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Psychological Capital and Citizenship Behavior in IT SME's

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Abstract: With the help of positive organizational behavior, the current study examines the link between PsyCap and organizational citizenship behavior (OCB) of IT employees in SMEs in India. A quantitative cross-sectional survey was employed, which was conducted with 120 IT professionals employed at SMEs in Delhi-NCR. Correlation analysis shows organizational citizenship behaviors toward individuals and organizations were relatively strong with self-efficacy but weaker with resilience. The findings of the study show that self-efficacy is the main driver of PsyCap for contribution discretion in SMEs. Interventions that enhance confidence through mastery experiences, mentorships, and skill development, as well as resilience through stress-management training and learning-oriented climates, should be prioritized. Improving these skills could create a culture of goodwill that helps the organization as well as others.

Keywords— Psychological Capital, Organizational Citizenship Behavior, IT Employees, SMEs, Delhi-NCR.

INTRODUCTION

PsyCap is an emerging psychological resource that is getting attention for its results in the workplace. PsyCap is a “positive state of development” that consists of self-efficacy or being confident to take on challenges. Often expressed by the acronym HERO, we can develop these four dimensions, which are Hope, Efficacy, Resilience, and Optimism.

Organizational Citizenship Behavior (OCB) is another key construct of success for organizations that refers to employees’ voluntary activities that are not formally Job duties but collectively benefit the effective functioning of the organization. In other words, it is voluntary and employees do it in the workplace.

It is relevant to understand PsyCap and OCB, with reference to India’s SMEs (small and medium enterprises). Due to the nature of the industry and high competition for human resources, SMEs often have a lesser number of employees instead of a large

workforce. Their employees wear multiple hats and undertake extra responsibilities outside their official duties. When employees are optimistic and resilient, they can deal with stress and change for the better. Previous research in contexts indeed proved the positive association between PsyCap and OCB. Nevertheless, it is essential to investigate what specific dimensions of PsyCap drive this relationship. The study is to examine the correlation among PsyCap and OCB among personnel in IT within SMEs. It also aims to study the relationship between each dimension of PsyCap and two types of OCB (OCB towards organization and OCB towards individuals). The Indian IT SMEs sector has been growing and expanding rapidly. By shedding light on the relationship between positive psychological capacities and citizenship behaviors, the study will help managers to enhance the aforementioned capacities and citizenship behaviors.

Psychological Capital (PsyCap)

Introduced by Luthans et al. (2007), PsyCap refers to a person's positive psychological state of development which is defined by four components. Hope means to Involves persevering toward goals, Resilience refers to the positive psychological capacity to bounce back from adversity, Optimism means having positive expectations about the future, Self-Efficacy refers to the belief in one's ability to mobilize the motivation, cognitive resources and courses of action necessary to successfully execute a specific task.

Organizational Citizenship Behavior (OCB)

The "extra mile" employee actions that aren't formally required but definitely enhance either the workplace climate or the workplace effectiveness. Organizational Citizenship Behavior refers to all those things' employees do which are not formally required and come from an intrinsic or extrinsic motivation and enhance the climate and effectiveness of the organization. According to Organ's (1988), 'voluntary' behavior exhibited by an individual that cannot be part of his/her job description. These behaviors are generally not formally rewarded but contribute collectively to the organization's effectiveness.

Review

Zeng et al. (2024) states that nurses with increased levels of PsyCap were more likely to exhibit OCB, mediating role of organizational commitment was found. which included stepping up to help staff members and voluntarily contributing during COVID-19. The energy and motivational force they obtain from the psychological capital that drives altruistic work behavior even in pressure.

Chaturvedi et al. (2024) highlighted several key factors that influenced the Organizational Citizenship Behavior or OCB of employees. According to their findings, employee compliance and altruistic actions were important, along with organizational justice in creating a fair environment, and Perceived Organizational Support or POS.

Avey et al. (2011), revealed the expected strong positive relationships of PsyCap with positive employee, positive employee behaviors (citizenship), and several measures of performance. PsyCap was also significantly negatively related to negative employee attitudes and negative employee behaviors.

As per Shukla & Singh (2013), in Indian context, Psychological Capital emerged as a stronger predictor of job satisfaction than OCB, and the mediation effect that was examined received only partial support.

Nonetheless, there is less information available about different dimensions of PsyCap in OCB. Many studies treat PsyCap as a single composite variable. It is

possible that some factors matter more than others in predicting citizenship behaviors. This study aims to ascertain which dimension of PsyCap is most closely linked to OCB in the context of IT SME by investigating the dimensions individually.

Research Design and Sample

The study followed a quantitative survey approach. The target population was full-time employees working in IT in small and medium enterprises in India. A total of 120 respondents were contacted through convenience sampling, focusing on firms in the Delhi-NCR tech clusters (given their high concentration of IT SMEs). The purpose of the study was explained to the participants, and the consent form was provided. In order to get a relevant sample, we included only those employees who had at least 1 year of work experience in the IT sector. Consequently, the final sample consisted of software developers, engineers, and other IT professionals. Data were collected anonymously, and participants were informed they could withdraw at any time if they did not wish to complete the full questionnaire.

