

# Psychological Capital, Outcome Expectation and Job Performance: A Mediated Model of Innovative Work Behavior

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## ABSTRACT

**Purpose-** The ever growing Indian Information Technology (IT) services sector faces major challenge in the constant innovative thinking required by its employees in their software coding and with the start of Artificial Intelligence era the need has become ever more imperative. Despite strong evidence that innovative work behaviour enhance their role performance, there is limited knowledge about the extent to which it's associated with job performance. Individual psychological state like psychological capital (PsyCap) and outcome expectations of employees, if and how influence the relation of innovative work behaviour and job performance.

**Aim-** The study developed and tested a research model that examines how innovative work behavior of Information Technology (IT) services employees working in Coimbatore, affects their job performance and this model also addresses the influence of PsyCap and employee expectations on their innovative work behavior.

**Method-** Using structured questionnaire, data was collected from (180) employees working in Information Technology companies at Tidal Parks in Coimbatore. The participants were selected through systematic random sampling. Using a researcher-made personal characteristics questionnaire as well as structured questionnaires, data was collected. Correlation analysis was used to study the association among innovative work behaviour, individual job performance, outcome expectation and PsyCap. Multiple Regression analysis was applied to learn the effect of innovative work behaviour PsyCap and Outcome expectations on individual job performance.

**Findings-** The results reveal that the innovative work behavior is positively related and has a huge impact on Job performance. The PsyCap positively influences Innovative work behavior. Innovative work behavior was influenced positively by outcome expectations. Outcome expectation was positively influenced by PsyCap. The innovative work behavior does mediate the relation between PsyCap, Outcome expectation and Job performance. Also the outcome expectation mediate the relation between PsyCap and IWB.

**Implications-** The original contribution of the paper suggests that the IT Employee's individual innovative work behaviour highly influences their job performance and results highlighted that the innovative work behavior does mediate the relation between PsyCap, Outcome expectation and Job performance among IT employees in the Indian context, especially Coimbatore district. PsyCap which positively influences employee outcomes is learnable and can be developed through interventions. Making it crucial for IT companies to enhance innovative freedom and PsyCap of their employees for enhanced job performance.

**Keywords:** Employee Expectation, Job performance, Information Technology, Innovative work behaviour, Psychological Capital.

## I. INTRODUCTION

In today's VUCA (Volatile, Uncertain, complex and ambiguous) world the ability of a business to gain competitive advantage and deliver high performance crucially depends on the capability of that business to innovate. Innovation has long been embraced by organizations seeking to remain viable, effective and competitive in a dynamic business environment (Peters & Waterman, 1982). In order to innovate the innovative behaviors of employees are of major importance, because it are employees that carry out innovations in an organization. Researchers (Barták, 2006; Hamel & Green, 2007; Bartes, 2009; Senge, 2007; Collinson, 2005) support the fact that the 21st era is rub by innovation, data analytics and knowledge. Success of companies rest on on operatives' creativity, innovation and emphasis is placed on continuous learning and research and development. Organizational and educational research found that individual behaviour is one of the most important aspects for innovation to arise (Fullan, 2002; Janssen, 2000; Messmann& Mulder, 2012). Because it is the individual who develops ideas, reacts to ideas of others, and shapes ideas to specific work contexts (Janssen, 2000; Van de Ven, 1986). Therefore, this research focused on individual innovative work behaviour (IWB) and how it impacts the individual job performance. Within this research, IWB is defined as generating, sharing, and implementing innovative ideas (Janssen, 2000). The literature of organizational psychology has mainly focused on defining the concept of IWP and to comprehend its fundamental structure. IWP is mostly defined as "actions or behaviors that are pertinent to the goals of the organization". The study also examines if the individual job performance is related to psychological capital and Outcome expectations. Also whether individual IWB mediates the effect of PsyCap and Outcome Expectation on Individual Job Performance. Psychological capital is derived from the positive psychology research. PsyCap has provided significant contribution to various fields of organizational behavior study. It is associated to several job outcomes (Luthans et al., 2008; Luthans et al., 2007; Larson et al., 2006). Even with the potential of PsyCap in explaining various positive job outcomes, less consideration has been paid to examine its association with job performance and innovation. According to Bandura(1986) outcome expectations can be explained as beliefs of the costs of one's actions and that most deliberate behaviors are controlled by foresight. The probable outcomes of their behavior are anticipated by individuals. Thus, in human behavior, an important part is dictated by outcome expectations. People tend to involve in specific actions, when they believe that the conduct leads to a constructive results. With a higher scope of innovation in Information Technology, the researcher has made in depth study in this sector to examine the influence of the Individual IWB on

the Job performance of IT employees. The following research questions were considered:

