between the personal accomplishment part of burnout and the work that employees do, according to the assessment. The study's strength is that it certified the importance of a number of individuals, interpersonal, and organizational elements that firms must take into account when talking about employee and client outcomes.

Another study by Rose (1998) examined whether staff's positive relationships with service users would get better after participating in a stress management programme that addressed lowering staff stress levels in a learning disability setting. When compared to the control group, significant differences were discovered following intervention; staff anxiety levels were found much lower in the intervention group. There were also changes in a number of directly witnessed staff behaviours linked to lower levels of anxiety, as well as a change in observed work performance. In the control and intervention groups, however, no similar reductions in staff depression levels were observed. The findings imply that interventions to lower employee anxiety may have a favorable influence on the work they do, simultaneously suggesting that there is a relationship between employee stress and job performance.

2.3 Work Engagement

In the research field, work engagement is a popular topic, and many results and lessons have been obtained regarding the concepts and construct around work engagement. It is an important concept to be considered in each organization due to the positive impact it tends to leave on organization performance (Christian et. al. (2011). In a broader definition, employee engagement is a method to ensure that employees are engaged to their organization's aims and values, motivated to contribute to organizational success, and able to improve their well-being. Work engagement differs from job satisfaction in that it merges a high level of work pressure with a high level of activation (Bakker et al, 2011), it is the reformation aspects of job satisfaction, whereby a satisfied employee is not about being engaged in their job. Engagement,

according to Schaufeli and Bakker (2004), is a pleasant, rewarding, work-related state of mind seen through acts of vigour, dedication, and absorption.

Nevertheless, some authors such as Macey and Schneider (2008), Rich et. al. (2010) and Soane et. al. (2012) has produced their own interpretation. In addition, of all the research done, Yalabik et. al. (2013) found that, Work engagement is the only one that has been backed by empirical evidence from countries that validate it. Several studies by Schaufeli et. al. (2002) found that engaged employees are exuberant with energy and self-efficacy, allowing them to have control over life-changing events.

Cascio (2010) takes the term 'work engagement' further by defining it as an emotional attachment that makes the employees go extra mile in their career as they renew their passion and develop positive feelings towards their job. Engaged employees are not extraordinary; they are tired after working all day, but that exhaustion turns into a pleasurable state of mind because they have positive minds and indulge in the work activities. Work engagement is all about the way in which employees perceive their jobs: as stimulating and energetic, and something they want to expend time and effort (the vigour component) for; as a significant and meaningful pursuit (dedication); and as engrossing and something they concentrate on (the engrossing component) (absorption).

2.3.1 The Elements of Work Engagement

Work engagement is a positive, satisfying work-related state of mind that also involves elements of being energetic (i.e. vigour), emotive (i.e. dedication), and cognitive (i.e. absorption) (Schaufeli & Bakker, 2004).

2.3.1.1 Vigor

From Schaufeli and Bakker (2004), vigor is seen as being “characterized by high levels of energy and mental resilience while working, the willingness to invest effort in one’s work, and persistence also in the face of difficulties” (p. 295). Bakker (2011) added that vigor is the high levels of energy and mental resilience while working meanwhile Yalabik et. al. (2015) highlighted vigor as having the energy, mental resilience, determination, and investing consistent effort into your job and the tasks that follow. Simmons et. al., (2011) stated that with the engagement functions as psychological response systems, the employees will have the urge to use their mindset and physical to work and perform their best. Meyer and Pilkonis (2001) found that people with a secure attachment style were more likely to experience vigor while working, while individuals with either a counter dependent or over dependent style would not have that much vigor. Vigor is the best way to detect employee engagement as it will show in their appearance and attitude on their job scope. “In education, vigor can be witnessed in individual teachers considered to be full of energy and rarely exhausted (Bakker & Demerouti, 2017; Schaufeli & Bakker, 2014), and often a depiction of mental endurance (Schaufeli & Bakker, 2004). An employee with clear engagement often makes more effort and do more positive work that can benefit the organization (Wardini & Anwar, 2019). Through work engagement, vigor

will be proof of how an employee views the work as stimulating and worth the while (Bakker et. al., 2015).”

2.3.1.2 Absorption

When an employee is fully engrossed in their workplace and work environment, that is absorption. For example, at the workplace, the time would pass quickly as some workers tend to be too committed in their job. Shekari (2015) in her research strengthens the term of absorption as a sense of detachment from the surroundings, a high degree of concentration on your job, and a general lack of conscious awareness of the amount of time the job takes (Rayton & Yalabik, 2014).

As another definition, absorption applies in the condition when one is fully concentrated and engrossed in the work during which time passes unnoticeably (Schaufeli & Bakker, 2004; Bakker & Demerouti, 2017). To experience absorption fully, an employee will rely heavily upon their cognitive resources which can be plentiful as engaged employees have more health habits to show (Bakker et al, 2011). A teacher demonstrating absorption can face difficulties away from the work. While work engagement is considered a positive psychological concept, absorption is the most likely of the three sub-concepts to yield negative behavior; it may not happen often but, employees with absorption may become so immersed in work necessities that other aspects like rest or personal relationships may take the backseat (Bakker et. al., 2011). Ultimately, absorption can help an employee achieve personal goals and further the organization’s performance, so this is an overall a positive notion,

2.3.1.3 Dedication

Dedication is an element of being inspired, enthusiastic and highly involved in your job (Rayton & Yalabik, 2014). It is also defined as “a sense of significance, enthusiasm, inspiration, pride, and challenge” (Schaufeli & Bakker, 2004). Dedication is a high work pleasure where the employees fully dedicate themselves to their career. Meanwhile, Munir et. al (2015) shed light on dedication as a sense of work significance, inspiration, and enthusiasm.

An employee displaying dedication is one that is very much engaged and enthusiastic at work (Bakker & Demerouti, 2017). A state of dedication shows an individual with motivation and excitement to achieve one's work-related goals (Bakker et al, 2011) through a meaningful pursuit (Bakker et. al., 2015) without being too immersed in the job (Kahn, 1990). Through personal resources, dedication gives a ticket to the employees to appear persistent in the approach to tending to their personal and work-related goals (Schaufeli & Bakker, 2014). This commitment to the job and professional goals allows engaged employees to pursue the challenge instead of them getting exhausted.

2.3.2 Past Research on Work Engagement

Based on previous study, there are many factors that can influence an employee's decision to leave an organization, with work engagement being shown as one of the most consistent turnover predictors (de Lange, De Witte, & Notelaers, 2008). In 2006, Saks also pointed to the relationship between employee engagement and intentions to quit. The research examined 102 employees and concluded that

engaged employees are more likely to have some very good relationships with their employer, causing them to also develop positive attitudes, intentions, and behaviors (Saks, 2006). Furthermore, Harter, Schmidt, and Hayes (2002) completed a meta-analysis of almost 8,000 business units across 36 companies, and they further found evidence that engagement is related to meaningful business outcomes

Empirical research provide evidence that work engagement was linked positively with organizational commitment (Field & Buitendach, 2011; Hakanen, Bakker, & Schaufeli, 2006), physical health (Shirom, 2003; Schaufeli & Bakker, 2004) and job satisfaction (Bakker & Demerouti, 2008; Wefald, Reichard, & Serrano, 2011), and show negative relations to turnover intentions (Bakker & Demerouti, 2008; Schaufeli & Bakker, 2004).

For example, a study done on 110 hospital staff revealed that both organizational and personal factors were found to be associated significantly with work engagement (Fiabane, Giorgi, Sguazzin, & Argentero, 2013). These results highlight that not only is work engagement molded by the organization itself, it is also dependent on the personality of the worker. Both the organization and the employee attributes deemed influential in this study could be put forth as intrinsic versus extrinsic factors. Fiabane et. al. (2013) continues to observe that organizational factors should focus on balancing workload and helping employees feel that their work is meaningful to attain better work engagement and reduce the effects of burnout and turnover. This research shows the applicability of the positive psychology movement in the healthcare industry and this seems to negate the power of traditional motivations such as pay.

