Unpacking psychological inequalities in organisations: Psychological capital reconsidered

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Abstract
In this paper, we argue that psychological capital is unequally distributed among people from different social classes, ethnic backgrounds and genders. Confronting the limitations of the current, individualistic perspective on psychological capital, we offer a re-conceptualisation of the construct from a critical, interdisciplinary perspective, placing it at the intersection of sociology and psychology. We discuss the various mechanisms through which social inequalities may cause differential access to psychological capital for members of low- and high-status social groups and show how this differential access to psychological capital results in and exacerbates social inequalities. By doing this, we postulate a recursive theory on psychological capital that both recognises the formative effect of socio-organisational structures on one's psychology and vice versa.

KEYWORDS
Bourdieu, critical theory, critical work and organisational psychology, inequalities, psychological capital
INTRODUCTION

Although the role of power-relations and structural inequalities in shaping individuals' experiences at work has received considerable attention in literatures on diversity (Ahonen et al., 2014; Zanoni et al., 2010), hierarchy (Gould, 2002; Magee & Galinsky, 2008) and inequalities (Amis et al., 2018; van Dijk et al., 2020), in work and organisational psychology (WOP) research, this perspective is relatively scant. Instead, WOP research tends to study workplace attitudes, experiences, states and behaviours on the individual level, often paying little attention to the broader societal factors that shape these phenomena (Bal & Dóci, 2018; Dóci & Bal, 2018). Even though the emphasis on the individual may seem logical at first, given the psychological focus of the field, we need to consider that WOP research aims to study the psychology of the individual embedded in a social system (Islam & Zyphur, 2009; McDonald et al., 2018). Therefore, focusing on the individual and studying their behaviour in isolation from the social structures and dynamics they are part of can only offer a limited understanding of the human experience and behaviour in organisations.

In this paper, we propose a critical, socio-psychological framework for studying a central construct in WOP research, psychological capital. Psychological capital (Luthans, Youssef, & Avolio, 2007) concerns the extent to which one believes in one’s capacity to achieve one’s goals, cope well with life’s strains and shape life’s circumstances in ways that satisfy one’s needs. We postulate that members of socio-demographic groups that have higher status and more power have better chances to develop higher levels of psychological capital than members of lower status groups, because they are better supported by the social environment in achieving their goals, satisfying their needs and shaping their circumstances. Thus, the core proposition is that belonging to high status, dominant societal groups does not only open the door for good connections, good jobs, wealth and a high-quality life (i.e. social and economic capital, Bourdieu, 1986), but that it also eases and supports the development of psychological capital (similarly to cultural capital). This implies that this key resource, which has been shown to be essential for well-being and career success (Newman et al., 2014), is unequally distributed among social groups.

The paradigm we propose incorporates both individual and societal influences in describing and analysing the human experience and behaviour at the workplace. Our approach to building WOP theory is inspired by the tradition of the Frankfurt school of critical theory (Horkheimer, 1982). We build theory based on two central premises of the critical research tradition. First, this tradition postulates that for theory to have emancipatory potential, it should explain how socio-economic factors and power dynamics influence the psychological experience of individuals (Gerard, 2016). By generating awareness of how our position in societal and organisational power-relations shapes our beliefs, hopes, self-understanding, aspirations and behaviour, critical theory in WOP can have such emancipatory potential (Gerard, 2016; Islam & Zyphur, 2009; McDonald et al., 2018). We aim to contribute to fulfilling this potential with our proposed, socio-psychological perspective on psychological capital and on the emergence of psychological inequalities in organisations.