- Does innovative work behavior affect individual job performance?
- How does outcome expectations and psychological capital relate to innovative work behavior?
- How is PsyCap associated to innovative work behavior and innovative work behavior associated to individual job performance?
- Does outcome expectations explain innovative work behavior and how is innovative work behavior associated to individual job performance?

## THEORITICAL FRAMEWORK AND HYPOTHESES DEVELOPMENT

### *Individual Job Performance*

Individual Job Performance are "actions that are pertinent to the goals of the organization". Hence, Individual Job Performance can be explained through actions of employees, and not by their results. Also, individual job performance compromise of actions that are controllable by the individual, excluding external constraints. Recently, a heuristic framework of Individual Job Performance was proposed in a methodical literature review, stating Individual Job Performance consists of three broad and generic constructs. Firstly, task performance, i.e expertise with which an operative performs fundamental job responsibilities. Secondly, contextual performance, i.e. actions that support the organizational, social, and psychological atmosphere in which the central job responsibilities are done. Lastly, counterproductive work behavior, i.e. actions harmful to the well -being of the organization.

### *Individual Innovative work Behavior*

The term "innovative behavior" (Woodman, 2010) is a concept connected to operative's individual features within explicitly undertaken activities. It is the sum of the individual's deliberate actions which are intend to generate and promote new ideas within a work role or organization, to benefit role performance of the organization. It includes, development of ideas for products, services and technologies, and to managerial measures which assist to progress relations at a workplace and especially rise their effectiveness level. It includes introduction and use of new and enhanced approaches that lead to defined result. Other features of this behavior include: generativists, effectiveness, complexity/ multi dimensionality, possessiveness, heuristics.

### *Psychological Capital*

Psychological capital can be defined as a higher order construct consisting of positive psychological stage of an individual's development, categorized by: a) Confidence in the ability to succeed at challenging tasks (confidence in

self-efficacy), b) Positively assessing possibility of success both in future and present (optimism), c) Moving forwards to goals and, if needed, readdressing imprints to goals to succeed (hope), d) when affected by complications bouncing back to attain success (resiliency) (Luthans et al., 2007, 2009). Therefore, psychological capital is a group of behavioral and motivational tendencies arising out of HERO variables: hope, self-efficacy, resilience and optimism. All these variables are crucial from a perspective of professional activity.

### ***Outcome Expectation***

Bandura (1986) explains outcome expectations are consequences that one expects out of their actions. Most deliberate human conducts are controlled by foresight (Bandura 1989). This means that individuals weigh in the likely consequences of their conduct. They play an significant part in human actions. People tend to practice specific actions or behavior if they trust that those actions result in valued and positive consequences. However, people avoid potential activities if they trust that the specific act results in consequences that are unfavorable. Various research have concluded that outcome expectations influence work-related results, such as knowledge distribution (Hsu et al. 2007), computer usage (Adams et al. 1992), and innovative job behavior (Yuan and Woodman 2010).

### ***Individual Job Performance and Individual Innovative work Behavior***

Employees have an inherent innovation potential due to the need to be creative (Dobni, 2010). When seen from organizational viewpoint, it is established that IWB ensures effective processes and improved job performance of employees (Janssen, 2001) and IWB positively affects organizational performance (Janssen, 2001). Researchers have given explicit attention to IWB as a dominant theme in innovation research (Yuan and Woodman, 2010), as IWB is focused on innovative enhancements of entire organization.

### ***Individual Innovative work Behavior and Psychological Capital***

Previous research have identified personality associated to workplace creative behaviors. These individual factors comprise creativity (Tierney, & Farmer, 2002), innovativeness (Flynn & Goldsmith, 1993), positive affect (Isen, Daubman&Nowickia, 1987) and emotional creativity (Averill, 1999). Though attempts have been made to examine the association amid creativity and positive psychological resources. However, these resources have been distinctly related with creativity or innovative outcomes. There is limited development in understanding the role of psychological capital in explaining innovative job behaviors. Extant theory proposes that positive psychological resources of HERO, do not act in separation,

rather they provide support to each other over an shared mechanism (Youssef & Luthans, 2007), hence HERO should be studied jointly (Luthans, Avolio, Avey, & Norman, 2007).