In 2010, researchers tried to understand the turnover and shortage in nursing. More than 400 nurses had answered to a work engagement survey and general health questionnaire. Results then established that predictors of vigor and dedication were satisfaction with job position, higher-quality working of life, lower social dysfunction and lower stress associated with patient care (Jenaro, Flores, Orgaz, & Cruz, 2011).

Collini et al. (2015) attached turnover data with employee engagement surveys from ten hospitals and more than 5,400 employees that gave direct patient care. The research was done in time of the nursing shortage and aimed at identifying how to make current employees stay in healthcare organizations. According to the findings, engagement entirely mediated the relationships between respect and turnover, as well as the relationship between purpose fulfilment and turnover (Collini et al., 2015). Thus, an increase in engagement may lead to reduced turnover and associated costs not to mention an increase in the quality of patient care.

Work engagement and motivation, following a steady stream of the literature do affect the work performance. However, it is critical to recognize that there are various types of motivation and the various ways in which they might influence employee job performance. The majority of the study make a difference between intrinsic and extrinsic motivation. Intrinsic motivation, according to Gagné and Deci (2005), is described as doing something due to the work nature that is fascinating and delightful, and the person would find enjoyment in the activity itself.

Extrinsic motivation, on the other hand, necessitates participation in an activity because of the prospect of getting rewards and/or consequences, such as monetary remuneration or being chastised at work (Gagné & Deci, 2005). Furthermore, research

suggests that work motivation is influenced by many elements, including job function, personality, values, goals, and rewards. Psychological capital, according to Sweetman et al. (2011), may give the intrinsic drive and be a critical component in elevating the work engagement levels.

Longitudinal research is also done to oversee the association between self-esteem, efficacy, and optimism – known as personal resources and work engagement. Xanthopoulou et. al. (2009) studied the relations between job and personal resources, and work engagement in a longitudinal research study. The study was done to satisfy the legal requirements of an electrical engineering and electronics company in the Netherlands that annually checked its employees' well-being. The sample comprised of 131 men and 32 women with an average age of 42. Participants were contacted twice in two years with some gap in-between. With self-reported scales, results clearly supported the Conservation of Resource (COR) theory that contended for the reciprocal nature of the relationship among job and personal resources and work engagement. The follow up study threw some light on the extraordinary contribution made by self-efficacy, self-esteem, and optimism to explain the variance in work engagement over time.

The focus of the literature on the many positive strengths and resources in association with job-related attitudes is increasing gradually. However, it is a matter of fact that there is little information about the relationship between work engagement and organizational commitment. Field and Buitendach (2011) carried out research to explore these two variables, along with happiness, among tertiary education support staff members based in South Africa. Having gathered data from 123 participants, the

results indicated happiness and work engagement having predictive value for affective organizational commitment; the study proposed that institutions should create an initiative for maintaining work engagement and happiness among employees to make them more committed with their working organizations.

The literature, work engagement has been linked to the lesser number of people intending to quit (Koyuncu, Burke, & Fiksenbaum, 2006; Saks, 2006; Schaufeli & Bakker, 2004). Schaufeli and Bakker (2004) suggested that decreased work engagement could contribute to higher turnover intentions. The main objective was to examine work engagement as a turnover intention's predictor. Using cross-sectional data, it was established that work engagement and organizational citizenship behaviour were both significantly negatively linked with turnover intentions. The findings may impact the human resource departments and management strategies on employee retention.

2.4 Psychological Capital (PsyCap)

Derived from the quotes by Peterson (2006), "what is good about life is as genuine as what is bad and therefore observes equal attention", The basic concept of PsyCap, as can be referred to Luthans (2002), is "the study and implementation of positively oriented human resource strengths and psychological capacities that may be assessed, developed, and effectively managed for performance enhancement in today's workplace." Rather than accentuating the flaws, this approach looks into the positive aspects of the organization (employees as a priority). With the great changes in the way businesses operate, clearly numerous positive constructs have been implemented

in the workplace throughout the years, including positive reinforcement, job satisfaction and self-evaluation.

By incorporating positive psychology into the workplace with PsyCap, the necessity of a positive approach will be re-highlighted (Youssef & Luthans, 2007). Based on research by Walsh, Weber, and Margolis (2003), who found that negative biased words have increased four-fold in the management and business field compared to positive terms, it is mentioned that PsyCap stresses on the importance of a more positive approach not only in psychology, but also in management and business. Typically, PsyCap determines and strengthens favorable psychological conditions and human resource strengths in individuals (staff), as they are linked with the idea of improved individual well-being and performance quality.



Table 2.1 Key Findings on Global PsyCap Research Adopted from Tabaziba (2015)

Author / year	Country	Aim	Method	Main findings
Luthans, Avolio, Walumba and Li (2005)	China	To determine the relationship between PsyCap and performance	Pen and paper-based survey	-PsyCap significantly correlated with performance
Larson and Luthans (2006)	USA	To determine the potential added value of PsyCap in predicting work attitudes	Self-report online survey	-Significant positive relationship between PsyCap, job satisfaction and organizational commitment -Employee PsyCap had a significant added impact over human and social capital on job satisfaction and organizational commitment
Avey, Patera and West (2006)	USA	To determine the implications of positive PsyCap on employee absenteeism	Self-report online survey	-PsyCap was related to employee absenteeism behaviors
Luthans, Avolio, Avey and Norman (2007)	USA	To analyse how PsyCap predicts work performance and satisfaction	Self-report online survey	-Study 1 showed support for PsyCap as a higher-order construct -Study 2 showed that PsyCap significantly and positively related to work performance and satisfaction
Avey, Wernsing and Luthans (2008)	USA	To investigate the impact of PsyCap and emotions on relevant work attitudes and behaviors	Self-report online survey	-PsyCap was related to positive emotions which was in turn related to work attitudes (engagement and cynicism) and behaviors (organizational citizenship behavior and deviance) -mindfulness interacted with PsyCap to predict positive emotions
Avey, Luthans and Youssef	USA	To determine the additive value of	Self-report online survey	-PsyCap was positively related to extra-role OCB

Author / year	Country	Aim	Method	Main findings
(2010)		PsyCap in predicting work attitudes		and negatively related to organizational cynicism, intention to quit
Avey, Luthans and Jensen (2009)	USA	To determine the relationship between PsyCap, employee stress and turnover intention	Self-report online survey	-PsyCap and employee stress were negatively related -PsyCap and turnover intention were negatively related
Avey, Luthans, Smith and Palmer (2010)	USA	To analyse the relationship between levels of PsyCap and two measures of psychological well-being	Self-report online survey	-PsyCap was related to both measure of well-being measurement, namely the Index of Psychological Well-Being and the General Health Questionnaire
Culbertson, Fullagar and Mills (2010)	USA	To determine the relationship between PsyCap and employees' endaimonic and hedonic well-being	Self-report online survey	-The relationship between PsyCap and hedonic well-being is mediated by endaimonic well-being
Herbert (2011)	South Africa	-To explore the relationship between burnout, employee engagement, occupational stress and PsyCap -To determine whether PsyCap plays a mediating role in the occupational stress- burnout relationship	self-report online survey and paper-based survey	-PsyCap was negatively related to occupational stress and burnout -Occupational stress and burnout were negatively related to employee engagement -PsyCap was positively related to employee engagement -PsyCap moderated the relationship between occupational stress and burnout

2.4.1 The Elements of PsyCap

PsyCap was described in this study by shedding light into four (4) elements constructed by Luthans et. al. (2007) namely hope, optimism, self-efficacy and resilience. It has been proven by Luthans et. al. (2008) that the PsyCap elements or constructs are state-like and can be developed through time, whereby it is crucial for organizations to recognize and work on these positive PsyCap factors, as they can moderate the effect of work engagement and job performance in the organization.

