The Influence of Psychological Capital on Job Performance among Nurses: Intervening Role of Goal Setting

Mansoor Ahmed Khuhro[a], Amer Hamzah B Jantan[b], Dahlia Binti Zawawi[b], Noor Azman Bin Ali[b]

[a] Putra Business School, University Putra Malaysia, 43400 UPM Serdang, Selangor, Malaysia.
[b] Faculty of Economics and Management. University Putra Malaysia, 43400 UPM Serdang, Selangor, Malaysia

Abstract
This research aims to examine the factors affecting the performance of nurses working in the public healthcare sector hospitals. The nurses working in the health sector come across stress and workload in their respective organizations. The respondents of the study consisted of 417 nurses working in the public sector hospitals of Pakistan. A survey was carried out, for which a questionnaire was administered to the respondents. Analysis of the quantitative data of the study involved both the statistical package of social science (SPSS) version 25 and Smart-PLS version 3.0.
The empirical results show that psychological capital and goal setting are significantly related to job performance. Results of the current research will help policy makers and managers raising the performance of nurses working in the Pakistan public healthcare sector.
Keywords: Psychological Capital, Goal Setting, Job Performance, Nurses, Healthcare Sector

Introduction
Nursing profession in Pakistan is not known as a respectable profession and is usually viewed profession for people belongs to lower cast or poor people (Shahzad & Malik, 2014). Nurses who are working in the health sector of Pakistan have less authority, power, and respect (Lee & Saeed, 2001). Additionally, healthcare sectors in Pakistan encounter several problems in the quality of nursing education, career advancement in the profession, the negative public image of nurses, lack of retention, vertical and horizontal bullying, less monetary incentives, and poor working conditions (Khowaja, 2009; Oulton & Hickey, 2009). Nurses also face mild or moderate depression and anxiety while working in hospitals in Pakistan (Khan, Iqbal, & Waseem, 2012). In the healthcare sector workplace bullying, depression, anxiety, and less monetary incentives affect nurses mentally are important factors that lower job performance and decrease psychological wellbeing at the workplace. In the private health sector of Pakistan, there is limited protection for the rights of nurses because they are mostly used for

business purposes. Specifically, private sectors regard health care as a profit-making endeavor, and nurses' jobs are subject to fluctuating economic situations. Therefore, retaining nurses is a significant issue in private sectors.

Additionally, nurses working in the territory hospital in Islamabad, where 86% were not satisfied, and 26% were highly dissatisfied; consequently, they become demoralized (Bahalkani et al., 2011). These factors may lead to low job performance and decreased psychological well-being. Resources and competency of nurses are important factors but not adequate to guarantee the desired level of performance. Moreover, nursing is considered as one of the most challenging and self-sacrificing professions in the global health sector; though, it has been observed that health sector in low-income countries lacks high-quality patient care (Basu, Andrews, Kishore, Panjabi, & Stuckler, 2012). The behavior of the employees regarding their duties and lack of high-quality patient care has been causing a decline in the progress and reputation of the hospitals (Khan et al., 2012).

Hypotheses Development
In past studies, the association between psychological capital and job performance established (Polatci & Akdogan, 2014; Rabenu, Yaniv, & Elizur, 2016). Notably, there are differences in the associations between psychological capital and performance when evaluated using various sources such as self-appraisal, assessment by superiors, and objective measurement. An individual with a higher psychological capital tries to succeed. As a result, he performs better (Avey, Reichard, Luthans, & Mhatre, 2011). Similarly, individuals with high psychological capital have self-discipline and create numerous solutions for issues (hope), have internal references and positive desires for results (optimism), and react reliably and positively to troubles and problems (resilience). Accordingly, psychological capital can elevate the success and accomplishment of goals, which may prompt better performance.
H1: Psychological capital will have a positive relationship with performance.