Second, a guiding principle of critical research is the awareness that every construct we use in WOP (and in social sciences) is innately a social construction (Islam & Zyphur, 2015). This means that these constructs were constructed by people (scientists) in interaction with one another to understand the organisational world and form shared assumptions about organisational life. Because of their socially constructed nature, constructs have a subjective nature and an orientation (a purpose and value dimension) and therefore cannot be regarded as
purely objective and neutral categories. Hence, to build critical and comprehensive theory, we need to first closely examine the constructs and theories currently shaping our understanding of core WOP phenomena, and we need to explore the values, beliefs, assumptions, motivations and interests underpinning them. By analysing these constructs, we can formulate an understanding of the research line’s orientation, that is, ‘whose interest it serves’, ‘what/who gets left out’ from current theorising and research and ‘what gets reinforced’ (Gerard, 2016). Based on this critical analysis, we can suggest an alternative conceptualisation and research approach to given phenomena that may include what has been so far ignored in theorising and research.

In what follows, we will first review and discuss the development of psychological capital as a scientific construct; the guiding values, motivations and assumptions underpinning its construction and that of the dominant research approach to the phenomenon (Gerard, 2016). Next, we will introduce how the same phenomenon may be examined from a socio-psychological perspective. In particular, we will argue how socio-structural factors and organisational power relations shape the individual’s psychological capital, thereby generating systematic psychological inequalities in organisations. By doing so, we will arrive at an integrative framework that includes societal and organisational constraints shaping people’s beliefs about themselves and of what the future holds for them.

**A CRITICAL READING OF PSYCHOLOGICAL CAPITAL RESEARCH**

Psychological capital is defined as ‘an individual’s positive psychological state of development characterised 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 towards 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, Avolio, et al., 2007, p. 3). In what follows, we will offer a critical analysis of the construct and of the scientific discourse it is embedded in, by answering the following questions: (1) Whose interest are served? (2) Who or what is left out and (3) What gets reinforced? (Gerard, 2016).

**Whose interests are served?**

Research on psychological capital made very important contributions to both theory and practice by placing positive psychological phenomena at the centre of scientific inquiry and by popularising positive organisational interventions across the globe. The stream of research on psychological capital draws on positive psychology (Luthans & Youssef-Morgan, 2017) and belongs to the research tradition of positive organisational behaviour (POB), or ‘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, 2002, p. 59). In their discussion of how they have developed the construct of psychological capital, Luthans and colleagues explain that for a psychological capacity to be included in the construct, it had to meet a number of criteria. Besides being positive and relevant to the OB field, the capacity had to be *theory- and research-based, measurable, state-like or developmental* and it also had to be *related to work performance outcomes*. “Those that we have determined
best meet the POB inclusion criteria are self-efficacy, hope, optimism, and resiliency’ (Luthans, Avolio, et al., 2007, p. 11), the authors write. The reason for including performance orientation as a criterion, they argue, is that by meeting this criterion, the variables’ ‘performance orientation and bottom-line relevance will warrant the attention and buy-in of both public and private organizations’ (Luthans, Avolio, et al., 2007, p. 16).

In foundational articles on the topic, psychological capital is introduced as a strategic resource to be harnessed for organisations’ productivity and efficiency: ‘Let it simply be said that PsychCap, like now widely recognised human and social capital, is a take-off from economic capital, where resources are invested and leveraged for a future return’ (Luthans et al., 2006, p. 388). In subsequent research on psychological capital, the managerial approach remained dominant. This is well illustrated by the review paper of Nolzen (2018), p. 237) that introduces psychological capital as a ‘capacity that can be measured, developed, and managed to achieve performance improvement’. Within this economic and managerial discourse, people are instrumentalised to the extent that their psychological states are perceived as resources belonging to the organisation, whose value lies in their potential contribution to organisational profit interests. The raison d’être of research on—and development of—psychological capital is its potential to produce monetary return, as ‘quantifying the dollar return on human resource investments has become of vital importance to organizational decision-makers’ (Luthans, Avolio, et al., 2007; p. 16).