2.4.1.1 Hope

Hope is a positive motivational state on a basis that it is an interactively acquired feeling of effective agency and routes. (Snyder et. al., 2002). Hope has been found to be applicable to multiple performance elements, including the workplace and the people serving there (Luthans, Avolio, Walumbwa, & Li, 2005). Higher-hope human resources are more lucrative, are known to have higher retention rates, and are more satisfied and committed to both their career and well-being. (Snyder et. al., 2002). Hope is not an emotion, and it does have a more direct relationship with the dynamic cognitive motivational system. (Snyder et. al., 1991) Pekrun, Elliot, and Maier (2006), on the other hand, considered optimism as one of the academic achievement emotions that derive from mastery and performance-approach goals.

Hope is the strong belief that specified outcomes will occur from one's actions. The reference could be on the opportunities available to employees in this scenario. Hope exists when a person believes that he or she will be presented with an opportunity when their efforts will yield positive results at a certain degree of

performance. Meanwhile, hope is described by Erickson (Luthans & Jensen, 2002) as a one-dimensional concept entailing an overall belief that a goal will be catered for. As a result, hope may occur as a result of someone's perceived capacity to reach their goals.

Luthans et. al., (2007), mentioned that hope is a positive level of motivation based on the interaction of agency and routes. Pathways are seen as the plans to reach the objectives, whereas agency is the energy expended on them. According to Snyder et. al. (2002) there are two types of goals: long-term and short-term. Success would emerge as the agency and the paths interact. In other words, an individual's energy will be focused consistently on plans that will help them reach their life goals, and this will make their chances of success greater.

2.4.1.2 Optimism

A famous quote by Winston Churchill comes to mind- *“a pessimist sees the difficulty in every opportunity; an optimist sees the opportunity in every difficulty.”* Optimism has been proven to boost the immune system, foreclose chronic disease, and help people confront bad, uninviting news and becoming some sources of life longevity due to the positive mindset- thus, it is associated with psychological well-being (Oattes, et al. 2020). Gratitude is in the same class with optimism, where thankful people tend to be happier, experience more social support, are less pressured, and less depressed. Some new researches have established that optimists and pessimists approach issues differently, and as a result, their ability to cope successfully with adversity differs from one another. (2015, www.pursuit-of-

happiness.org) Optimism, according to Scheier and Carver (1985), publishes a collection of broad optimistic outcome expectations.

People who generally expect things to go their way and believe that they will have more good outcomes than bad ones are known as dispositional optimists. According to Malik (2013), Strutton and Lumpkin (1992) discovered that the sort of coping mechanisms employed to deal with stress in the workplace have an influence on the optimism-performance link. They realized that optimistic people employed more problem-focused coping mechanisms and outperformed pessimistic people at work. Some studies that emphasized on the impact of optimism on performance and work-related behaviour proposed that the idea is broadened and modernized in order to deal with the new organizational climate.

Optimism is also a portrayal of the inclination to see things positively. The impact on physical and psychological wellbeing (Carver & Scheier, 2009) is remarkable. As another way to see it, it is an attitude or way of life that weighs upon the positive aspects and anticipates favorable consequences, according to the Indonesian language's Great Dictionary. In a psychology study, Carver and Scheier (2009) believed that optimism is the hopeful expectations for a specific scenario (as cited in Reivich & Gillham, 2003). Health-wise, Reivich and Gillham (2003) found that optimistic people have fewer symptoms of depression and physical diseases. As opposed to pessimistic people, their coping techniques are also said to be more efficient.

Optimism and pessimism, according to Seligman (1990), can be attached to the urge to speculate about the causes of every event in one's life. Optimistic people see problems as something temporary and specific outside themselves. Pessimistic people, on the contrary, see their condition as permanent, holistic, and internal. Consequently, optimism is attached to increased motivation, achievement, and physical well-being, also the reduction in depressed symptoms (Reivich & Gillham, 2003).

2.4.1.3 Resilience

According to Malik (2013), in the context of the workplace, resilience is the ability and capacity of it to adapt, recover, or resist being affected and resume core operations or continue to provide an acceptable level of functioning and structure in significant economic times, phases of systemic risks, or systematic disruptions. It refers to the ability for one to react fast. It is ultimately the leaders' responsibility to create a work environment that encourages well-being and resilience.

People have the tendency to be overburdened by intense and unpleasant expectations, especially when the demands keep pressing and there is not enough opportunity to strike a balance. Good management withstanding, and at low stress levels, continuous over-demand can cause burnout and have a negative influence on workers and the organization's economy (Hiebert, 2006). Prior to the advent of positive psychology, many types of resilience study mostly shed light on at-risk children, delinquent adolescents, and troubled families, according to Luthans, Youssef, and Avolio (2007). Risky children, delinquent adolescents, and families were

the focus in these studies, according to Goldstein and Brooks (2005), who noted that resilience research has shown some improvement over the last twenty years. They are aimed towards high-risk individuals, giving the limelight to overcoming emotional, developmental, and financial obstacles. Furthermore, according to Adiprasetyo. (2011), resilience is defined as the ability to change or recover well, from unfavorable conditions.

To add, Luthans et. al. (2007) defined resilience as the ability to bounce back from setbacks and constructively adjust to accept and experience tough conditions, with the help of the psychological capital method. Resilient individuals may successfully get used to adverse and difficult circumstances, allowing them to push more and more. This means that they not only adapt, but also use such events to their advantage, such as to improve their abilities and generate better results than others. Positive psychology, according to Luthans et. al. (2007), includes resilience, which is defined as the ability to deal with problems or high-risk situations positively . Individuals known to be resilient are those who can adapt to adversity by tackling it head on as they pursue their goals.

2.4.1.4 Self-efficacy

Self-efficacy is the ability to do difficult activities and make the necessary effort to accomplish. The commitment and fortitude required to fulfil the obligations assigned by the superior are the test for each individual's ability to survive and succeed. Self-efficacy, by contrast, is defined by Stajkovic and Luthans (1998) as an individual's belief in his or her ability to bring their the motivation, cognitive

resources, and courses of action to successfully execute a certain task within the time stipulated. There are three effects of self-efficacy on learning and performance (Bandura, 1982):

- i. *Self-efficacy influences the goals that employees choose for themselves.* Employees with low level of self-efficacy have more tendency to establish modest goals for themselves. An individual with strong self-efficacy, however, is more inclined to establish lofty personal goals. People not only learn but also perform at levels that are in tune with their self-efficacy beliefs.
- ii. *Self-efficacy influences learning as well as the effort that people exert on the job.* Employees with high self-efficacy exert a lot of effort to learn new skills because they have the belief that their efforts will be worth it. Employees with poor self-efficacy may make less effort when learning and doing hard activities since they are unsure whether or not the effort will be good for them in time.
- iii. *Self-efficacy influences the persistence with which people attempt new and difficult tasks.* Employees with a high level of self-efficacy have the confidence in their ability to learn and carry out a task. Staff with a high level of self-efficacy can be spurred to set greater performance targets. This is a precursor to improved performance, crucial for many firms in today's competitive environment (Malik, & Awasallah, 2013).