Numerous theories suggest that resources are vital and can positively influence employee outcomes. For instance, the conservation of resources theory contends that people endeavor to gain, hold, develop, and ensure the essential resources they have to survive and perform better (Hobfoll, 1989). When individuals perceive the long-term stability of their resources, they feel less psychological and physical illness. As a result, they manage to set their goals and experience positive psychological well-being (Hobfoll, 2001).
Some studies have described the association between psychological capital and goal setting. Halbesleben and Bowler (2007), proposed a definition of resources that is consistent with other motivation theories. Accordingly, resources refer to anything that enables an individual to achieve his goals. While such a definition is broad, it provides insights into the fundamental properties of resources as conceived by the conservation of resources theory. Additionally, goals are typical components in numerous theories (Locke & Latham, 1990), such as evolutionary theories (Kaplan & Gangestad, 2005), self-determination theory (Gagné & Deci, 2005), expectancy theory (Vroom, 1964), control theory (Klein, 1989), goal setting theory (Locke & Latham, 1990), and others (Bargh & Ferguson, 2000). Therefore, goals are important concepts which provide a link between the conservation of resource theory and other motivation theories. However, this definition of goal remains unclear because of its focus on understanding individual goals; nonetheless, it helps in better comprehending the idea of the value that elicited considerable concern in past conceptualizations of resources.

Furthermore, it disassociates the resources from related outcomes. In fact, the emphasis of the goal-based definition of resources is on the belief that resources could contribute to goal attainment, and not that resources result in the satisfaction of goals. It is indeed serious since it is suitable in circumstances where people protect their resources that may be deemed by outsiders as an obstacle to goal accomplishment instead of contributing to it, such as participating in extra-role behaviors at the cost of in-role behaviors (Halbesleben & Bowler, 2007).

H2: Psychological capital will have a positive relationship with goal setting.

The goal-setting theory in management science plays an integral role (Ambrose & Kulik, 1999), and it is presently extensively utilized in organizational practice (Locke & Latham, 2002). In the last 40 years, more than 400 studies on goal setting conducted which discussed the role performance goals (Locke & Latham, 2006). Above studies have repetitively discussed that setting specific and challenging goals elicits better task performance than low psychological and physical goals.

However, past research has recommended that high-performance goals can sometimes result in undesirable outcomes. Even if a small group of individuals experiences elevated self-efficacy and fulfillment after achieving a goal, a significantly larger group may not accomplish the goal and therefore face negative outcomes such as stress, lowered self-esteem, and demotivation (King & Burton, 2003; Soman & Cheema, 2004). The goals set based on positive personal interests and values are associated with more success evident in past studies (Sheldon & Elliot, 1999; Sheldon & Houser-Marko, 2001), particularly those aimed at evading failures (Elliot, Sheldon, & Church, 1997). Furthermore, a person with higher cognitive ability usually understands an endeavor faster; thereby focusing on the execution of task strategies to enhance performance (Latham, Seijts, & Slocum, 2016).

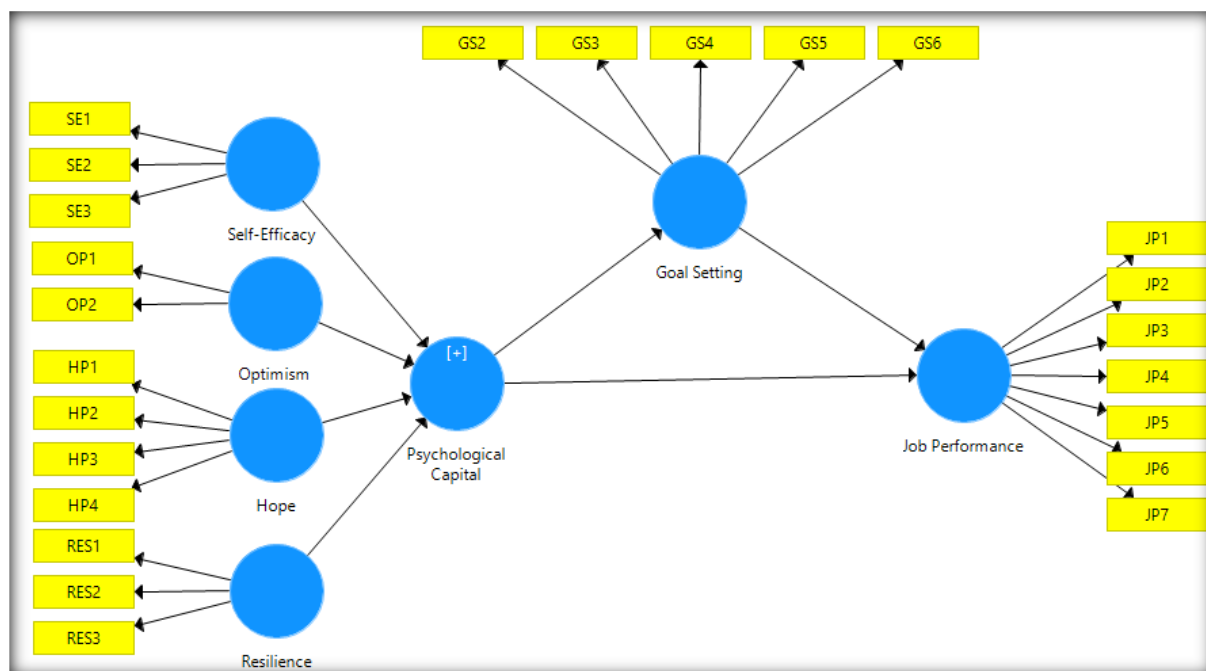*H3: Goal setting will have a positive relationship with performance.*