Accordingly, the bulk of research on psychological capital focuses on its relationship with performance (e.g. Avey, Nimnicht, & Pigeon, 2010; Avey et al., 2011; Luthans, Avolio, et al., 2007; Luthans, Avey, et al., 2008; Luthans, Avolio, Walumbwa & Li, 2005; Luthans, Avolio, et al., 2007; Luthans, Norman, et al., 2008; Peterson et al., 2011; Rego et al., 2010; Sun et al., 2012; Sweetman et al., 2011). In their meta-analysis, Avey et al. (2011) argued that research on psychological capital has grown so extensively that a quantitative summary is necessary, and that such summary is especially needed to establish its impact on performance. Besides performance, a plethora of studies have explored the effect of psychological capital on other ‘desirable’ employee behaviours and attitudes, (i.e. desirable from the perspective of the organisation), such as innovation (Luthans et al., 2011; Luthans & Jensen, 2005), organisational commitment and job satisfaction (Larson & Luthans, 2006; Luthans, Avey, et al., 2008; Luthans, Avolio, et al., 2007) and ‘undesirable’ employee behaviours, such as absenteeism (Avey et al., 2006), counterproductive work behaviour (Norman et al., 2010) and turnover intentions (Avey et al., 2008, 2011). The relevance of the construct is thus seen in its potential to contribute to the competitive advantage of organisations.

Who or what is left out?

Within this discourse, employees are seen as human resources to be harnessed for organisational interests (Joseph, 2020), whereas their own interests and needs are largely left out from original theorising on the construct. Consequently, despite the crucial importance of psychological capital for individuals’ mental health and well-being, the volume of research studying its relationship with employee well-being (and related variables) is significantly thinner than the body of research on its association with performance (e.g. Avey, Luthans, et al., 2010; Cole et al., 2009; Culbertson et al., 2010; Nguyen & Nguyen, 2012). Furthermore, a noteworthy share of the research on employee well-being remains positioned within the productivity paradigm, with psychological capital’s relationship to well-being (and
related variables) being studied in combination with performance-related benefits (e.g. Darvishmotevali & Ali, 2020; Rabenu et al., 2017; Rehman et al., 2017).

An alternative approach would be to study psychological capital not as an instrument to organisational interests, but as the subject at the centre of scientific inquiry on its own right. This approach would align with the deontological tradition, which holds that people must be viewed and researched as ends in themselves (Bal & de Jong, 2017; Van Staveren, 2007). To date, however, hardly any studies have explicitly focused on the antecedents of psychological capital (Ardichvili, 2011; see Avey, 2014, for an exception). Our current understanding of the ‘origins’ of psychological capital may nevertheless be informed by research that studied psychological capital as a mediator between organisational variables and performance. For example, higher levels of supervisor support (Liu, 2013), mentoring support (Nigah et al., 2012), leader support (Gooty et al., 2009) and organisational support (Luthans, Avey, et al., 2008) were shown to increase one’s psychological capital (and, subsequently, performance).

Moreover, there is an abundance of intervention studies examining how psychological capital can be developed by improving the individual’s cognitive strategies and attitudes, thereby teaching the individual to think, feel and act in the ‘right’ way that leads to high performance and competitive advantage for organisations (e.g. Luthans, Avolio, et al., 2007). The assumption underlying these interventions is that having access to psychological capital is for the most part the responsibility of the individual, who may or may not engage in ‘positive’ cognitive and behavioural strategies aimed at utility-maximisation. This way, the construct is studied predominantly on the individual level, irrespective of the socio-economic and demographic factors that may affect people’s access to psychological capital.

Therefore, insights on how socio-structural factors influence one’s level of psychological capital are largely absent from the literature. This is odd, because it has been repeatedly shown that one’s position in the social stratification system influences one’s access to economic, social, cultural (and symbolic) capital (e.g. Bourdieu, 1986; Cederberg, 2012; Pichler & Wallace, 2009; Pinxten & Lievens, 2014). Moreover, research on the impact of socio-structural factors on mental health (Muntaner et al., 2000) suggests that socio-economic inequalities in people’s access to psychological capital do exist. For example, socio-demographic factors such as employment status, education level, age, gender and ethnicity all relate to mental health problems (e.g. Henderson et al., 1998; Talala et al., 2008). By focusing on productive employees with high levels of psychological capital, marginalised groups deprived of this crucial resource may get forgotten by our scientific inquiries.