### ***Individual Innovative work Behavior and Outcome Expectation***

Innovation-related consequence refer to the beliefs of the positive outcomes of innovative work behavior. Yuan and Woodman (2010) state, outcome expectations are proximal antecedents to behavior and suggest that two different forms of consequence beliefs effect innovative work behavior: first, consistent to an efficiency-oriented perspective, beliefs about the positive or negative consequences of innovative work behavior on job performance; and second, relating to a social-political perspective.

### ***Psychological Capital and Outcome Expectation***

It is believed that PsyCap has components that are very useful for organizational development. Many researches have been clearly showing the benefits of PsyCap on employee performance, engagement and operations etc. In addition, psychologists like Luthans, Avolio et al. (2007); Avey, Luthans & Jensen, (2009); Johnson et al. (2009); Smith & Palmer, (2010) and Avey et al. (2010) found that PsyCap has positive relationships with other employee outcomes such as employee attitudes, behavior, and psychological well being, organizational commitment, work-life happiness, job satisfaction and organizational citizenship behaviors. Moreover, PsyCap has been positively associated with employee outcome expectations (Hodges, 2010; and Hughes, Avey, and Norman, 2008). Furthermore, it is negatively associated with employee stress and turnover (Avey, Luthans, & Jensen, 2009).

### ***Mediating role of Individual Innovative work behavior, in the relation of PsyCap and outcome expectation with individual Job Performance***

Substantial research has focused on workplace factors that may arouse innovative behaviors. Certain personality factors are found to be related to workplace creative behaviors. These personal factors include creative self-efficacy (Tierney, & Farmer, 2002), innovativeness (Flynn & Goldsmith, 1993), extraversion (Furnham,&Bachtiar, 2008) openness to experience (Feist, 1998, 1999; Furnham, &Bachtiar, 2008; George, & Zhou, 2001), positive affect (Isen, Daubman&Nowickia, 1987) and emotional creativity (Averill, 1999). Few research have looked at innovation-specific PsyCap, but there is no research on creativity-specific efficacy leading to assumption that PsyCap influence innovative work behavior. Empirical research supports the notion that studying PsyCap as a core construct predicts job outcomes better than any of its individual components (Sweetman, Luthans, Avey, &Luthans, 2010). Recent research on the link between innovative work

behavior and outcome expectations has provided experiential support for positive performance outcomes being associated to innovative work behavior (Yuan and Woodman 2010). Many studies propose a association amongst variables of PsyCap and job performance (Anjum, e al., 2014). Based on the above theories it were hypothesized that:

No.	Hypotheses
<b>Hypotheses on Innovative Work Behaviour and Individual Job Performance</b>	
H1	Innovative work behavior is positively associated to individual job performance.
<b>Hypotheses on effect of Psychological Capital and Outcome Expectation on Innovative Work Behaviour</b>	
H2	Psychological Capital is positively associated to individual

	innovative work behavior.
H3	Outcome expectations is positively associated to individual innovative work behavior.
H4	Psychological Capital is positively associated to outcome expectations.
<b>Hypotheses on effect of Psychological Capital and Outcome Expectations on Individual Job Performance</b>	
H5	Individual innovative work behavior mediates the association between psychological capital and individual job performance.
H6	Individual innovative work behavior mediates the association between outcome expectation and individual job performance.
H7	Outcome expectation mediates the association between Psychological Capital and Individual innovative work behavior.