Figure 1: Conceptual Model

Methodology

Data Collection Procedure

Primary data were collected from nurses working in public sector hospitals on a five-point Likert scale through a self-administered questionnaire. In the field survey, approximately 730 questionnaires were distributed, and after continuous follow-up activities, 460 responses received. As a result, finally, 423 valid responses were entered in SPSS for further data analyses after excluding missing responses.

Measures

Psychological Capital

Caza, Bagozzi, Woolley, Levy, and Barker Caza (2010) developed the shorter version of the psychological capital used in the current study. This shorter form of psychological capital was developed from a 24-item questionnaire of (Luthans, Youssef, & Avolio, 2007). The sample item of psychological capital is "I can think of many ways to reach my current work goals"; "I always look on the bright side of things regarding my job" and "I usually take stressful things at work in stride." The reliability of the scale was 0.96.

Job Performance

Job Performance is consist of seven items scale and adopted from (Williams & Anderson, 1991). The sample of items for the job performance is, "I adequately complete assigned duties," "I perform tasks that are expected of me." and "I neglect aspects of the job I am obligated to perform (R)." Respondents will be asked to choose from the five 5-point Likert scales where 1 = strongly disagree, and 5 = strongly agree. Reliability of job performance scales was 0.91

Goal Setting

In the current study, goal setting is a mediating variable. The scale in the study was developed by (Nies, Hepworth, Wallston, & Kershaw, 2001) consists of six items. A sample of items for the goal setting is, "Setting goals is an important activity." Respondents will be asked to point out their agreement for the given each item by using a 5-point Likert scale where 1 = strongly disagree, and 5 = strongly agree. The goal setting instrument exhibited satisfactory internal consistency α = 0.70.

Analysis

The collected data has been coded into SPSS 25 for data analyses and correlations before PLS-SEM analyses. Further Smart- PLS 3.0 was used to test the hypotheses, which is a complete structural equation modeling (Polatci & Akdogan) tool. Structural equation modeling is suitable to examine the association between multiple exogenous and endogenous variables simultaneously (Hair, Black, Babin, Anderson, & Tatham, 2006). Additionally, structural equation modeling suitably helps to test hypotheses as well as helps to test the theories (Hair et al., 2006).

Reliability and Validity Test

Table-1: Reliability Test

Variables	Cronbach's Alpha	Composite Reliability	Average Variance Extracted (AVE)
Goal Setting	0.91	0.93	0.73
Job Performance	0.94	0.95	0.72
Psychological Capital	0.92	0.93	0.53
R Square		0.518	
Adjusted R Square		0.51	

Scale reliability was checked using Cronbach's Alpha shown in the table above. Generally, the range of Cronbach's alpha is between 0 to 1. According to Hair, Black, Anderson, and Tatham (1998), range of reliability is greater or equal to 0.80 for a good scale, for acceptable scale is 0.70, and 0.60 for a scale for exploratory purpose. In this study, the results of Cronbach's Alpha of constructs indicate that goal setting (0.91), job performance (0.94) and psychological capital (0.92). Therefore, these indicators satisfied the required criteria. Whereas, composite reliability of the constructs is goal setting (0.93), job performance (0.95) and psychological capital (0.93). Composite reliability should be between 0 to 1 with 1 being perfect estimated composite reliability. Composite reliability should be equal or more than 0.60 in an adequate model for the exploratory purpose (Chin, 1998); for the confirmatory purpose should be equal or greater than 0.70 (Henseler, Ringle, & Sarstedt, 2015) and for confirmatory research greater than 0.80 is considered good (Daskalakis & Mantas, 2008).

