



Promoting human capital management through the development of psychological capital

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Abstract

The value created by employees is essential for economic competitiveness and growth. The positive psychological energy of employees that generates value is what we call psychological capital, and we study its usefulness and applicability. Specifically, we developed a scale to measure psychological capital and verified whether psychological capital enhances employee performance or not. The analysis revealed that psychological capital promotes employee performance and creativity (shown in Fig. 1). It was also confirmed that psychological capital development intervention programs increase participants' psychological capital.

Background & Results

People are said to be the source of competitiveness. Why are employees able to create value? In economics and other social sciences, research has pointed out human capital, which means that employees can create value from the knowledge and skills they possess, and social capital, which means that people can create value from the networks they possess. Although employees who have a plenty of knowledge, skills and networks are more likely to produce results at work than those who do not, we believe that merely possessing knowledge and skills does not necessarily lead to performance, and that the willingness and intention to actively utilize the resources is much more important. In other words, we believe that positive psychological energy, such as psychological positivity and empowerment, is what encourages employees to utilize the knowledge and other resources they possess and create value. This psychological energy is named psychological capital and its measurement and development methods are explored.

Behind the emergence of psychological capital is a paradigm shift in psychological research. Conventional psychology, which focused on negative psychological processes such as depression and burnout in the workplace and on their recovery and treatment, has been dominated by research on positive psychology, which focuses on the potential of each individual and the importance of encouraging growth.

Within this rise of positive psychology, psychological capital was born. As shown in Figure 3, psychological capital consists of four elements - Efficacy, Hope, Optimism and Resilience - and it has become clear that increasing each of these elements has desirable effects for companies in terms of performance, creativity and job satisfaction. In addition, know-how is accumulating on how to improve psychological capital through psychological capital interventions, a method of developing the four elements that make up psychological capital.

Significance of the research and Future perspective

There has been repeated academic debate in business management over the sources of value generated by employees (Fig. 2). If psychological capital is regarded a vital source of value creation in the VUCA era, establishing a method for its measurement and exploring methods for its development are indispensable for applying psychological capital in management practice. The human resources activation and acceleration of engagement through the improvement of psychological capital is not only linked to the wellbeing of every employees, but is also important for

improving the competitiveness of Japanese companies. In addition, as the importance of human capital management has been pointed out in recent years, investment in human resources using psychological capital will enhance the social reputation of companies and help them to fulfil their accountability to stakeholders.

	Dependent Variable			
	Searching for new job	Intention for quit	Job satisfaction	Creativity
(Emotional Labor)				
Display of positive emotion	-.062	-.027	.014	.043
Empathizing with the emotions of others	-.189**	-.132**	.239**	.130**
Emotional dissonance	-.203**	.156**	-.119**	.004
(Psychological Capital)				
Efficacy	.075†	-.041	.188**	.481**
Resilience	-.155**	-.164**	.103**	.094**
Optimism	-.090*	-.153**	.182**	.081*
R^2	.162**	.208**	.356**	.423**
Adj. R^2	.138	.186	.338	.407

**p<.01, *p<.05, †p<.10,

Fig. 1 Impact of Psychological Capital on Employee's Performance
Source:TAKASHINA&HIRAKIMOTO, 2022.

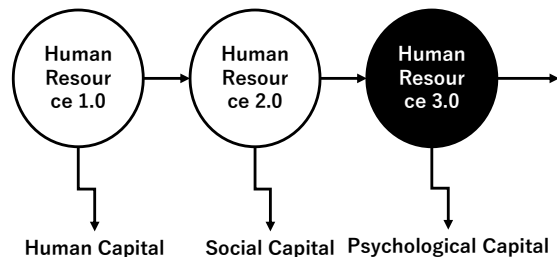


Fig. 2 Discussions on Human Resource
Source: HIRAKIMOTO&HASHIMOTO, 2023

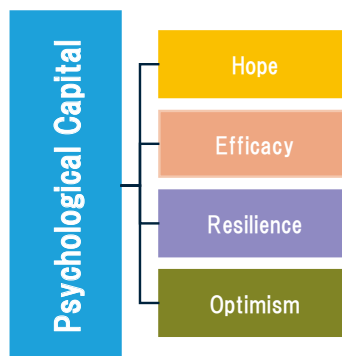


Fig. 3 4 factors of Psychological Capital
Source: HIRAKIMOTO&HASHIMOTO, 2023

Patent

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Keyword

Hirakimoto, Hiroya. Understanding psychological capital. JFC Research Monthly Report. 2021, 156, 36-41.

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psychological capital, creativity, human capital management, positive psychology, work engagement