Data Analysis

Descriptive Statistics was conducted (mean, standard deviation, and range) for all major variables, this provided an overview of the central tendency and variability in the sample's PsyCap and OCB.

Correlation Analysis: To explore the relationships between PsyCap and OCB, we computed Pearson's correlation coefficients among the key variables. In particular, we looked at how each PsyCap dimension correlates with OCB-O and OCB-I. Table 1 presents a correlation matrix summarizing these associations.

Table 1. Correlations between Psychological Capital dimensions and OCB subscales

PsyCap Dimension	OCB-O (Org.-focused OCB)	OCB-I (Indiv.-focused OCB)
Self-Efficacy	0.28**	0.32**
Hope	0.16	0.05
Resilience	0.20*	0.14
Optimism	0.11	-0.00

Note: N = 120. Correlations marked ** are significant at $p < 0.01$. Correlation marked * is significant at $p < 0.05$. Non-marked correlations are not statistically significant.

As seen in Table 1, self-efficacy showed a moderate, positive correlation with both types of OCB. The correlation between self-efficacy and OCB-I was $r = 0.32$ ($p < 0.01$), and with OCB-O was $r = 0.28$ ($p < 0.01$). This indicates that employees who reported higher confidence in their abilities and judgment also

tended to report engaging more frequently in citizenship behaviors, both toward other individuals and toward the organization.

Resilience had a smaller positive correlation with OCB-O ($r = 0.20$, $p < 0.05$), but its correlation with OCB-I was not significant ($r = 0.14$, n.s.). The significant correlation with OCB-O suggests that more resilient employees are somewhat more likely to undertake behaviors that benefit the organization, such as enduring inconvenience to meet an organizational need or persisting in efforts that help the company. This connection makes intuitive sense: resilient individuals may better cope with the extra effort or potential failures involved in OCB-O.

Hope and optimism, interestingly, did not show significant linear correlations with OCB in this sample. Hope's correlations ($r \approx 0.16$ with OCB-O, 0.05 with OCB-I) were positive but not statistically different from zero at $p < 0.05$. Optimism was essentially uncorrelated with OCB ($r \approx 0.10$ with OCB-O and effectively 0.00 with OCB-I). This finding was somewhat surprising, as we might expect optimistic employees to engage in positive behaviors at work. It might be that optimism and hope contribute indirectly or that almost all employees in this sample had moderately high optimism, resulting in less variability to correlate with OCB. Another consideration is multicollinearity among PsyCap dimensions – hope and optimism were very strongly correlated with each other ($r > 0.8$), and also with resilience (Table 1). This multicollinearity can make it harder to detect unique effects of each in simple correlations, because employees who are hopeful tend to also be optimistic and resilient, etc. In any case, the simple bivariate analysis suggests that confidence (efficacy) is the clearest PsyCap correlate of OCB, and to a lesser extent resilience relates to organizationally focused OCB.

We also examined the correlation between the total PsyCap score (combining all dimensions) and overall OCB. This yielded $r \approx 0.21$ ($p \approx 0.02$), indicating a modest positive correlation. So overall, employees with higher composite PsyCap did engage in slightly more citizenship behaviors on average. This aligns with prior research in other populations that found a positive PsyCap–OCB relationship, though the magnitude in our SME sample is on the smaller side (possibly due to the small-to-moderate effect of only certain dimensions as seen above).

Regression Analysis, multiple linear regression analysis in order to further probe the relationship and control for the overlap among PsyCap dimensions. Two regression models were developed, one with OCB-O as dependent and with four PsyCap dimensions as simultaneous predictors, and another with OCB-I as dependent and with the same

predictors. This allows us to see which PsyCap factors have a unique influence on each type of OCB when accounting for the intercorrelations among the PsyCap components.

The regression model for **OCB-O** (organizational citizenship behavior towards the organization) was significant ($F(4,115) = 3.48$, $p = 0.01$). In this model, self-efficacy emerged as the only significant unique predictor (standardized $\beta \approx +0.30$, $t = 2.55$, $p = 0.012$). This indicates that, holding an employee's hope, resilience, and optimism constant, higher self-efficacy is associated with higher OCB-O. None of the other three PsyCap dimensions had significant beta coefficients for OCB-O (hope and resilience had positive but non-significant betas, optimism had a non-significant negative beta). This reinforces the earlier correlation finding – confidence in one's abilities seems to be the critical ingredient linked to taking on extra organizational responsibilities. An interpretation is that confident employees are more likely to step up for optional organizational initiatives because they trust their capability to handle them successfully. The non-significance of resilience and others in the regression could be partly due to overlap (e.g., resilience and optimism correlate so highly that their effects are not distinguishable when entered together). There was a slight indication that optimism might even relate inversely when controlling for others (β was negative, $p = 0.08$), but this is likely a suppressor effect caused by multicollinearity rather than a true negative influence – it means optimistic employees in our sample also tended to have other traits that affected OCB, and when those are accounted for, any remaining variance in optimism was not aligned with OCB. We interpret the regression results for OCB-O primarily as highlighting self-efficacy as a key predictor.