## II. PROPOSED MODEL

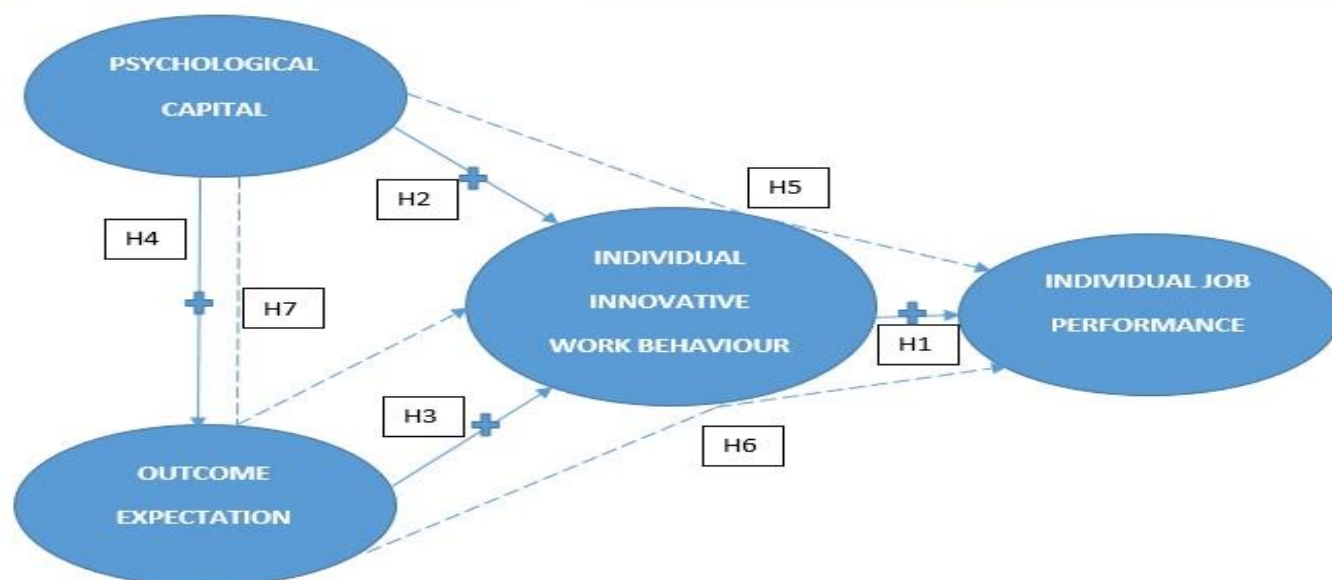


Chart 2.1

Figure 2.1 depicts the proposed model of this research, to examine the relationship of innovative work behavior with individual job performance. The model also analyzes mediation effect of innovative work behavior in the relation between PsyCap and Outcome expectation with individual job performance.

## III. METHODOLOGY

### Design

The current study is descriptive in nature and explores the influence of the Innovative work behavior, and the effect of mediation of PsyCap and outcome expectations on the individual job performance of the IT employees working in IT employees working in Information Technology companies at Tidal Parks in Coimbatore.

### Population and Sample

The population consists of IT employees working in Information Technology companies at Tidal Parks in Coimbatore. 180 IT employees were selected using a systematic random sampling method.

### Measures

Structured questionnaire has been adopted as measurement scales. This instrument used a 5-point Likert scale, with answer options ranging from 1 = strongly disagree to 5 = strongly agree.

**Individual Job Performance:** (IWPQ) Questionnaire measures “employees actions that are pertinent to the goals of organization”. The IWPQ consists of 18 items, divided into three scales measuring: 5 items of task , 8 items of contextual, and 5 items of counterproductive work behavior.



**Psychological Capital:** PayCap was measured using a shorter 12-item version of the original 24-item Psychological Capital Questionnaire empirically validated by Luthans, Youssef, Avolio, (2007a). The PCQ-12 contains 3 items to measure Self efficacy, 4 items to measure optimism, 3 items to measure hope, and 2 items to measure resilience.

**Outcome Expectations:** were measured by means of four items adapted from Venkatesh et al. (2003) and Compeau, Higgins, and Huff (1999).

**Innovative work behaviour:** In order to assess the dependent variable, individual IWB, items of Janssen's (2000) innovation behaviour scale were used. The scale represented nine items and measured the extent of individual idea generation, promotion, and implementation (Janssen, 2000).

#### IV. ANALYSIS AND FINDINGS

##### Scale Reliability

Cronbach alpha was used to show the interior consistency of the instrument. Hence the result of the reliability test is summarized in the following table. The entire factor was found to be reliable to proceed with conducting this survey.