Self-efficacy is commonly recognized to be coming from four basic factors, all of which have been presented with regard to work engagement. Individuals with high efficacy are often defined by their resoluteness to live, encouraged by their belief in their ability to become successful in time. Burnout, which is the opposing idea to engagement, can be predicted by low efficacy. In effect, it is thought that the better the individual's self-efficacy, the greater their employee engagement. Saks and Gruman (2011) mentioned about the importance of self-efficacy in sustaining people's work engagement. They found out that work fit perceptions, positive emotions, self-efficacy, and new employee engagement all have a favorable association. Individuals with high self-efficacy who join a new organization will tend to feel more secure and mentally ready to shoulder some new responsibilities (Saks & Gruman, 2011).

2.4.2 Past Research on Psychological Capital

Employees' psychological capital, according to Romero and Cruthirds (2006), lessened the negative behaviours and promoted good ones. Furthermore, Avey, Luthans and Jensen (2009) stated that people with strong psychological capital are less stressed in the workplace and are less likely to change occupations as the consequence. Chen and Lim (2012) stated that a person who shows off positive psychology is a good candidate even if he or she is unemployed; in their study of job-seeking behaviour, this skill became the basis for excellence in job behaviour after being hired by the company. Other studies have found a connection between an employee's psychological capital and their organizational performance, such as

organizational citizenship behaviour, perceived performance, and satisfaction (Avey, Patera & West, 2006; Choi, Lee & Yoo, 2010; Luthans et. al., 2005).

Employee psychological capital (hope, self-efficacy, resilience, and optimism), job satisfaction, and organizational citizenship behaviours were investigated by Jung and Yoon (2014). A self-administered questionnaire was used in the survey of 324 deluxe hotel employees for this investigation. Employees' psychological capital, such as hope and optimism, leaves a major impact on their JS, and their hope and resilience govern the corporate citizenship behaviours, according to the research. This study will be significant since it is the first to explore that the psychological capital formation of hotel employees has a very remarkable impact on job satisfaction and organizational citizenship behaviours.

Shantz et. al. (2013), and Pradhan, Jena and Kumari (2016) have all discovered a very good link between job development programs and OCB. The findings, according to Gupta et. al. (2016), back the mediation function of engagement in the PsyCap-OCB link. The findings have inspired businesses to develop the mechanisms for increasing employee engagement, which, according to the study, can be fulfilled by developing and sustaining a vivacious work environment. In the meantime, Somech and Khotaba (2017) indicated that procedural fairness and PsyCap have good relationships with OCB, as well as OCB and innovation.

According to Jung and Yoon (2015), positive psychology shown by superiors in the workplace has a favorable effect on job engagement. Also, according to Kaplan and Bickes (2013), the sub-factors of psychological capital, resiliency and optimism have a considerable effect on employee happiness. Studies on the relationship between

the sub-factors of psychological capital, performance, and attitudes, to name a few have also been conducted.

Basch and Fisher (1998) also said that among the characteristics that give favorable mood to hotel employees in a working scenario, are the relief and optimism that contribute the most to encouraging own fulfilment. According to Yavas et. al. (2013), hotel employees' hope was an essential component that released stress while diminishing their quit intention. Also, according to Karatepe and Kilic (2007), employees' self-efficacy was a key antecedent predictor of commitment and was closely related to job satisfaction. Self-efficacy, according to Karatepe and Olugbade (2009), has a very fruitful effect on work engagement as a human resource aspect of employees.

Even Niu (2010) highlighted that high self-efficacy leads to high career commitment in employees, stressing on the importance of self-efficacy for employees. Employees' optimism, according to Lin et al (2022), heightened their desire to not leave the company. As stated previously, positive performance is generated by psychological capital, also the sub-factors that constitute the psychological capital.

A longitudinal study by Peterson, Luthans, Avolio, Walumbwa, and Zhang (2011) empirically demonstrated that PsyCap can take in development and performance improvement. Luthans et. al. (2015) also confirmed that PsyCap is open to development and has tangible performance impact, making it very much relevant as a well-researched and evidence-based, manageable competitive resource for individuals, teams, units, organizations, communities and countries. A study by Miralam, Ali and Jeet (2020), present research that ascertain the relationships forged between self-

efficacy, optimism, hope, resilience, certain demographic variables and job performance among the employees' companies. The study is designed to highlight the predictor (s) of job performance of employees. The study also sought to predict the effect of self-efficacy, optimism, resilience and hope on performance of managers. It has also tried to forecast employees' performance because of the factors studied. The sample comprises 257 employees serving in the National Capital Region of Delhi. The analysis highlighted that self-efficacy, optimism, hope, and resilience revealed a significant positive correlation with the job performance of employees. However, optimism came out as the most dominant predictor of employee's job performance followed by self-efficacy and resilience. Optimism and self-efficacy influenced the job performance of employee whereas optimism alone stood out as the predictor of job performance among employees. Indeed, optimism appeared as the overall determinant of employee performance.

Other studies done by (Kappagoda et. al., 2014; Rego et.al., 2010), reflected the significant correlation between PsyCap and job performance. Meanwhile, Durrah et. al. (2014) found the positive relationship of PsyCap towards job performance among university instructors. However, the findings offer several practical implications whereby, they suggested that the research will provide valuable insight not only to the respective population tested, but also to other faculty members and give a direct reflection on the improvement of the university's performance level.

Other than the positive responses, Nguyen and Ngo (2020) found that the PsyCap also indicates both direct and indirect impact towards the development of organization's

wellbeing. Additionally, the study done by Avey, Nimnicht and Pigeon (2010) highlighted the connection of PsyCap towards all level of employee performances.

2.5 Hypotheses Development

2.5.1 Hope and Job Performance

Several types of research indicated that hope and job performance is connected in some way. Hope is associated with an individual's perceived motivations and ability to meet his intended goal. A hopeful behavior provides a wide range of alternative solutions and this person normally has high job performances (Peterson & Byron, 2008). Hope enhances and predicts the creativity, and it is positively related with job satisfaction, safety climate, and its impact on job performance mediated the work engagement (Karatepe, 2014; Rego, Sousa, Marques, & Cunha, 2014; Badran, & Youssef-Morgan, 2015). It demonstrates an empirically significant positive relationship with performance in various domains at workplace viz, academic, and athletic achievement, other desirable positive life, and well-being outcomes (Kwon, 2000; Onwuegbuzie, & Snyder, 2000; Youssef, & Luthans, 2007), organizational profitability (Adams et. al., 2003), while managerial hope is associated with employee performance (Youssef, 2004) and entrepreneur's satisfaction with business ownership (Luthans & Jensen, 2002). As Roth (2014) mentions; hope is a positive state in which our feelings, goal-oriented determinations, and pathways (active plans to achieve those goals) interact. It is important to understand how employees perceive their work.

In an assessment of big firms, Snyder (2019) stated that companies with higher-hope human resources are more successful, have higher retention rates, and

have higher levels of employee satisfaction and commitment. Managers with higher hope levels had been shown to boast off higher performing work units, better retention rates, and more satisfied personnel. Furthermore, a recent comprehensive study examining the aspect of hope across various types of jobs and industries discovered that more hopeful sales employees, mortgage brokers, and management executives did better on the job, and the management executives also produced more and better-quality solutions to a work-related issue. Due to this, the following hypothesis is formulated:

H1: There is a significant positive effect of hope on job performance.

2.5.2 Optimism and Job Performance

There is a scarcity of works that looked into the impact of optimism on performance and work-related behaviours. The type of coping mechanisms employed to deal with stress in the workplace was found to be the moderator to the optimism-performance link, according to Strutton and Lumpkin (1992). They found out that optimistic people employed more problem-solving coping methods and outperformed pessimistic people in the workplace. Norman and Sjetne (2007) replicated this effect and tried it with a group of teleworkers in their research.

