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# The Linkage between Psychological Capital and Public Service Motivation: Evidence from Taiwan

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#### **Abstract**

Research on positive organizational behaviors has demonstrated the potential of psychological capital as a predictor of various workplace outcomes. To examine the relationship between Positive Psychological Capital (PsyCap) (Luthans, Youssef, & Avolio, 2007a) and Public Service Motivation (PSM) (Perry & Wise, 1990), this study uses a questionnaire to survey 311 public servants employed by 5 local governments in Taiwan. Regression analysis results indicate that psychological capital is positively related to all dimensions of PSM. Similarly, our findings also reveal that individuals with high psychological capital report higher levels of PSM than do their low PsyCap counterparts. In summary, positive psychological capital can function as a strong predictor of public service motivation.

**Keywords:** Psychological Capital, Public Service Motivation, Taiwan

# **INTRODUCTION**

Researchers in the field of psychology have given too much attention to the negative side of personal psychology and too little attention to the positive, healthy side. With this in mind, Seligman (1998) called for more investigations into what came to be known as "positive psychology." This new wave of research focused on the examination of positive organizational behavior, i.e., "the study and application of positively oriented human resource strengths and psychological capacities that can be measured, developed, and effectively managed for performance improvement" (Luthans, 2002b, p. 59) (see also Nelson & Cooper, 2007; Turner, Barling, & Zaharatos, 2002; Wright, 2003). Accordingly, researchers have empirically examined the role of four specific psychological capacities (hope, resilience, optimism, and efficacy) and their aggregate in the form of a multidimensional construct known as "psychological capital" or "PsyCap" to determine its impact on performance in the workplace (e.g., Avey, Luthans, & Jensen, 2009; Avey, Luthans, & Youssef, 2010; Luthans et al., 2007a; Wright, 2003). Psychological capital (PsyCap) has been defined as "an individual's positive psychological state of development and is characterized by: (1) having confidence (self-efficacy) to take on and put in the necessary effort to succeed at challenging tasks; (2) making a positive attribution (optimism) about succeeding now and in the future; (3) persevering toward goals and, when necessary, redirecting paths to goals (hope) in order to succeed; and (4) when beset by problems and adversity, sustaining and bouncing back and even beyond (resilience) to attain success" (Luthans et al., 2007a, p. 3).

Public Service Motivation (PSM) refers to the factors that motivate individuals to seek and continue employment in the public sector. Among the factors that motivate employees in the public sector are a deeper desire to make a difference, the opportunity to have an impact on public affairs, a sense of integrity and responsibility, and a reliance on intrinsic rewards as opposed to a salary or monetary compensation (Brewer, Selden, & Facer, 2000; Crewson,

1997). Public service motivation can therefore be defined as an individual's predisposition to respond to motives grounded primarily or uniquely in public institutions (Perry & Wise, 1990). PSM comprises motives such as compassion, self-sacrifice, attraction to policy making, and commitment to the public interest/civic duty (Perry, 1996, 1997; Perry & Wise, 1990). Perry and Wise (1990) argued that people who are highly motivated to engage in public service are more likely than others to choose government jobs, to perform better in the workplace, and to respond more to non-utilitarian incentives once in government.

Research on positive organizational behaviors has demonstrated the potential of PsyCap as a predictor of various levels of work motivation and performance. PSM is also expected to be influenced by psychological capital. Yet the relationship between psychological capital and public service motivation has never been investigated (and, specifically, not in the Taiwanese context). Thus, the intention of this study is to explore the effect of psychological capital on public service motivation among 311 public servants employed by 5 local governments in Taiwan.

## THEORY AND HYPOTHESES

According to Luthans et al. (2007a), PsyCap consists of hope, self-efficacy, optimism, and resilience, the combination of which represents a second-order, core factor. This combination is better at predicting workplace outcomes than any of the four individual factors which comprise it. Therefore, we can discuss the components of psychological capital and their link with public service motivation as follows.