Table 4.1 Reliability of scales

No of items	Cronbach alpha
43	.951

##### Descriptive Statistics

Table 4.2 shows that PsyCap of employees was high. All dimensions of PsyCap were above 3. Resilience dimension had the maximum mean. The level of innovative work behavior and Outcome expectation were also high. The level of job performance of employees was high. All dimensions of job performance was above 3 except dimension of Counterproductive Work Behavior. Contextual performance has the highest mean.

##### Correlation Test

Self-Efficacy, Optimism, Resilience and outcome expectations are positively correlated with all dimensions of different variables except Counterproductive work behavior. Hope, IWB and Contextual performance are positively correlated with all dimensions of different variables.

Table 4.2 showed those correlation coefficients.

Sl no	Variables & No. of items	Mean	SD	1	2	3	4	5	6	7	8	9
1	Self-Efficacy(3)	3.5815	.81125	1								
2	Optimism (4)	3.5875	.68170	.482**	1							
3	Hope (3)	3.4648	.69894	.273**	.164*	1						
4	Resilience (2)	3.7778	.73466	.421**	.460**	.442**	1					
5	Innovative Work Behaviour (9)	3.3907	.80308	.480**	.624**	.365**	.433**	1				
6	Outcome Expectation (4)	3.6889	.64493	.396**	.407**	.331**	.593**	.576**	1			
7	Task performance (5)	3.6522	.74154	.344**	.521**	.295**	.499**	.613**	.668**	1		
8	Contextual performance (8)	3.6951	.69354	.509**	.656**	.452**	.515**	.817**	.620**	.812**	1	
9	Counterproductive work behavior(5)	2.7567	1.00330	.092	.000	.397**	.093	.366**	.029	-.019	.206**	1

\*\* . Correlation is significant at the 0.01 level (2-tailed). \* . Correlation is significant at the 0.05 level (2-tailed).

##### Hypothesis Testing

Multiple regression analysis was used to test the study hypotheses, using SPSS statistical program.

**H1 Innovative work behavior is positively influences individual job performance.**

Table 4.4.1 indicates that the model has  $R^2$  value of .656 thus implying that 65.6% change in Job performance is due to IWB. R value as .810 shows a high and significant

relationship ( $F=339.35$ ) between IWB and Individual Job Performance.

Table 4.4.1 Model fit of the influence of IWB on Individual Job Performance

Model Summary				
R	R Square	Adjusted R Square	F	Sig.
.810	.656	.654	339.349	.000*
a. Predictors: (Constant), Innovative work behavior				

\*significant at 5 percent level.

**Table 4.4.2 Multiple Regression results between IWB and Individual Job Performance**

	Standardized Coefficients	t	Sig.
	Beta		
(Constant)	–	12.344	.000
Innovative Work Behaviour	.810	18.421	.000

\*significant at 5 percent level

Table 4.4.2 from the table it could be inferred that IWB positively influences Job performance and they are found to be significant.

## H2 Psychological Capital positively influence individual innovative work behavior.

Table 4.4.3 indicates that the model has  $R^2$  value of .484 thus implying that 48.4% change in individual IWB is due to PsyCap. R value as .695 shows a high and significant relationship ( $F=40.991$ ) between IWB and Psy.Cap

**Table 4.4.3 Model fit of the influence of PsyCap on Individual IWB**

Model Summary				
R	R Square	Adjusted R Square	F	Sig.
.695 <sup>a</sup>	.484	.472	40.991	.000*
a. Predictors: (Constant), Resilience, Self Efficacy, Hope, Optimism				

\*significant at 5 percent level.

**Table 4.4.4 Multiple Regression results between PsyCap and Individual IWB**

	Standardized Coefficients	t	Sig.
	Beta		
(Constant)	–	-1.031	.304
Self Efficacy	.167	2.587	.011
Optimism	.489	7.426	.000

Hope	.221	3.621	.000
Resilience	.040	.582	.561

\*significant at 5 percent level

Table 4.4.4 from the table it could be inferred that the factors of psychological capital namely Self-Efficacy, Hope and Optimism positively influence individual IWB and they are found to be significant. Whereas Resilience does not influence entrepreneurial success as it is not found to be significant.

## H3 Outcome expectations positively influence individual innovative work behavior.

Table 4.4.5 indicates that the model has  $R^2$  value of .332 thus implying that 33.2% change in individual IWB is due to Outcome expectations. R value as .576 shows a moderate and significant relationship ( $F=88.28$ ) between IWB and Outcome expectations.