When compared to the mostly pessimistic individuals who adopted more emotion-focused coping strategies, the participants in Norman and Sjetne, (2017) study who were more optimistic and used more problem-focused coping reported a greater number of great psychological and work-related outcomes. Several studies have examined the link between optimism and achievement in a number of fields,

such as academics. The studies' findings overwhelmingly are behind the notion that optimism and academic achievement were favourably and significantly connected. Employee satisfaction is an agenda in the service industry whose importance cannot be denied as quality and profitability can be achieved (Rachel et al., 2018). Human resource management is responsible for providing an appropriate scope of work to ensure that employees can fill positions appropriately. Human resources refers to those who hire and select qualified individuals to perform specific tasks.

Jabbar et. al. (2019) conducted a study to determine the impact of positive behaviour and work engagement on employee job performance. A basic random sample procedure was used to select 284 respondents. The study's main factors were optimism, work engagement, and employee job performance. The impact of optimism and work engagement on employees' job performance was discovered through employees' naked eyes, and this was new to the literature. Due to this, the following hypothesis is formulated:

H2: There is a significant positive effect of optimism on job performance.

2.5.3 Resilience and Job Performance

According to Avey, Reichard, Luthans and Mhater (2011) and Cooke et. al. (2019), Employees that are more resilient will have more motivation to devote more time and energy to their jobs, and this will improve their productivity. This is especially true since a resilient employee can confront stressful, challenging situations and bounce back from setbacks, allowing them to display their abilities and become stronger and more imaginative. Thus, resilience is a potential asset that can predict

employee performance. anger. Wu et. al. (2020) explained that resilience may be the start of lower anxiety and depressive symptoms. This person is generally not considered resilient, has problems dealing with their trauma and problems, and doesn't always feel safe at work.

Many studies have been interested in taking resilience as independent factor and efforts have been made to see the effect on different work-related behavior of employees. A positive correlation has also been observed between resilience, optimism, and performance of employees (Badran & Youssef-Morgan, 2015). In the meantime, there is a positive relationship found between resilience and change through acceptance and motivates them to stay back to withdrawal (Rabenu, Yaniv, & Elizur, 2017). There was also a significant positive relationship noted between work performance and the workers' levels of resilience employees (Luthans, Youssef, & Avolio, 2007). A study by Ljalloubi and Ibnchahid (2020) sought to examine the influence of resilience and work engagement on performance in Morocco. A survey was conducted among a sample of 196 employees. The result pointed to the fact that resilience has a positive influence on work engagement, which further influences their performance. Due to this, the following hypothesis is formulated:

H3: There is a significant positive effect of resilience on job performance.

2.5.4 Self-Efficacy and Job Performance

A Meta-analysis conducted on 114 studies observed a strong relationship between self-efficacy and job performance and found self-efficacy emerged as a strong predictor of work-related performance of employees (Stajkovic, & Luthans,

1998). A study carried out on 120 Pakistani public sector employees and concluded that formalization is positively associated with self-efficacy and enhancement in self-efficacy is partly transformed into performance improvements (Mustafa, Glavee-Geo, Gronhaug, & Saber Almazrouei, 2019).

Furthermore, self-efficacy has a significantly influential role over work performance and observed self-efficacy is the least important factor as the individual differences. While comparing self-efficacy with the other extraneous variable, it was found that some individuals had a much better association with job performance than self-efficacy. Some cases showed that self-efficacy partly mediated in between individual differences and job performances (Çetin, & Askun, 2018; Judge, Jackson, Shaw, Scott, & Rich, 2007). Because of this, the following hypothesis was formulated:

H4: There is a significant positive effect of self-efficacy on job performance

2.5.5 Hope and Job Performance

The work by Priyatama, Zainuddin and Handoyo (2018) on 393 employees in education institutions examined psychological constructs related to self-efficacy, optimism, hope, and resilience influencing work engagement. The analysis results show that there is a significant influence of self-efficacy, optimism, hope and resilience on work engagement. Studying 110 full-time employees and their managers in Romania, Karatepe (2014) highlighted a favorable association between hope and work engagement. Ouwenel, Le Blanc, Schaufeli, and Wijhe (2012) used a diary study to examine the relationship between hope and job engagement. Participants

were asked to fill in a survey twice a day for five consecutive working days. They used the hierarchical linear modelling to examine the data from 59 university employees in the Netherlands. The findings disclosed a link between hope and work engagement. Individuals burning with significant goals and establish strategies to achieve those goals (i.e., hope) are more more adamant about being engaged in their jobs, according to experts (Howell, 2009; MacLeod, Coates, & Hetherton, 2008; Sansone & Thoman, 2006).

Tabaziba (2015) who involved white collar workers in Zimbabwe and South Africa in his study, found that hope was a predictor to engagement, indicating the positive implementation of each construct. According to Avey, Wernsing and Luthans. (2008), a positive employee with positive hope tends to be more engaged towards their job and more adaptable towards the environment that is always changing (Herbert, 2011). Due to this, the following hypothesis is formulated:

H5: There is a significant positive effect of hope on work engagement

2.5.6 Optimism and Work Engagement

Goal setting, engagement, optimism, and job performance were all focused by Medlin et. al. (2009). They discovered that work engagement, optimism, and performance are linked. Optimism is positively associated to work engagement, according to their measuring model with coefficients and correlation matrix (Medlin & Albrecht, 2009). Nes, Segerstrom, and Sephton (2005) examined whether optimism might increase engagement, causing improved outcomes despite stressful situations. At the University of Kentucky, data was compiled from 54 university students. The findings established a link between optimism and job satisfaction. Furthermore,

Herbert (2011) discovered that higher PsyCap levels were linked to higher levels of Employee Engagement, with Optimism and Self-efficacy, as PsyCap sub-dimensions, emerging as the two largest predictors of Employee Engagement. These findings show that the development of PsyCap could give many advantages. Due to this, the following hypothesis can be formulated:

H6: There is a significant positive effect of optimism on work engagement

2.5.7 Resilience and Work Engagement

Resilience is a predictor of work engagement in various academic research (Luthans, Avey & Patera, 2008; Othman & Nasuridin, 2011). Employees who are resilient are normally seen as engaged (Bande, Fernández-Fern, Varela, & Jaramillo, 2015), since they they also have additional abilities that allow them to adjust successfully to any adverse conditions when confronting problems and stress at work. When dealing with a challenging scenario, a resilient employee, according to Medhurst and Albrecht (2011), is willing to work harder and have more energy to complete the task. In Meintjes and Hofmeyr (2018), this has been empirically shown. Employee resilience and work engagement have a favorable and significant association, as stressed by the scholars.

The work by Damayanti and Handoko (2018) looked into the effect of resilience on work engagement in Yogyakarta Tugu Station. This research had used interviews to obtain the initial data where respondents were asked to fill in the questionnaire provided. The results showed the relationship between resilience and work engagement, whereby the higher the resilience, the more the work engagement.

Using 223 physicians, Mache, Vitzthum, Wanke, Groneberg, Klapp, and Danzer

(2014) checked on the links between resilience, self-efficacy, optimism, organizational resources, and work engagement. They discovered that engagement is linked to resilience. Based on data from female school administrators, Bakker, Gievel, and Van Rijswijk (2006) established a favorable link between resilience, self-efficacy, optimism, and work engagement. In addition, Kotze and Kleynhans (2013) had created a link between resilience and work engagement, also resilience and performance. Due to this, the following hypothesis is formulated:

H7: There is a significant positive effect of resilience on work engagement

2.5.8 Self-Efficacy and Work Engagement

Saks and Gruman (2011) highlighted the importance of self-efficacy in sustaining people's work engagement. They came to realize that work fit perceptions, positive emotions, self-efficacy, and new employee engagement all have a favorable association. Individuals with high self-efficacy who join a new organization feel more secure and mentally ready to shoulder new responsibilities (Saks & Gruman, 2011). Furthermore, self-efficacy is one of the few personal resources which has been studied related to work engagement and the relation was a positive one (Albrecht, 2010; Bakker et al., 2006; Kim, Han & Park, 2019; Storm & Rothmann, 2003; Xanthopoulou et. al., 2009).