Hope: The first component of positive psychological capital is hope, which is operationally defined as the willpower (or "agency") and "waypower" (or "pathways") to set and accomplish goals (Snyder, Irving, & Anderson, 1991). In the psychological capital framework, hope includes the wherewithal to devise methods, means and alternatives to accomplish objectives and goals, even under institutional constraints or adverse conditions (Snyder, 2000; Snyder et al., 1991; Curry, Snyder, Cook, Ruby, & Rehm, 1997). In other words, hope constitutes the will to succeed and the ability to develop various pathways or strategies toward goal accomplishment. Thus, we expect that despite the public sector's characteristically tight budgets and rigid regulations, hopeful individuals will still tend to seek and continue public employment.

Self-efficacy: The concept of self-efficacy is perhaps the most well-known and widely researched concept in the psychological capital framework. Self-efficacy was introduced by social psychologist Albert Bandura (1997) and can be defined as one's belief in one's personal ability to accomplish a given task. Stajkovic and Luthans (1998) go on to define self-efficacy as "the employee's conviction or confidence about his or her abilities to mobilize the motivation, cognitive resources, or courses of action needed to successfully execute a specific task within a given context" (p. 66). Self-efficacy is derived from four processes: (a) past mastery of a task, (b) vicarious learning via observation of a respected other, (c) social persuasion from a significant other, and (d) physiological and/or psychological arousal. In summary, people with a high level of self-efficacy believe that they can be successful, and they act positively on that belief. Self-efficacy is also expected to be associated with public service motivation, especially the personal need for power and self-importance.

Optimism: The third component of positive psychological capital is optimism. Optimism refers to one's personal assurance that activities or circumstances will result in a positive outcome. According to attribution theory, optimists tend to consider negative events as external ("not my fault"), unstable (occurring only at this time), and specific (this single event), while

pessimists interpret the same events as internal, stable, and global (Peterson, 2000; Seligman, 1998). Optimists also continue to work hard and actively cope with any obstacles to their pursuit of the desired outcome (Carver & Scheier, 1981; Kluemper, Little, DeGroot, 2009). In sum, optimists tend to maintain positive expectations about the results (Avey, Wernsing, & Luthans, 2008). Therefore, optimism is expected to be positively related to the attainment of conditions that serve the public interest or the common good, which is a specific motive grounded primarily or uniquely in public institutions

Resilience: The fourth component of positive psychological capital is resilience, which is defined as "the positive psychological capacity to rebound, to 'bounce back' from adversity, uncertainty, conflict, failure or even positive change, progress and increased responsibility" (Luthans, 2002a, p. 702). Resilient people are tenacious and will continue to move forward in the face of seemingly impossible obstacles and odds. Thus, they are expected to exhibit a stronger propensity toward self-sacrifice and commitment to civic duty—and possibly policy making and compassion as well—than do those with lower levels of resilience.

Based on this emerging theoretical foundation for PsyCap, the following hypothesis was formed.

**Hypothesis 1:** Psychological Capital is positively related to Public Service Motivation.

**Hypothesis 2:** The effect of Psychological Capital on Public Service Motivation will be different for public employees who have different levels of PsyCap.

### **METHOD**

# **Participants**

A questionnaire survey was completed by 500 public servants employed by five local governments (Chiayi City, Chiayi County, Tainan City, Kaohsiung City, and Pingtung County) in southern Taiwan. There were 311 valid surveys returned, yielding a response rate of 62.2%. Of the respondents, 59.5% were male. In terms of age, 47.3% of respondents were 39 years or under, 33.1% were between 40 and 54 years old, and the remaining 19.6% were age 55 or over. The majority of the respondents (79.5%) held college degrees, with 10% having obtained masters or doctoral degrees.

#### Measures

The Psychological Capital Questionnaire (PCQ) developed by Luthans, Avolio, Avey, and Norman (2007b) was used to measure Psychological Capital. Examples of the items include: "I feel confident analyzing a long-term problem to find a solution;" "If I should find myself in a jam at work, I could think of many ways to get out of it;" "When I have a setback at work, I have trouble recovering from it and moving on;" and "When things are uncertain for me at work, I usually expect the best." The reliability of the Psychological Capital measure was  $\alpha = .885$ .