What gets reinforced?

Concerned with employees’ psychological experiences and behaviour in organisations, the WOP research field tends to study individual differences in terms of their impact on individual and organisational performance and competitiveness (Islam & Zyphur, 2009; Joseph, 2020). By identifying those personality characteristics and states that are predictive of high performance and are therefore labelled ‘desirable’, research on individual differences helps delineate which employees are suitable for selection, promotion, talent management programs, developmental interventions, or leadership positions. From this perspective, achieving a high position in the organisation and gaining access to status, power and resources results from the competitive advantage inherent to exhibiting such ‘positive’ workplace qualities and attitudes. The
emerging hierarchy and inequalities in access to resources are therefore perceived as natural and legitimate outcomes of a fair and meritocratic competition, and thus, they remain unchallenged.

Alongside intelligence, psychological capital is studied as one of the key factors that affect performance and organisational competitiveness. Being regarded a state that can be developed, research on psychological capital contributes to the designing of development programs that have a high return on investment (Luthans, Avolio, et al., 2007). This approach builds on the notion of the homo economicus, the rational person driven by self-interest, acting to maximise personal benefits. Within this individualist worldview (Bal & Dóci, 2018), people are seen to be free to choose workplace behaviours and career strategies that work best to assert themselves in the competitive labour market, to realise their goals and ambitions and advance in their careers (Bal et al., 2021). The individual is thus responsible for success or failure on the labour market, as entrepreneur-of-the-self (Harvey, 2005) in an otherwise fair and even playing field (note that such view on individuals might lead to self-instrumentalisation, in the sense that people engage in self-help to increase their optimism, hope and so on, in order to be more effective at work and in their lives). By studying psychological capital exclusively on the individual level—as a state that the individual can freely choose to acquire and cultivate—and by neglecting its social origins, the individualist and meritocratic worldview gets reinforced. However, literature on psychological capital is overly optimistic in terms of the control individuals can exert on their own psychological capital, as achieving success, status, power and resources do not only depend on engaging in the right behaviours and cultivating the right states and attitudes (Magee & Galinsky, 2008). As such, the dominant discourse on psychological capital (implicitly) legitimises existing inequalities and hierarchies in organisations.

We argue that the current perspective on psychological capital is incomplete. In the present paper we offer a novel perspective, postulating that members of socio-demographic groups that possess higher status and power have a better chance to develop higher levels of psychological capital than members of lower status groups. The reason is that higher-status groups have access to a rich pool of social, cultural and economic capital (e.g. connections, information, credentials, education and wealth) (Bourdieu, 1986) that help them to succeed in life and in their careers, to achieve their goals and to bounce back after negative events. As a consequence, they will be more likely to develop the confidence, optimism, hope and resilience—the psychological capital—that helps one succeed at the workplace. Moreover, these qualities are perceived to signal reliability, competence, leadership potential and fitness for filling high echelons in organisations (Hartmann, 2000), therefore reinforcing the value of psychological capital and its transferability to other forms of capital. In what follows, we will present several social and organisational mechanisms creating psychological inequalities, that is, structural conditions that reinforce the accumulation of psychological capital for some while depriving others.

**A SOCIO-PSYCHOLOGICAL PERSPECTIVE ON PSYCHOLOGICAL CAPITAL**

We argue that socio-structural factors and individuals’ place in the socio-economic stratification system in society have a substantial impact on their psychological experiences and states in general and on their development of psychological capital in particular. To begin with, there are systematic psychological inequalities that shape people’s initial access to psychological capital when entering the labour market, resulting from a differential learning process based on their
upbringing and former experiences and encounters with their social environment. Subsequently, the unequal distribution of psychological capital among members of social groups with different levels of status and resources gets further perpetuated throughout their differential labour market trajectories. At every stage in one’s course in the labour market competition, the initial advantage in access to psychological capital based on one’s membership in dominant social groups gets reinforced, alongside the accumulation of organisational status and power (Martell et al., 2012; van Dijk et al., 2020) and other forms of resources such as social and economic capital. By considering the socio-psychological mechanisms through which systematic inequalities get reproduced, we challenge the notion of fair and meritocratic competition in organisations.