With 335 participants, Ouwenel, Schaufeli, and Le Blanc (2013) took a closer look into the links between self-efficacy, engagement, and performance. As a result, they discovered that self-efficacy and engagement have a favorable association. The findings of Ouwenel et al. (2013) are similar to the previous experimental studies

(e.g., Salanova, Llorens, Cifre, Martinez, & Schaufeli, 2003; Salanova, Llorens, & Schaufeli, 2011) and previous survey-based studies (e.g., Salanova, Llorens, Cifre, Martinez, & Schaufeli, 2003; Ouweneel, Le Blanc, & Schaufeli, 2011). With this, the following hypothesis can be formulated:

H8: There is a significant positive effect of self-efficacy on work engagement

2.5.9 Work Engagement and Job Performance

The relationship between work engagement and job performance is an issue crucial to be addressed in the literature. Numerous empirical research have shown that work engagement is a ticket to higher performance, as previously noted (Schaufeli et al., 2006b; Gorgievski et al., 2010; Rich et al., 2010). Several scholars have recently urged researchers to study the mechanisms through which work engagement can boost job performance (Bakker & Demerouti, 2008; Demerouti & Cropanzano, 2010).

According to Sonnentag (2003), increased levels of work engagement can increase employees' learning motivation, and this can be anticipated to improve job performance (Edmondson, 1999, 2004). Work engagement may improve performance as employees have a higher drive to learn new work-related skills. Work engagement has been proven to increase job performance in the organization through many different aspects. Saks (2006) highlighted the importance of highly engaged employees towards the positive contribution of organizational success as he made a contrast that a disengaged employee can be a serious problem and liability to the organizations (Avey et. al., 2006). To add, Munir et. al. (2015) shed light on the positive connectivity of work engagement towards performance and PsyCap and with

the similar research, and they argued that there is the relationship with other possible predictors such as absenteeism, burnout, and job demand.

Several empirical studies (Kahn, 1990; Harter et. al., 2002; Schaufeli et. al., 2002) have looked into the role of work engagement as a predictor of job performance. Bakker et. al. (2004) found that hired employees earned higher in-role and extra-role performance scores from their colleagues, and this indicates that hired employees perform well and want to make further progress.

Schaufeli et. al. (2002) surveyed Dutch workers in different jobs in another study and found that work engagement is positively linked with job performance in-role. A research by Gorgievski et. al. (2010) found higher score by engaged employees on job performance in-role. Likewise, Bakker et. al. (2008) had done a study on engagement and success and found significant and positive correlations between work engagement and performance. Higher levels of work participation can produce higher levels of job performance given these criteria. As a matter of fact, various studies demonstrate that an important key for improving employee performance is to shed light on promoting their work engagement (Bakker & Leiter, 2010; Anitha, 2014; Ismail, Iqbal, & Nasr, 2019).

According to these research, an engaged person does not mind giving more time and effort to succeed in their job than an non-engaged employee. Ali, Sabir, and Mehreen (2019) found this to be the case in their empirical investigation on a sample of 355 workers. They concluded confidently that the more dedicated an individual is to their job, the better he or she performs. At the same time, Jakubik and Vakkuri (2015) found that engaged employees perform better because they tend to be more

productive, profitable, and successful because they are motivated and fulfilled. They are willing to work more and work in longer hours for their employers.

Furthermore, work engagement enhances job performance (Karatepe, 2013; Karatepe & Olugbade, 2016). However, Kim and Koo (2017) discovered that the link between work engagement and job performance is insignificant. Work engagement has a non significant effect on job performance via inventive behaviour. Work iengagement has been shown to have a favorable impact on job performance in a variety of industries, according to management research (Salanova & Schaufeli, 2008; Halbesleben & Wheeler, 2008; Rich et al., 2010; Christian et al., 2011; Breevaart et al., 2015; Karatepe & Aga, 2016; Shin et. al., 2020). Due to this, the following hypothesis can be formulated:

H9: There is a significant positive effect of work engagement on job performance

2.5.10 Work Engagement as a Mediator

Work engagement is one of the most studied aspects to employees who serve to follow closely the organization's vision, mission, and purpose in every part of their working process. Many previous studies have delved into the relationship between independent variables namely leadership (Bunjak & Cerne, 2018), self-efficacy, optimism, hope, resilience (Priyatama, Zainudin & Handoyo, 2018), job demand and self-efficacy (Roskova & Faragova, 2020) while work engagement stands as the dependent variable. Some other researchers have studied the relationship between independent variables such as work engagement and dependent variables such as

personal initiative and performance (Lisbona, et. al. 2018), and job satisfaction (Karanika-Murray et al., 2015).

Employees engaged in their work are rich with energy and intrinsic motivation to enable them to concentrate and focus on their tasks (Lee et. al., 2019). Additionally, some authors have contended that engaged employees have an amazing commitment to their teams (Demerouti & Cropanzano, 2010) and have a good disposition toward their working environment, resulting in better extra-role performance. Engagement serves to be an indicator of an employee's willingness to expand his/her discretionary effort and step outside the formal boundaries of the job to contribute where he or she can to the organization and its employees (Christian et. al., 2011).

Empirically, the relationship between personal and contextual resources to health via work engagement was put to the test in the same paradigm (Schaufeli & Taris, 2014). Previous research argues that even though job and personal resources predict work engagement (Xanthopoulou et. al., 2007), job resources can have a way to boost personal resources, which further increase the work engagement and health as the positive conceptualizations of well-being. Several studies have pointed to a relationship between work engagement and well-being (e.g. psychosomatic symptoms and emotional health). Burche and his colleagues (Burke & El-Kot., 2010) found that work engagement has become the bonus in the explained variance on well-being. In addition, Ali, Sabir and Mehreen (2019) findings indicated that managerial coaching directly and indirectly influences employee job performance via work engagement. Moreover, Tanskanen et. al. (2019) managed to show that managerial coaching is directly and indirectly connected to individual and unit-level task performance

through work engagement. Lee et. al. (2019) found that work engagement mediated the relationship between supervisory coaching and turnover intention. Next, Alessandri, Consiglio, Luthans, and Borgogni (2018) tested and confirmed a dynamic mediational model posing work engagement as the mediator of the longitudinal relation between PsyCap and job performance.

Recent studies have focused on investigating the role work engagement playing the role as a mediator variable. Work engagement is identified as a mediator in several different relationships such as learning goal orientation and job performance (Chughtai & Buckley, 2010), positive orientation and job performance (Alessandri et. al., 2015), self-efficacy and job satisfaction (Edmund et al., 2020) and self-efficacy and incremental creativity (Waheed & Dastgeer, 2020). Therefore, this study provides an additional perspective on understanding the work engagement as a mediator in the relationship between psychological capital (hope, resilience, optimism, self-efficacy) and job performance. Moreover, it is deemed important to examine the mediating effect of work engagement on the relationship between other variables. Thus, this study will examine the mediating effect of work engagement on the relationship between psychological capital (hope, resilience, optimism, self-efficacy) and job performance as this relationship has not been tested yet in the literature. With this, the following hypothesis can be formulated:

H10: Work engagement is a mediator in the relationship between hopes and job performance

H11: Work engagement is a mediator in the relationship between optimism and job performance

H12: Work engagement is a mediator in the relationship between resilience and job performance

H13: Work engagement is a mediator in the relationship between self-efficacy and job performance

2.6 Theories of the Study

2.6.1 Conservation of Resource Theory

The postulation made by the conservation of resource theory is that individuals who possess resources can gain more, due to the “gain spiral” effect (Hobfoll & Wells, 1998). Low morale and motivation is the result of poor resources, whereas increased resources result can contribute to greater absorption and immersion at the workplace. The conservation of resources (COR) theory (Hobfoll, 2002) suggests that people that pool or gather a wide variety of resources are the people seen to gain additional resources. Sweetman et al. (2011) believed that employees with greater resources are more capable and engaged in their work as they tried to justify the causal association between PsyCap and work engagement. PsyCap improves a person's perseverance and commitment to a goal he has set for himself. Persistence and commitment imply dedication and participation in the job one is doing or is responsible for. Work engagement is defined as total immersion in a work, and PsyCap gives the required qualities and abilities to help one stay focused and engaged in the tasks (Sweetman & Luthans, 2010).