**Table 4.4.5 Model fit of the influence of IWB on Outcome expectation**

Model Summary				
R	R Square	Adjusted R Square	F	Sig.
.576 <sup>a</sup>	.332	.328	88.28	.000*
a. Predictors: (Constant), Outcome Expectation				

\*significant at 5 percent level.

**Table 4.4.6 Multiple Regression results between IWB and Outcome expectation**

	Standardized Coefficients	t	Sig.
	Beta		
(Constant)		2.610	.010
Outcome Expectation	.576	9.396	.000

\*significant at 5 percent level

Table 4.4.6 from the table it could be inferred that Outcome expectation positively influences IWB and they are found to be significant.

## H4 Psychological Capital positively influences outcome expectations.

Table 4.4.7 indicates that the model has  $R^2$  value of .393 thus implying that 39.3% change in Outcome Expectations is due to PsyCap. R value as .627 shows a moderate and significant relationship ( $F=28.27$ ) between Outcome expectation and Psy.Cap

**Table 4.4.7 Model fit of the influence of PsyCap on Outcome Expectation**

Model Summary				
R	R Square	Adjusted R Square	F	Sig.
.627 <sup>a</sup>	.393	.379	28.27	.000 <sup>*</sup>
a. Predictors: (Constant), Resilience, Self Efficacy, Hope, Optimism				

\*significant at 5 percent level.

**Table 4.4.8 Multiple Regression results between PsyCap and Outcome Expectation**

	Standardized Coefficients	t	Sig.
	Beta		
(Constant)		4.382	.000
Self Efficacy	.124	1.768	.079
Optimism	.128	1.799	.074
Hope	.078	1.182	.239
Resilience	.447	6.018	.000

\*significant at 5 percent level

Table 4.4.8 from the table it could be inferred that the factors of psychological capital namely resilience positively influence outcome expectation and it is found to be significant. Whereas Self-Efficacy, Hope and Optimism does not influence outcome expectation as they are not found to be significant.

#### Mediation Effect

For testing mediation, Mathieu and Taylor (2006) procedure was adopted, which tests: (a) if there is a significant association among independent and dependent variables; (b) if the association among independent variable and mediator is significant; (c) if there is a significant association amongst mediator and dependent variables; and (d) if the association amongst independent and dependent variables decreases or becomes non-significant when effect of mediator is controlled.

**Table 4.4.9 Results of hypotheses testing for research model.**

No.	Hypotheses	Standardized Coefficient	Results
<b>Hypotheses on Innovative Work Behaviour and Individual Job Performance</b>			
H1	Innovative work behavior positively influences individual job performance.	.810	Supported
<b>Hypotheses on effect of Psychological Capital and Outcome Expectation on Innovative Work Behaviour</b>			
H2	Psychological Capital positively influence individual innovative work behavior.	.695	Supported
H3	Outcome expectations positively influence individual innovative work behavior.	.576	Supported
H4	Psychological Capital positively influences outcome expectations.	.627	Supported
<b>Hypotheses on effect of Psychological Capital and Outcome Expectations on Individual Job Performance</b>			

#### H5 Individual innovative work behavior mediates the association between psychological capital and individual job performance.

Main effect results show that Mathieu and Taylor's (2006) preconditions (a) and (b) had been met. PsyCap was significantly associated to Job Performance ( $\beta = .673$ ,  $p < .001$ ) and to IWB ( $\beta = .672$ ,  $p < .001$ ). Also results show that the association amongst innovative work behavior and job performance was significant ( $.673$ ,  $p < .001$ ). Hence, precondition (c) for mediation was met. The association amongst PsyCap and Job performance becomes less significant when the effect of the innovative work behaviour was controlled ( $.234$ ,  $p < .001$ ), fulfilling precondition (d). Therefore, the results do support hypothesis 5.

#### H6 Individual innovative work behavior mediates the association between outcome expectation and individual job performance.