For OCB-I (citizenship towards individuals), the regression model was also significant ($F(4,115) = 8.85$, $p < 0.001$) with a higher $R^2 = 0.235$ (so about 23.5% variance explained). In this model, self-efficacy again was a strong positive predictor ($\beta \approx +0.49$, $t = 4.95$, $p < 0.001$). In addition, resilience showed a significant positive unique effect on OCB-I ($\beta \approx +0.28$, $t = 2.17$, $p = 0.032$). This suggests that, independent of the other PsyCap factors, those employees who are more resilient tend to engage more in helping and kind behaviors toward colleagues. This makes sense: resilience often involves empathy and maintaining composure under stress, which may enable someone to support others even when work is tough. Optimism, interestingly, had a significant negative beta in this model ($\beta \approx -0.42$, $t = -3.01$, $p = 0.003$). This might seem counter-intuitive initially – why would optimism be associated with *less* OCB-I when controlling for other factors. One possible explanation is multicollinearity and overlapping variance: optimism is highly

correlated with hope and resilience. In our sample, those who were extremely optimistic might have been a bit less active interpersonally once efficacy and resilience were accounted for – perhaps highly optimistic individuals assumed things will turn out fine and therefore felt less need to intervene to help others (this is a speculative explanation). We should be cautious in interpreting that coefficient; it does not imply that optimism is inherently bad for helping behavior. More likely, self-efficacy and resilience are the real drivers, and optimism's bivariate null relationship becomes a negative suppressor when those drivers are accounted for. Hope does not come as predictor in the OCB-I regression ($\beta \approx -0.16$, $p = 0.18$), consistent with its weak simple correlation.

In sum, the regression analyses underscore the importance of self-efficacy in predicting both forms of OCB, and suggest that resilience has an additional role, particularly for interpersonal helping behaviors. The overall variance explained is modest to moderate, implying that while PsyCap dimensions contribute to OCB, there are certainly other factors (personality, organizational culture, job attitudes like commitment or satisfaction, etc.) influencing OCB as well. Indeed, psychological capital is one piece of a larger puzzle when it comes to fostering citizenship behaviors. Nonetheless, for practitioners, building employees' confidence and coping skills could be a fruitful avenue to encourage more voluntary contributions at work.

Discussion

Relationship between PsyCap and OCB: They are positively related. A greater PsyCap level of employees is associated with a higher level of OCB. Self-efficacy, one of the dimensions of PsyCap, was found to be the strongest predictor of OCB. Workers who believed in their capabilities to manage work challenges were more likely to report participating in extra-role behaviors (OCB) - helping their organization (OCB-O) and their coworkers (OCB-I). Evidence of moderate positive correlations (about $r = 0.3$) and regression analyses showed self-efficacy is a unique, statistically significant predictor when controlling for other things. A confident software engineer - not only can get own work done, but also will be inclined to take on extra work and help out teammates, trusting she can handle it all.

The ability to bounce back from stress is positively related to OCB directed at the organization. It may be observed from the study results that employees who were more resilient usually would either stick with organizational initiatives or adapt to extra tasks more readily. For example, after-hours urgent work does not affect their willingness to help out. Staff with Resilience at IT SMEs – A Necessity

In other words, the results suggest that psychological capital-for instance, self-efficacy-is positively related to discretionary positive work behavior. Individuals

who are self-confident and able to cope with adversity will more likely be the “good citizens” of the workplace.

The HR dynamics in Indian IT SME understanding contributes to these findings. Organizations should implement PsyCap development initiatives such as training to improve employees' confidence and resilience as a way to indirectly improve OCB and overall performance of the organization. When employees possess high PsyCap, they are more likely to go beyond the performance of their formal duties. This behavior may give resource-constrained SMEs a competitive advantage.

Conclusion

The results highlight a number of things. First, PsyCap is positively correlated with OCB; employees with a greater stock of positive psychological resources are better organizational citizens. Confidence in one's abilities (self-efficacy) was the strongest predictor of voluntary organization-helping and co-worker helping which the effect of the other possible factor was controlled. Resilience also played a role, mainly to support the agenda of organizations. The brighter sides of PsyCap – what we refer to as hope and optimism – did not directly influence OCB in our sample. IT SMEs need to invest efforts in the psychological capital of the employees to foster the culture of discretionary effort and put forth teamwork. The ways through which resilience may be strengthened include training sessions on the management of stress, setting challenging but achievable tasks, which would promote mastery and confidence, and optimistically realistic leadership and communication. Such programs as employee empowerment or engagement initiatives not only support employees' well-being but can also help organizations.

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