In the positive psychology paradigm, recently, some studies have assessed aspects that can boost social worker's engagement and work-related health (Tesi et.

al., 2019). Work engagement is regarded as “a positive, fulfilling, work-related state of mind that is characterized by vigor, dedication, and absorption” (Schaufeli et. al., 2002). Vigor refers to a strong vitality, how one stays resilient cognitively during the working hours and when he or she deals with problems and yet, has the motivation to accomplish the work. Dedication is characterized by the inspiration, pride and the perception of the significance of someone’s work, passion and challenge. Absorption implies being joyful, entirely focused and preoccupied with the work, and having difficulties to disconnect from work even though one has finished the tasks (Schaufeli et. al., 2006).

Furthermore, individuals aim to acquire, maintain, and protect the quantity and quality of their resources, such as psychological resources (e.g., self-esteem), social/organizational resources (e.g., family and coworkers), and energies (e.g., money and knowledge), according to the conservation of resource (COR) theory (Hobfoll, 1989), while resource gain and loss have a significant relation to various outcomes. The COR theory was used to justify the choice of specific independent variables at various levels, not to mention the links between psychological capital (hope, resilience, self-efficacy, optimism) as resources and outcomes prominent in this study. These resources have a positive association with work engagement, according to the COR theory (Bakker, Hakanen, Demerouti, & Xanthopoulou, 2007).

2.6.2 Job Demand Resources Model (JD-R Model)

Personal Resources in the JD-R Model are aspects of the self that refer to the individual's ability to control and give an impact to their environment well (Hobfoll, Johnson, Ennis, & Jackson, 2003). Examples of personal resources include self-efficacy (Bandura, 1989) and optimism (Scheier & Carver, 1985). They have positive effects on physical and emotional well-being in the workplace and are said to be akin to job resources in terms of the function: (1) They serve as a buffer, shielding individuals from stressful situations and related psychological costs; (2) they facilitate individuals' goal achievement; and (3) they promote individuals' growth and development.

Empirical evidence suggests that highly resourceful employees are more likely to invest their energy to meet their goals (Luthans & Youssef, 2007). With the high engagement, it tends to facilitate the emergence of work engagement. Scholars have therefore urged for the inclusion of personal resources as a direct antecedent to engagement, besides job resources, in the JD-R model. Responding to increasing criticisms, the JD-R model has been expanded to include personal resources, other than job resources, as an antecedent to engagement (e.g., Breevaart, Bakker & Demerouti, 2016). The present study broadens the research in this area, looking at PsyCap (Luthans, Youssef, & Avolio, 2007) as a personal resource in relation to engagement.

Psychological Capital (PsyCap) as a Personal Resource in the JD-R Model
PsyCap is a higher-order personal resource characterized by: self-efficacy – an individual's conviction that he or she has the resources and is able to mobilize them in

order to take on and put in effort necessary to progress further at work; (2) optimism – an individual's capacity to make realistic positive attributions of succeeding now and in the future; (3) hope – an individual's capacity to persevere towards goals and, when necessary, to redirect alternative pathways towards goals; (4) resilience – an individual's capacity to bounce back and even beyond in the face of trials and tribulations.

Empirical evidence stays behind the multi-dimensional nature of PsyCap (Avey et. al., 2011), and there is also a suggestion that it forms a higher-order core factor (Luthans, Avolio, Avey, et al., 2007). Also, Luthans, Avolio, Avey & Norman, (2007) demonstrated the additive predictive validity of the composite PsyCap construct above and beyond its individual components when it comes to predicting performance and satisfaction. PsyCap is linked with positive organizational outcomes, including organizational commitment, psychological well-being at work (Avey et. al., 2011), job performance, and job satisfaction (Luthans, Avolio, Avey, et al., 2007). These findings are supported by COR theory (Hobfoll, 1989; 2002), where it asserts that individuals seek to acquire, retain, and foster their social, energetic, and psychological resources. Underlying this premise are three interrelated principles: (1) individuals endeavor to build their resources; (2) in order to do so, they commit to the resources they already have; and (3) strong resource pools lead to a greater likelihood that individuals will look out for the opportunities to risk resources as to gain more resources.

Since PsyCap is a positive psychological resource that individuals can use, they can use it to collect further resources in the workplace. In other words, PsyCap

allows individuals to engage in behaviors (e.g., strategizing, increasing effort) that are favorable to positive work-related attitudes and outcomes. Engagement can be seen as an indicant of this process. This line of reasoning is supported by empirical evidence. For example, self-efficacious employees have been found to experience higher levels of “flow” – this is a term used to describe a heightened state of absorption (Salanova, Bakker, & Llorens, 2006). In addition, research shows that resilience is positively linked with vigor (Sonnentag, 2003). Positive correlations have also been found between each of optimism and hope in its connection to overall engagement (Xanthopoulou, et al., 2007; Karatepe, 2014). As such, in tandem with previous research (Avey et. al., 2008; Simons & Buitendach, 2013), it is expected that overall PsyCap will be positively linked with engagement. Meanwhile, although PsyCap has demonstrated positive effects on engagement, there is still a question as to whether the relationship between PsyCap and engagement is stronger or weaker under different contextual circumstances and thus, further research in this area would be timely and important (Avey et. al., 2011).

2.7 Theoretical Framework

The study’s theoretical framework was developed based on the conservation of theory (Hobfoll & Wells, 1998), Job Demand-Resource Model (JD-R) by Bakker and Demerouti (2007). This study takes the explanation of the conservation of theory further by bringing together the psychological capital and work engagement and also work engagement elements stated in JD-R as mediator, which only accounted for job performance evident in previous literature.

The overarching Job Demand Resource model explains the theoretical dynamics present within this study. The Job Demand Resource (JD-R) theory states that environmental factors such as job resources and personal resources such as individual beliefs are answerable to influencing individuals at job performance. Personal resources are the centre point of this study because employee development efforts focus on the pervasive/withstanding constructs. These are the constructs individuals carry with them in multiple jobs, environments, and industries. Due to their utility and developmental value, the author has chosen to study the personal resources of hope, efficacy, resilience, and optimism or a concept known as the psychological capital (PsyCap).

The resources of hope, efficacy, resilience, and optimism follow the logic of the JD-R model, which proposes that the accumulation of personal resources should have a significant relationship on work engagement (Bakker & Demerouti, 2017). This relationship has been observed within the scope of this current study by quantifying the amount of PsyCap and work engagement that an individual has. The current study has shown that PsyCap could predict work engagement at an individual level of analysis. This research hoped to have a decent peek into the personal resources within the working administrator. It did not claim to give the entire picture of how work engagement is created, nor did it make the claim that the PsyCap is the primary reason why work engagement is maintained. It is anticipated that this study will be another dose of a humble contribution to the massive mountain of evidence already published in this field. The theoretical foundation for each construct is under the limelight next. The foundation offers a solid ground, for a more comprehensive

understanding of how PsyCap and work engagement and impact on job performance fit into the overarching theory. Figure 2.1 illustrates the theoretical framework for this study.