Correlation Matrix and Discriminant Validity

According to Mackinnon, 2008, square root of average variance extracted must be greater than the correlation of the constructs in the structural model in order to establish discriminant validity.

Table-2: Correlation Matrix and Discriminant Validity

	Goal Setting	Job Performance	Psychological Capital
Goal Setting	0.86	000	000
Job Performance	0.67	0.85	000
Psychological Capital	0.65	0.64	0.73

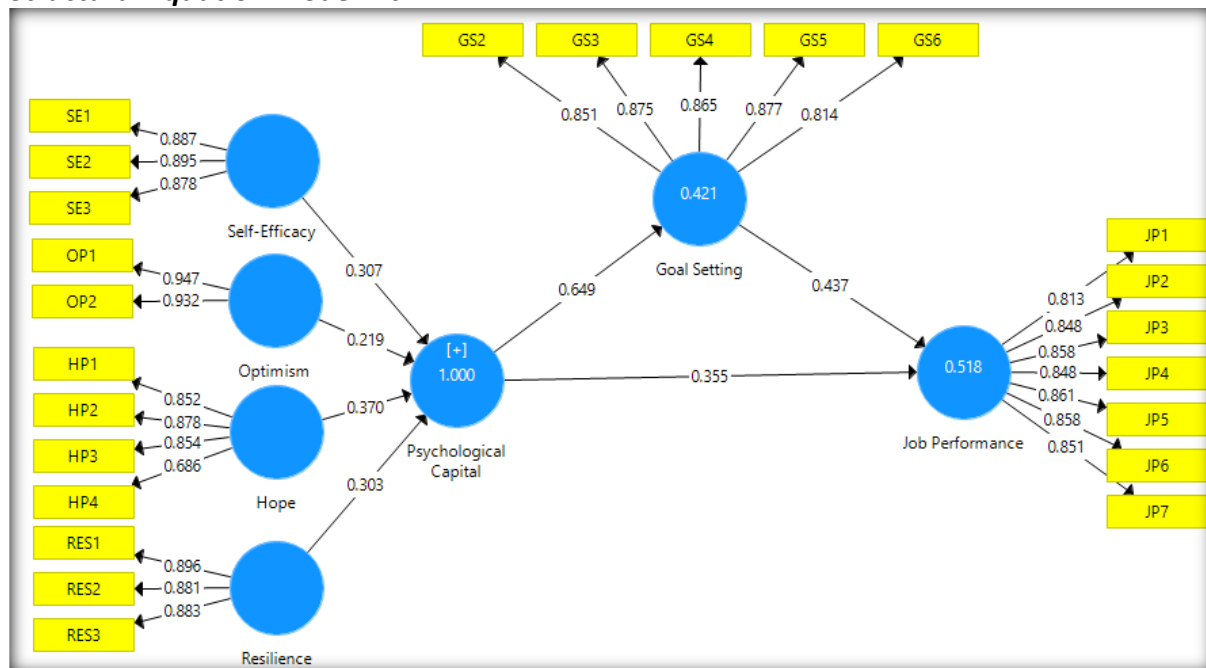*Structural Equation Model Fit*

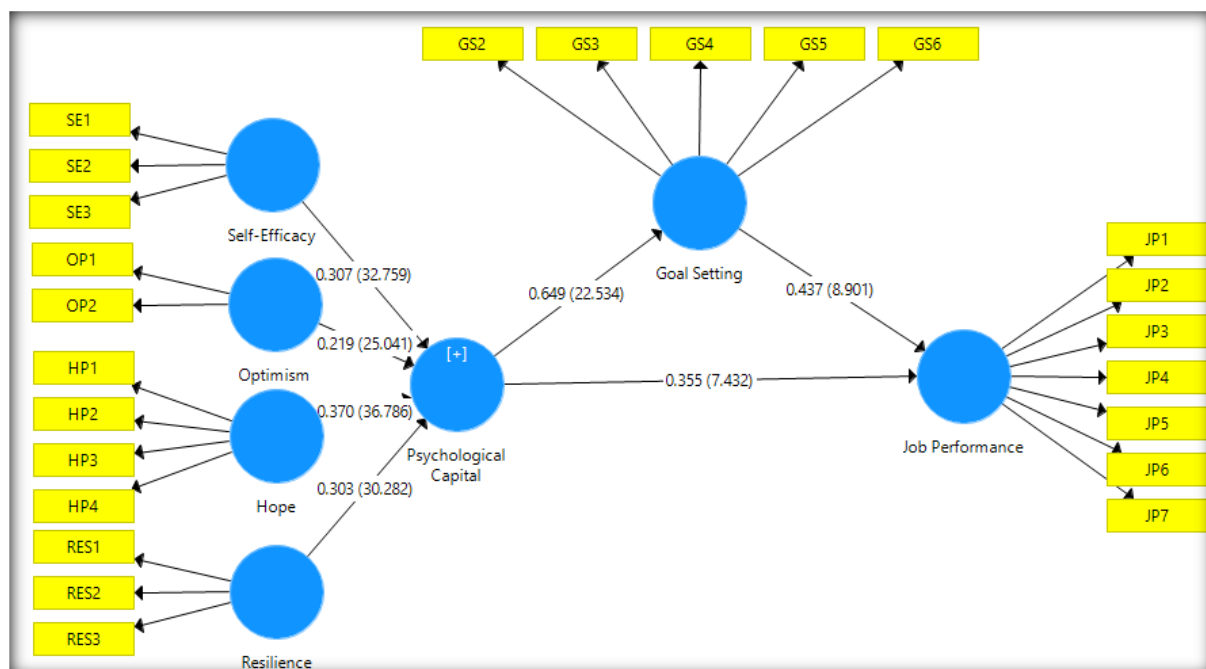Figure 2: Structural Equation Model (PLS Algorithm)

Figure 3: Structural Equation Model (Bootstrapping)

In figure 2, the structural model for the current research is depicted respectively, where R^2 depicts the value for the dependent variable (job performance) and predicted latent variable. The R^2 value of the endogenous variable (job performance) in the current model is 51.8. The variance explained by psychological capital and goal setting in job performance is 51.8%.

Table-3: Hypotheses Results

Hypotheses	Relationship	Std Beta	t-Value	P Value	Confidence Interval		Result
					Lower Bound	Upper Bound	
H1	PsyCap→ JP	0.64	22.89	0.00	0.58	0.70	Supported
H2	PsyCap → GS	0.64	21.55	0.00	0.58	0.69	Supported
H3	GS → JP	0.25	5.53	0.00	0.16	0.34	Supported

PsyCap: Psychological Capital, JP: Job Performance, GS: Goal Setting
*Note. * *p<0.01 * p<0.05*

The t-value of the hypothesized path of psychological capital (PsyCap) and job performance (JP) is 22.89, which is above the t-value criteria of 1.96 and p-value is 0.000. Upper and lower bound is 0.58 and 0.70, respectively. Thus, there is a significant positive relationship between psychological capital and job performance. Result of this hypotheses is consistent with previous studies (Alessandri, Consiglio, Luthans, & Borgogni, 2018; Luthans, Avolio, Avey, & Norman, 2007; Sun, Zhao, Yang, & Fan, 