Literature on psychological capital development interventions describes cognitive and interpersonal strategies that allow people to increase their psychological capital (Luthans, Avolio, et al., 2007). These studies suggest that individuals may increase their psychological capital by (1) receiving and internalising positive social feedback and expectations; (2) having repeated mastery experiences and success; (3) nurturing an agentic mentality and developing alternative pathways to achieve one’s goals; (4) having access to social support and successful role models who are similar to the self; and (5) critically examining and changing unhelpful beliefs about the self and one’s future. In what follows, we will unpack these strategies from a socio-psychological perspective and show how the social and organisational environment differentially promotes access to these pathways for psychological capital development for members of high and low status socio-demographic groups. We will therefore present (1) differential social feedback and expectations; (2) differential opportunities for mastery experiences and success; (3) differential social response to agentic behaviours and differential access to alternative pathways towards goal-achievement; (4) differential access to social support and role models; and (5) differential social learning trajectories from which beliefs and expectations about the self and one’s future (psychological capital) emerge, respectively.

**Differential social feedback and expectations**

One’s self-confidence and positive expectations about the future (hope and optimism) emerge from repeated success experiences and social confirmations (Luthans, Avolio, et al., 2007). The way people are perceived by their social environment affects their self-evaluations and self-confidence, as people tend to internalise the feedback and judgements of their social environment (e.g. Chen et al., 2006) and fulfil the expectations others project on them (e.g. Eden, 1993).

Status characteristics theory postulates that employees’ demographic characteristics, such as their gender, ethnicity or age influence what performance is expected from them and how their performance is evaluated, and consequently, how much power and status they will have (Berger et al., 1972). Thus, an important reason why people from high-power, high-status societal groups have a better chance to develop psychological capital at the workplace than members of lower status social groups is because they tend to be more positively perceived by their social environment (Lee & Fiske, 2006). Research has demonstrated that representatives of lower status demographic groups (e.g. women, ethnic minorities) tend to be perceived as less competent (e.g. Eagly & Mladinic, 1994; Eaton et al., 2020), especially when it comes to higher status occupations (White & White, 2006). Members of high-status socio-demographic groups are not only expected to be more competent than people from lower status groups (Fiske et al., 2002; Oh et al., 2019), but they also consistently receive better performance evaluations (Greenhaus
et al., 1990). Additionally, they may even need to meet lower performance standards to appear as competent as their low-status counterparts (Biernat & Kobrynowicz, 1997). Hence, members of high-status socio-demographic groups generally enjoy higher prestige and appreciation by the organisational environment, which was shown to be associated with high levels of psychological capital (Mathe & Scott-Halsell, 2012).

Furthermore, expectations from the social environment easily become self-fulfilling prophecies, as people tend to fulfil the expectations towards them (Pygmalion effect, Eden, 1993; Rosenthal & Jacobson, 1968). When people are aware that they are subject to negative performance expectations based on their social-group membership, they are likely to lose confidence, causing their performance to deteriorate (Spencer et al., 2016). All of this suggests that, because positive social feedback and expectations are not distributed equally across socio-demographic groups, the opportunity of receiving and internalising positive feedback may be available to some but not all individuals, whereas negative social feedback and expectations are more likely to hit precisely those individuals who were less advantaged to begin with.