Items in the questionnaire used to measure the PSM constructs were adapted mainly from Perry (1996). Sample items include: "Politics is a dirty word (reversed);" "The give and take of public policy making does not appeal to me (reversed);" "I consider public service my civic duty;" "It is difficult for me to contain my feelings when I see people in distress;" and "Serving citizens would give me a good feeling even if no one paid me." The reliability of the PSM measure was  $\alpha = .828$ .

All items in the questionnaire were rated on 5-point Likert-type scales anchored by 1 = "strongly disagree" and 5 = "strongly agree." To ensure equivalence of the measures in the

Chinese and the English versions, all the scales used in this study were translated into Chinese, and then back-translated by a colleague of the author from the Department of Foreign Languages and Literature at National Sun Yat-Sen University.

## **Results**

Regression analysis was applied to test the effect of psychological capital on public service motivation, while controlling for demographic variables such as tenure, age, education, and gender. In his examination of the antecedents of PSM, Perry (1997) suggested that these demographic controls may be highly associated with PSM. Descriptive statistics for the psychological capital and PSM measures and intercorrelations are shown in Table 1.

Overall, the findings fully supported both hypotheses. The results of the regression models for PSM, all of which were significant at p < .001, are presented in Table 2. PsyCap was positively related to all dimensions of PSM: attraction to policy making, commitment to public interests, compassion, and self-sacrifice. This finding supports the first hypothesis that psychological capital is positively related to public service motivation.

The statistical results of regression models for the effect of PsyCap on PSM were also contingent on demographic controls. In general, tenure, age, education, and gender do exert a moderating effect on the relationship between PsyCap and PSM. For example, given the effect of PsyCap on PSM, males were more likely than females to have higher levels of policymaking participation and self-sacrifice, though their levels of compassion were comparatively lower. Similarly, high- and medium-ranking officers were more likely to have higher levels of PSM for self-sacrifice, commitment to public interests, and the pursuit of decision-making power than those of their lower-ranking counterparts. In comparison with younger public employees, public servants over the age of 40 were more likely to have higher levels of PSM in public interest, compassion, and self-sacrifice.

**Table 1. Descriptive Statistics and Correlations for Variables** 

Variable	M	SD	1	2	3	4	5	6	7	8	9	10
1.Hope	3.33	1.38	1									
2.Efficacy	3.12	1.27	.55**	1								
3.Optimism	3.47	1.02	.33**	.30**	1							
4.Resilience	2.76	.99	.33**	.29*	.43**	1						
5.PsyCap	3.17	1.02	.62**	.60**	.53**	.52**	1					
6.Policymaking	2.80	1.35	.48**	.55**	.36**	.40**	.57**	1				
7.PublicInterest	3.32	.85	.21*	.35**	.08	.03	.25*	.39**	1			
8.Compassion	3.49	.84	.21*	.27*	.06	.04	.20*	.25**	.23*	1		
9.Self-sacrifice	3.01	.93	.19*	.19*	.03	.02	.17*	.30*	.21*	.24*	1	
10.PSM	3.16	.83	.42**	.50**	.23*	.22*	.46**	.60**	.52**	.47**	.49**	1

Notes: PsyCap = Core Positive Psychological Capital consisting of Hope, Self-Efficacy, Optimism, and Resilience.

PSM = Total Public Service Motivation consisting of attraction to Policymaking, commitment to Public Interest, Compassion, and Self-sacrifice.

Numbers on the diagonal are correlation coefficients. \* p < .05, \*\* p < .01 (two-tailed)