2012). The results of hypotheses H2, where psychological capital (PsyCap) and goal setting (GS) with t-value 21.55 and p-value 0.000 are positively related. In the H3, the t-value of the hypothesized path of goal setting (GS) and job performance (JP) is 5.53, and the p-value is 0.000. Therefore, goal setting has a significant positive impact on job performance (Audia & Tams, 2017; Diefenbacher, Fliss, Tatzel, Wenk, & Keller, 2019; Gibb & Billinger, 2018).

Conclusion
The primary objective of the current study was to examine the effect of goal setting between psychological capital and job performance among nurses working in the public health sector of Pakistan empirically. The findings show that psychological capital and goal setting have a significant positive relationship with job performance. Results of this study contribute to the existing literature by providing empirical evidence on the performance of nurses working in the healthcare sector of Pakistan. Nurses are working in the healthcare sector of Pakistan facing challenges of workload in the healthcare environment, which affect the performance of nurses and similarly overall performance of the healthcare sector. In order to enhance the individual performance of nurses, psychological capital, and goal setting are important factors to enhance the performance of nurses working in the healthcare sector of Pakistan. Therefore, employees working in the healthcare sector Pakistan needs to be motivated by their respective organization to perform well in their workplaces. Most frequently used theories of psychology, and organizational behavior is incorporated, such as conservation of resource theory and broaden and build a theory to propose the current research framework. Results of the current research contributed to human resource management; it also provides a guideline for the managers in the healthcare sector of Pakistan.