**Differential opportunities for mastery experiences and success**

By being perceived and evaluated as more competent, members of dominant social groups receive more opportunities to prove their mastery. This way, they are set up for success by their social and organisational environment and are provided with the necessary conditions to develop and maintain high levels of psychological capital (Luthans, Avolio, et al., 2007). Through repeated success experiences, people from dominant social groups have higher levels of confidence and positive beliefs about their future careers (Metz et al., 2009; Thompson & Subich, 2006). High levels of psychological capital, in turn, makes people proactive, risk-taking and likely to engage in approach behaviours, which behaviours are necessary to experience success and accumulate further status and power (Dóczi et al., 2015). Furthermore, optimism, self-confidence, resilience and a positive and agentic attitude are generally perceived as signifiers of worth, competence and trustworthiness in recruitment and promotion processes, thereby constituting a crucial form of symbolic capital in organisations (i.e. capital recognised as highly valuable in a social field) (Bourdieu & Wacquant, 2013). As these qualities are the primary distinguishing features of those who are seen as capable of filling high and important positions, those who display these qualities tend to receive challenging and high-status opportunities (Hartmann, 2000), where they can prove and experience their worth, thereby setting positive, self-reinforcing cycles in motion.

Members of high-status demographic groups repeatedly receive more opportunities to experience mastery and success, which results in cumulative advantage over time (Acker, 2006). This in turn also generates a cumulative advantage in psychological resources throughout one’s labour market trajectory, which generates further success and resources (Judge & Hurst, 2008). For example, men and majority ethnics have been shown to have better chances to be promoted (Estevez-Abe, 2006; James, 2000), to be hired in high status occupational sectors and high-status jobs (Alonso-Villar et al., 2012) and to receive more responsibility, power, employment security and benefits (Acker, 2006). Success and resources also become easier to achieve over time, leading to the accumulation and concentration of resources by a few (Matthew effect, Merton, 1988; Success syndrome, McCall, 1998). This way, representatives of high-status social groups who are more likely to possess the ‘right’ habitus and psychological profile are increasingly set up for success and mastery experiences throughout their career, besides receiving the positive regard,
admiration, respect, social affirmations and recognition that accompany occupational success, status and power (Magee & Galinsky, 2008). The continual positive regard by the environment and the repeated and accelerated success experiences provide a solid basis to develop self-confidence and an optimistic and hopeful outlook on one’s future (i.e., high levels of psychological capital), and a pro-active, assertive, agentic, approach-oriented attitude to pursuing career goals. This way, one’s socially ‘inherited’ habitus is likely to get reinforced throughout their labour market trajectory through repeated positive or negative sanctions, thereby becoming their embodied history, ‘internalized as a second nature and so forgotten as history’ as ‘the active presence of the whole past of which it is the product’ (Bourdieu, 1990, p. 56).

Differential social responses to agentic behaviours and differential access to alternative pathways

Another way to develop psychological capital is through developing cognitive and behavioural strategies to practice agency (‘willpower’) and through developing alternative pathways (‘waypower’) to reach one’s goals (Luthans, Avolio, et al., 2007). Hope, self-efficacy and optimism refer to a person’s expectations whether their agentic behaviours will be successful. We argue that these expectations are shaped by social relations and experiences, as the success of one’s agentic and goal-striving behaviour largely depends on the social environment’s willingness to accommodate such attempts. Therefore, these expectations are likely to develop differently for people from higher and lower status social groups, because the goal striving, assertive, agentic behaviours of people who have higher achieved status ( hierarchical position) or ascribed status (based on ethnicity, gender, class etc.) (Prato et al., 2019) are more likely to be catered to—and consequently, successfully realised—than similar behaviours of lower status individuals.

Research on power suggests that the social environment of high-power people is likely to accommodate their needs, accept their dominance and respond positively to their assertive and agentic behaviours (Keltner et al., 2003; Van Kleef et al., 2008). In contrast, low-power individuals tend to receive less support and experience more interference when pursuing their aspirations (Keltner et al., 2003). Although they are expected to be responsive to the needs of higher power individuals and to accommodate them, high-power individuals tend to show lower sensitivity to the needs of low-power individuals, perceive them stereotypically and treat them in instrumental, derogative and objectifying ways (Magee & Galinsky, 2008). Members of low-power social groups meet more obstacles and social and economic stressors throughout their work-life (Magee & Galinsky, 2008). Frequent experiences of risks and adversities weakens people’s resilience over time (Luthans, Avolio, et al., 2007; Masten, 2001) and repeated lack of opportunities to change one’s socio-economic situation may lead to chronic depletion of one’s psychological capital and to learned helplessness and mental health problems.