Main effect results show that Mathieu and Taylor's (2006) preconditions (a) and (b) had been met. Outcome Expectation was significantly related to Job Performance ( $\beta = .569$ ,  $p < .001$ ) and to IWB ( $\beta = .576$ ,  $p < .001$ ). Also results show that the association amongst innovative work behavior and job performance was significant ( $.673$ ,  $p < .001$ ). Therefore, precondition (c) for mediation was met. The association amongst Outcome Expectation and Job performance becomes less significant when the effect of the innovative work behaviour was controlled ( $.153$ ,  $p < .001$ ), fulfilling precondition (d). Therefore, the results do support hypothesis 6.

#### H7 Outcome expectation mediates the relationship between Psychological Capital and Individual innovative work behavior.

Main effect results show that Mathieu and Taylor's (2006) preconditions (a) and (b) had been met. PsyCap was significantly related to IWB ( $\beta = .672$ ,  $p < .001$ ) and to Outcome Expectation ( $\beta = .572$ ,  $p < .001$ ). The results also show that the relationship between Also results show that the association amongst Outcome Expectation and IWB is significant ( $.576$ ,  $p < .001$ ). Therefore, precondition (c) for mediation was met. The association amongst PsyCap and innovative work behaviour becomes less significant when the effect of the Outcome Expectation is controlled ( $.510$ ,  $p < .001$ ), fulfilling precondition (d). So, the results do support hypothesis 7.

H5	Individual innovative work behavior mediates the association amongst psychological capital and individual job performance.	Supported
H6	Individual innovative work behavior mediates the association amongst outcome expectation and individual job performance.	Supported
H7	Outcome expectation mediates the association amongst Psychological Capital and Individual innovative work behavior.	Supported

Table: 4.4.9

## V. SUMMARY AND DISCUSSIONS

The Mean of Individual Job Performance dimensions task and contextual performance dimensions by IT employees of Robert Bosch was high followed by counterproductive work behavior. Mean of PsyCap dimensions by IT employees of Robert Bosch was high, due to the company's culture and procedures, as it has a positive effect on psychological side of employees as it plays a vital role in job performance. The results showed that the Resilience dimension was ranked first with mean of 3.78, meaning employees having high resilience, recover and return to a normal situation when facing obstacles and complicated events. Followed by Self efficacy and Optimism with a mean of 3.59 each. This means that employees are optimistic in the present and about future being able to understand and comprehend events. Possessing high confidence in the exertions related to formulation of goals and identifying strategies. Self-Efficacy, Optimism, Resilience and outcome expectations are positively correlated with all dimensions of different variables except Counterproductive work behavior. Hope, IWB and Contextual performance are positively correlated with all dimensions of different variables. In the model fit of the influence of IWB on Job Performance,  $R^2$  value is .656 thus implying that 65.6% change in Job performance is due to IWB. In the model fit of the influence of PsyCap on IWB,  $R^2$  value is .484 thus implying that 48.4% change in individual IWB is due to PsyCap. In the model fit of the influence of IWB on Outcome expectation, has  $R^2$  value of .332 thus implying that 33.2% change in individual IWB is due to Outcome expectations. In the model fit of the influence of PsyCap on Outcome expectation,  $R^2$  value is .393 thus implying that 39.3% change in Outcome Expectations is due to PsyCap.

## VI. LIMITATIONS AND FUTURE DISCUSSIONS

- To examine the extent of IWB on the individual job performance methods like case studies could have been more useful to study.
- The context of the study was focused on IT employees. Thus, future research could include employees of other profession.
- Future research involving moderators should be undertaken to examine their role in strengthening or weakening the influence of IWB on the individual job performance.

- Future studies can test the hypothesized relationships using conational process. Different models based on different theories can be tested, so, this way better models can be developed.

## VII. CONCLUSION

The study concludes the following: Innovative work behavior is positively related and has a huge impact on Job performance. The PsyCap positively effects Innovative work behavior. The Outcome expectations positively effect Innovative work behavior. The PsyCap positively effect outcome expectation. The innovative work behavior does mediate the relation between PsyCap, Outcome expectation and Job performance. Also the outcome expectation mediates the relation between PsyCap and IWB. The perception of IT employees of Robert Bosch for the dimensions of PsyCap is high. Also the level employees practice for job performance is high for all dimensions except counterproductive work behavior. In addition, hope as one of PsyCap construct has a significant effect on all variables of job performance. And dimension self-efficacy affect significantly behavioral performance. Finally, dimension of resilience affect statistically job performance. While, optimism does not significantly effect any dimensions of Job performance.

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