Reference

Alessandri, G., Consiglio, C., Luthans, F., & Borgogni, L. (2018). Testing a dynamic model of the impact of psychological capital on work engagement and job performance. *Career Development International, 23*(1), 33-47.

Ambrose, M. L., & Kulik, C. T. (1999). Old friends, new faces: Motivation research in the 1990s. *Journal of Management, 25*(3), 231-292.

Audia, P. G., & Tams, S. (2017). Goal setting, performance appraisal, and feedback across cultures. *The Blackwell Handbook of Cross-Cultural Management*, 142-154.

Avey, J. B., Reichard, R. J., Luthans, F., & Mhatre, K. H. (2011). Meta-analysis of the impact of positive psychological capital on employee attitudes, behaviors, and performance. *Human resource development quarterly, 22*(2), 127-152.

Bahalkani, H. A., Kumar, R., Lakho, A. R., Mahar, B., Mazhar, S. B., & Majeed, A. (2011). Job satisfaction in nurses working in tertiary level health care settings of Islamabad, Pakistan. *Journal of Ayub Medical College Abbottabad, 23*(3), 130-133.

Bargh, J. A., & Ferguson, M. J. (2000). Beyond behaviorism: on the automaticity of higher mental processes. *Psychological bulletin, 126*(6), 925.

Basu, S., Andrews, J., Kishore, S., Panjabi, R., & Stuckler, D. (2012). Comparative performance of private and public healthcare systems in low-and middle-income countries: a systematic review. *PLoS med, 9*(6), e1001244.

Caza, A., Bagozzi, R. P., Woolley, L., Levy, L., & Caza, B. (2010). Psychological capital and authentic leadership: Measurement, gender, and cultural extension. *Asia-Pacific Journal of Business Administration, 2*(1), 53-70.

Chin, W. W. (1998). Commentary: Issues and opinion on structural equation modeling: JSTOR.

Daskalakis, S., & Mantas, J. (2008). Evaluating the impact of a service-oriented framework for healthcare interoperability. *Studies in health technology and informatics, 136*, 285.

Diefenbacher, S., Fliss, P. M., Tatzel, J., Wenk, J., & Keller, J. (2019). A quasi-randomized controlled before-after study using performance feedback and goal setting as elements of hand hygiene promotion. *Journal of Hospital Infection*.

Elliot, A. J., Sheldon, K. M., & Church, M. A. (1997). Avoidance personal goals and subjective well-being. *Personality and Social Psychology Bulletin, 23*(9), 915-927.

Gagné, M., & Deci, E. L. (2005). Self-determination theory and work motivation. *Journal of Organizational Behavior, 26*(4), 331-362.

Gibb, J., & Billinger, S. (2018). *How Goal Commitment and Goal Setting Autonomy influence Subordinate Behaviour and Performance.* Paper presented at the Academy of Management Proceedings.

Hair, Black, W. C., Anderson, R. E., & Tatham, R. L. (1998). Multivariate data analysis4 Prentice-Hall Englewood Cliffs: NJ.

Hair, Black, W. C., Babin, B. J., Anderson, R. E., & Tatham, R. L. (2006). Multivariate Data Analysis, 6th edn. *Pearson Prentice Hall,Pearson Education, Inc., Upper Saddle River, New Jersey 07458.*

Halbesleben, J. R., & Bowler, W. M. (2007). Emotional exhaustion and job performance: the mediating role of motivation. *Journal of applied psychology, 92*(1), 93.

Henseler, J., Ringle, C. M., & Sarstedt, M. (2015). A new criterion for assessing discriminant validity in variance-based structural equation modeling. *Journal of the academy of marketing science, 43*(1), 115-135.

Hobfoll, S. E. (1989). Conservation of resources: A new attempt at conceptualizing stress. *American psychologist, 44*(3), 513.

Hobfoll, S. E. (2001). The influence of culture, community, and the nested-self in the stress process: advancing conservation of resources theory. *Applied Psychology, 50*(3), 337-421.