Table 2. Regression Models for the Effect of PsyCap on PSM										
	Public Service Motivation									
Predictor Variables	Attraction to Policymaking		Commi to Pu Inter	blic	Compassion		Self- sacrifice			
	β	t	β	t	β	t	β	t		
PsyCap	.925***	20.911	.305***	5.963	.318***	6.461	.326***	6.201		
Control Variables (dummies) Tenure1	123	883	.346*	-2.149	.010	.067	.452**	2.730		
Tenure2	.668***	6.095	.231	1.823	.155	1.270	.585***	4.488		
Age1	086	763	.282*	2.160	.587***	-4.672	062	465		
Age2	101	875	.098	.732	.411**	3.182	.483**	3.503		
Education Level1	.335*	2.257	.213	1.239	.690***	4.180	.605**	-3.429		
Education Level2	.155	1.615	.218	1.960	.519***	4.850	.809***	-7.082		
Gender	.305**	2.916	.179	1.474	759***	6.515	.594***	4.768		
N	311		311		311		311			
$R^2$	.417		.178		.209		.253			
${m F}$	168.661		22.977		26.073		31.279			
Significance	<i>p</i> < .001		<i>p</i> < .001		<i>p</i> < .001		<i>p</i> < .001			

Notes: Coding of dummy variables: Tenure 1 = 1 for high-ranking officers, 0 otherwise; Tenure 2 = 1 for medium-ranking officers, 0 otherwise; Age 1 = 1 for 55 years or older, 0 otherwise; Age 2 = 1 for 40-54 years old, 0 otherwise; Education level 1 = 1 for master's degree or higher, 0 otherwise; Education level 2 = 1 for bachelor degree, 0 otherwise; Gender 1 for male, 0 for female. \*p < .05, \*\*p < .01, \*\*\*p < .001.

To determine whether the effect of PsyCap on PSM will be different for public employees with different levels of PsyCap, this study divided respondents into two groups based on their scores on the total scale of PsyCap. Respondents whose scores on the total scale of PsyCap were higher than the mean score of all respondents (M = 3.17) were placed in the high PsyCap group (n = 173), whereas respondents whose scores on the total scale of PsyCap were lower than the mean of all respondents were classified as belonging to the low PsyCap group (n = 138). Table 3 presents the results of regression analysis of the effect of PsyCap sub-constructs on PSM in both the high and low PsyCap groups. Table 3 shows clearly that that R2 values were .398 and .206 for the high-PsyCap and low-PsyCap groups, respectively. This implies that psychological capital influenced 39.8% of the variance in PSM in the high-PsyCap group, while influencing only 20.6% of the variance in PSM in the low-PsyCap group. This finding supports the second hypothesis, since individuals with high psychological capital reported higher levels of PSM than did their low PsyCap counterparts.

Table 3. Regression Results for High and Low PsyCap Groups

	Public Service Motivation								
Predictor Variables	PSI	M	PSM						
	(High PsyC	Cap > 3.17	(Low PsyCap <=3.17)						
	β	t	β	t					
Hope	.705***	11.580	083**	-2.886					
Self-Efficacy	.064	1.052	.021	.320					
Optimism	.187***	3.944	.137**	3.110					
Resilience	531***	-9.389	.317***	6.367					
N	173	3	138						
$R^2$	.39	8	.206						
$oldsymbol{F}$	97.0	33	34.023						
Significance	p < .(	001	<i>p</i> < .001						

Notes: \* p < .05, \*\* p < .01, \*\*\* p < .001.

## **CONCLUSION**

The results suggest that psychological capital is closely related to the four dimensions of public service motivation. As expected, positive psychological capital can function as a strong predictor of public service motivation, and individuals with high psychological capital report higher levels of public service motivation than do their low PsyCap counterparts. This study enriches the present literature in several ways. First, this is the first study in which a close association is shown between Positive Psychological Capital and Public Service Motivation in the Taiwanese context. The applicability of the Psychological Capital Questionnaire (PCQ) (Luthans et al., 2007b) survey in the analysis of PSM in the Taiwanese setting was verified. Second, in addition to such demographic antecedents as tenure, age, education, and gender (Perry, 1997), psychological capital was found to have a significant impact on PSM. This implies that public employees who differ in PsyCap traits tend to have different PSMs. It also implies that by seriously cultivating positive psychological states and organizational behaviors, public organizations will enhance their employees' motivation to deliver high-quality public service. One limitation in this study is that the data were obtained using self-report measures. The results may, therefore, be biased by such things as common method variance or social desirability. It would be appropriate to complement these measurements with others obtained by different methods.

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