

How to build Psychological Capital [and transform your company].



Transformations get stuck due to unaddressed Doubts, lack of Conviction and a deflating Pessimism.

In this guide-book we introduce how organizations can build more Resilience, Optimism, Confidence and Willpower, and thereby create the resources and energy they need to transform.

This construct is known as Psychological Capital, a deeply researched topic, with up-to 24% positive effect on organizational indicators.

As many people still are not aware of this, we hope that this guide-book can contribute to enabling employees, leaders and organizations to tap into the potentials of psychological capital.

Negativity bias is the psychological phenomenon by which we pay more attention to, and give more weight to negative rather than positive information.

Many organizations produce more negativity than CO2.

It is in the DNA of these organizations: They look for problems, blame people when things go wrong and set unrealistic high targets that often fail.

At the same time, they expect perfect performance and change.



Maybe this is why “Resilience” is such an over-used buzzword in today’s business world.

Companies need their people to be resilient, because they have to deal with so much negativity.

Resilience is misunderstood as a band-aid for everything. Often, resilience training is about looking over the shoulder and coping only.

Alas, resilience is important, but it only gets us so far... It’s a beginning only.



To move ahead, we must also look ahead. We must tap into the resources that generate positive energy.

Transformations only work when people are hopeful for the future, when they are Optimistic and believe in their own abilities.

That is why we need to pay more attention to how we build optimism, confidence and willpower in the workplace.



We are not suggesting to be naïve, to ignore adversity and negative emotions. We have to deal with this reality too, and find ways to be resilient.

But we want to also look ahead, and enable people to change and organizations to transform. To do that, companies must **intentionally develop people's skills to build optimism, confidence and willpower.**

This is where Psychological Capital can play an important role.

Let's look at it by using the wellbeing continuum.

Where do you want to be?



If you want to be on the thriving side of the continuum, we suggest that the Psychological Capital construct will be a helpful resource for you.

On the following pages we will introduce you to PsyCap and how you can build it.

What is Psychological Capital?

Psychological Capital is “an individual’s positive psychological state of development” (F. Luthans, 2007) that is characterized by having high levels of Willpower (Originally: Hope), Confidence (Originally: Self-efficacy)”, Resilience, and Optimism.

For organizations, PsyCap offers great opportunities, because:

- It can be measured.
- It can be developed.
- It has a significant correlation with performance, constructive behaviours and wellbeing.

By growing the individual level of PsyCap, we enable people to from a state of trying to survive, to thriving

The 4 elements of Psychological Capital.

All elements are vital for our wellbeing, performance, and how we change and enable organizations to transform.

Willpower

I see several paths, and use my resources to move towards my goal.



Confidence

I believe in my own abilities to achieve what I aspire to.



Resilience

I can learn from adversity and bounce forward.



Optimism

I believe I can positively influence things to work out.



How PsyCap works.

Goal-doubt
"I don't think it's realistic"

Plan your path and actions towards
the goal

Willpower
Belief in goal achievement

Self-doubt
"I don't think I can do it"

Know, use and expand your resources

Confidence
Belief in my abilities

Pessimism
"It will go wrong"

Address your negative Beliefs

Optimism
Belief in my own positive influence

Adversity
Something went wrong

Reframe it and learn from it

Resilience
Bounce forward



How to build Psychological Capital.

Excerpts from our interventions.

Ways to build Resilience.

Explore:

1. What went wrong?
2. What did you learn?
3. How did it change you?
4. What will you do differently next time?

Adversity

Reframe it and learn from it

Resilience



Ways to build Optimism.

Explore:

1. What are you worried about?
2. What is your negative belief behind?
3. Accept your emotions, but dispute the negative belief behind.

Pessimism

Address your negative Beliefs

Optimism



Ways to build Confidence.

Explore:

1. Why is your goal important to you? (= motivation)
2. Which resources can you tap into? Education, role model, past experiences etc...
3. What additional resources may you need?

Self-doubt

Know, use and expand
your resources

Belief in own Abilities



Ways to build Willpower.

Explore:

1. What is your (SMART) goal?
2. Plan your path towards your goal.
3. Which obstacles may you encounter, and how will you overcome them?
4. Which of your resources will you need?

Goal-doubt

Plan your path and actions
towards the goal

Conviction



Leadership is about multiplying people's capacities, and enable them to feel strong, and be at their best.

When we subscribe to this definition of leadership, PsyCap becomes highly relevant for leaders, and how they work with their people.

Thus, High Challenge, High Support leadership development must focus on how a leader increase their own level of PsyCap, and how they enable their people to have more resilience, optimism, confidence and willpower.



The business case.

A higher level of PsyCap has up-to **24%** positive effect on:

- Anxiety and Stress
- Positive Mood
- Motivation
- Empathy
- Trust Building
- Collaboration
- Goal Achievement

*Avey, Meta-analysis, 2011

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Bad transformation journeys are like making a person wet and cold, and then expect them to march without a destination or any clarity of the mileage and duration ahead.

Soon people start to be consumed by their doubts, their confidence dwindles and pessimism takes over. Consequently, collaboration becomes difficult, and teams fall into a downward spiral.

This is why organizations must enable their people to feel Hopeful about the vision, Confident about their ability to get there, support them to overcome set-backs and be Optimistic about the future.

This is Psychological Capital in action.



About novosensus

We are a human and organizational development company, working globally from Singapore.

We empower people and enable organizations to accelerate, thrive, perform and work better together.

Our clients work with us, because we make them stronger.

[See our Client stories here.](#)

We have decades of own employee and leadership experience, and operate with deep empathy for organizations' challenges and paradoxes. Our work is evidence-based, practical and often counter intuitive.

Our work is about:

- Organizational and culture evolution
- Making Employee Experiences truly engaging
- Leadership growth
- Team thriving and performance

More information: www.novosensus.org.

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We are experts in enabling leaders, talents and teams to build their Psychological Capital.

We enable leaders to become enablers of their people.

Reach out to us for a conversation about how your leadership and transformation can be energized.





Strong People and Strong Organizations.



novosensus

human + organizational development