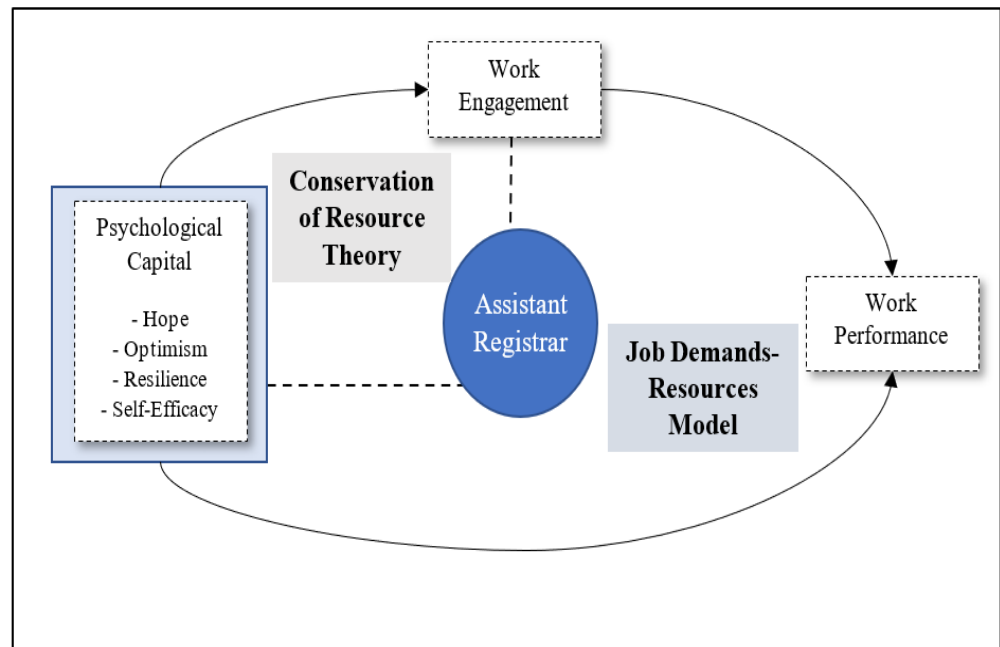


Figure 2.1 Theoretical Framework

2.8 Conceptual Framework

The study's aim is to emphasize on the conceptual development of the research based on the literature review that has been done. This proposed model has incorporated the work engagement development as the mediating variables between PsyCap and job performance. The research framework for this study leans on the gaps identified in the literature, backed by the conservation of theory (Hobfoll & Wells, 1998), Job Demand-Resource Model (JD-R) by Bakker and Demerouti (2007) concerns with the predictors of work engagement and job performance among universities' Assistant

Registrars located in Klang Valley which indicates that they conceptually represent the Malaysian public civil servants as a whole. The framework also includes the positions of job performance and its predictors. It is also placing work engagement as a mediating variable between the exogenous and endogenous variables.

Based on Figure 2.2, the conceptual framework highlights that psychological capital (hope, self-efficacy, resilience, optimism) may give a direct effect on work engagement and job performance. The conceptual framework suggests that work engagement may have a mediating effect on the relationship between hope, self-efficacy, resilience, optimism and job performance. The variables used in this study were taken from the theoretical and empirical evidence. The framework is based on the four (4) independent variables namely hope, optimism, resilience, and self-efficacy, whereas the mediator variable is work engagement and job performance is the dependent variable. There is the belief that employees with high degree of psychological and mental conditions towards their jobs will become excellent and productive at both the engagement and performance level. Moreover, the conceptual framework also highlights that the relationship between all variables may increase officer's extra role and intra role job performance and how they perceived their job and it will directly eliminate any dishonesty towards their jobs.

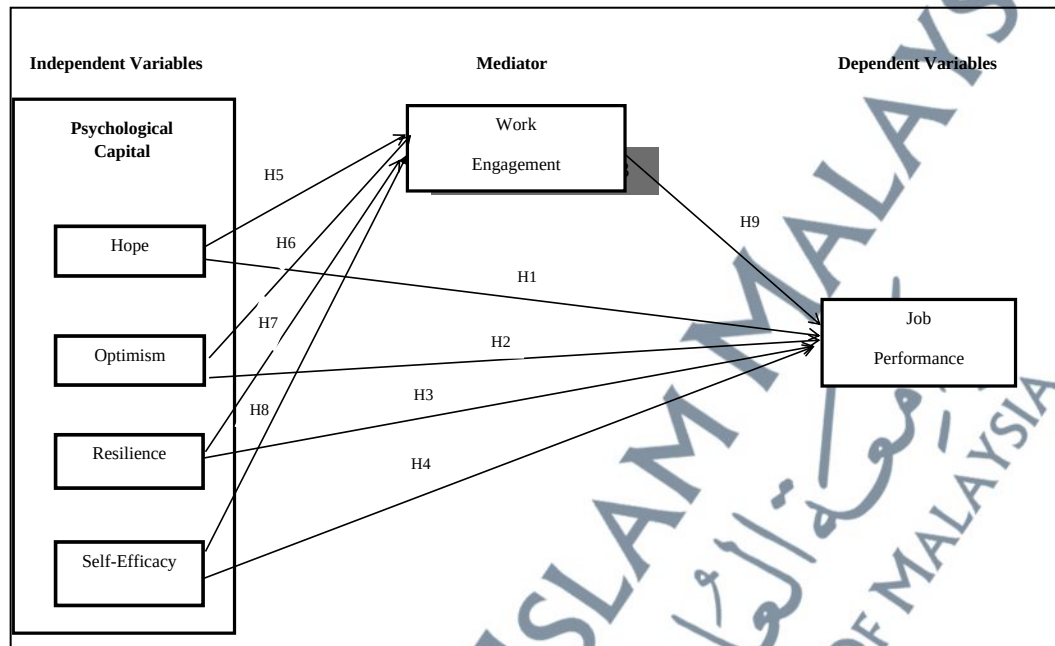


Figure 2.2 Conceptual Framework

From the development of the framework, there are 13 hypotheses formulated as follows:

- H1: There is a significant positive effect of hope on job performance
- H2: There is a significant positive effect of optimism on job performance
- H3: There is a significant positive effect of resilience on job performance
- H4: There is a significant positive effect of self-efficacy on job performance
- H5: There is a significant positive effect of hope on work engagement
- H6: There is a significant positive effect of optimism on work engagement
- H7: There is a significant positive effect of resilience on work engagement
- H8: There is a significant positive effect of self-efficacy on work engagement
- H9: There is a significant positive effect of work engagement on job performance

- H10: Work engagement is a mediator in the relationship between hopes and job performance
- H11: Work engagement is a mediator in the relationship between optimism and job performance
- H12: Work engagement is a mediator in the relationship between resilience and job performance
- H13: Work engagement is a mediator in the relationship between self-efficacy and job performance

2.9 Summary

This chapter reviews the findings of the previous studies. The chapter offers the definitions and concepts relevant to the research. It sheds light on the literature on psychological capital (hope, resilience, self-efficacy, optimism), job performance and work engagement. The empirical evidence for the relationship between independent variable, dependent variable and mediator has been investigated. This chapter also discussed extensively the antecedents of the elements of chosen PsyCap, work engagement levels as established in various past studies. Last but not least, the elaboration of relevant and suitable theories has also been discussed thoroughly so as to emphasize the relevance in conducting this research.