Kaplan, H. S., & Gangestad, S. W. (2005). Life history theory and evolutionary psychology. *The handbook of evolutionary psychology*, 68-95.

Khan, O. A., Iqbal, M., & Waseem, A. G. (2012). Patients Experience and Satisfaction with Healthcare at Pakistan Railways Hospital, Rawalpindi. *Ann. Pak. Inst. Med. Sci, 8*(2), 111-116.

Khowaja, K. (2009). Healthcare systems and care delivery in Pakistan. *Journal of Nursing Administration, 39*(6), 263-265.

King, L. A., & Burton, C. M. (2003). The hazards of goal pursuit.

Klein, H. J. (1989). An integrated control theory model of work motivation. *Academy of Management Review, 14*(2), 150-172.

Latham, G. P., Seijts, G., & Slocum, J. (2016). The goal setting and goal orientation labyrinth. *Organizational Dynamics, 4*(45), 271-277.

Lee, M. B., & Saeed, I. (2001). *Oppression and horizontal violence: The case of nurses in Pakistan.* Paper presented at the Nursing Forum.

Locke, E. A., & Latham, G. P. (1990). *A theory of goal setting & task performance*: Prentice-Hall, Inc.

Locke, E. A., & Latham, G. P. (2002). Building a practically useful theory of goal setting and task motivation: A 35-year odyssey. *American psychologist, 57*(9), 705.

Locke, E. A., & Latham, G. P. (2006). New Directions in Goal-Setting Theory. *Current Directions in Psychological Science, 15*(5), 265-268.

Luthans, F., Avolio, B. J., Avey, J. B., & Norman, S. M. (2007). Positive psychological capital: Measurement and relationship with performance and satisfaction. *Personnel psychology, 60*(3), 541-572.

Luthans, F., Youssef, C. M., & Avolio, B. J. (2007). *Psychological capital: Developing the human competitive edge*: Oxford University Press.

Nies, M. A., Hepworth, J. T., Wallston, K. A., & Kershaw, T. C. (2001). Evaluation of an instrument for assessing behavioral change in sedentary women. *Journal of Nursing Scholarship, 33*(4), 349-354.

Oulton, J., & Hickey, B. (2009). Review of the nursing crisis in Bangladesh, India, Nepal and Pakistan. *Instituto de Cooperación Social, INTEGRARE. Barcelona, Spain*.

Polatci, S., & Akdogan, A. (2014). Psychological capital and performance: the mediating role of work family spillover and psychological well-being. *Business and Economics Research Journal, 5*(1), 1.

Rabenu, E., Yaniv, E., & Elizur, D. (2016). The Relationship between Psychological Capital, Coping with Stress, Well-Being, and Performance. *Current Psychology*, 1-13.

Shahzad, A., & Malik, R. (2014). Workplace Violence: An Extensive Issue for Nurses in Pakistan— A Qualitative Investigation. *Journal of interpersonal violence, 29*(11), 2021-2034.

Sheldon, K. M., & Elliot, A. J. (1999). Goal striving, need satisfaction, and longitudinal well-being: the self-concordance model. *Journal of personality and social psychology, 76*(3), 482.

Sheldon, K. M., & Houser-Marko, L. (2001). Self-concordance, goal attainment, and the pursuit of happiness: Can there be an upward spiral? *Journal of personality and social psychology, 80*(1), 152.

Soman, D., & Cheema, A. (2004). When goals are counterproductive: The effects of violation of a behavioral goal on subsequent performance. *Journal of Consumer Research, 31*(1), 52-62.

Sun, T., Zhao, X. W., Yang, L. B., & Fan, L. H. (2012). The impact of psychological capital on job embeddedness and job performance among nurses: a structural equation approach. *Journal of advanced nursing, 68*(1), 69-79.

Vroom, V. H. (1964). Work and motivation. new york: John willey & sons. *Inc. VroomWork and Motivation1964*.

Williams, L. J., & Anderson, S. E. (1991). Job satisfaction and organizational commitment as predictors of organizational citizenship and in-role behaviors. *Journal of Management, 17*(3), 601-617.

Corresponding Author
Mansoor Ahmed Khuhro, MS (Management)
Email Address: mehran.mann@gmail.com