Furthermore, research has shown that when women and ethnic minorities show counter-stereotypically agentic behaviours, they are likely to be perceived as disagreeable and receive social punishment or backlash (Rosette et al., 2016; Rudman et al., 2012). They also have less chances to develop alternative pathways (‘waypower’), which is postulated to be a crucial strategy to develop psychological capital (Luthans, Avolio, et al., 2007). This is documented as one of the reasons why women tend to take leadership positions when there is a high risk of failure, known as the ‘glass cliff’ phenomenon (Ryan et al., 2016). Although men wait out the crisis knowing that there will be more opportunities coming their way, women are more likely to take
the high-risk-of-failure opportunity. Envisioning their future career opportunities on the basis of past experiences, they do not expect ‘contingency-pathways’ ahead to reach a leadership position again. As Ryan and colleagues put it, ‘beggars cannot be choosers’ (Ryan et al., 2016, p. 451).

Differential access to social support and role models

Social support from mentors, supervisors, leaders or from the organisation has been shown to be crucial sources of psychological capital (Gooty et al., 2009; Liu, 2013; Luthans, Avey, et al., 2008; Nigah et al., 2012). Social capital (Bourdieu, 1986) play a very important role in the development of resilience, that is, of one's capacity to bounce back from adversities and failure (Luthans, Avolio, et al., 2007). Being well-equipped with social capital offers an invisible supporting net for the individual, providing the resources needed for recovery and the opportunities to get back on track, thereby allowing one to be psychologically resilient in response to adversities and failures. Because members of dominant socio-demographic groups have higher levels of social capital, they are more likely to land on a padded surface if they fall and therefore they have better chances to develop resilience.

Furthermore, literature on psychological capital interventions describe that a major mechanism through which we can develop psychological capital is through observing the successes of role models similar to us (Luthans, Avolio, et al., 2007). Because dominant social groups are overrepresented in high-status, high-power positions in business, politics and in virtually all high-status sectors, men and majority ethnics have an abundance of role models to observe. In contrast, members of marginalised groups see few people similar to them succeed and rise in organisations, which deprives them from opportunities to develop psychological capital through observing and identifying with role models.

Differential social learning trajectories and resulting beliefs

Repeated exposure to situations triggers particular cognitions through which one's deeply held beliefs, cognitive styles and psychological characteristics emerge (Roberts & Jackson, 2008). For example, through repeatedly triggering certain emotions, thoughts, beliefs, expectations and explanations, long-term working conditions have the capacity to shape people’s personalities (Wille et al., 2014). Thus, differences in the social- and work environments of high- and low-status socio-demographic groups may cause differences in how their beliefs (about the self and the future) and their psychological characteristics develop. Furthermore, people tend to choose situations and environments that validate their beliefs and expectations about the self and the world (Caspi & Shiner, 200). People with positive beliefs about the self and positive expectations about the outcomes of their actions are likely to enter challenging situations that allow them to experience success and a sense of mastery, whereas people with negative beliefs are more likely to avoid these situations because of their inherent ‘potential for failure’ (Judge et al., 1997), thereby reinforcing their psychological habitus (i.e. their schemas of perceiving, thinking, feeling and acting in situations) (Chudzikowski & Mayrhofer, 2011).

Self-efficacy, optimism, hope and resilience refer to a person’s beliefs and expectations about their capacity to succeed at goals and bounce back from failures, and to their explanations for successes and failures (Luthans, Avolio, et al., 2007). We argue that these beliefs and
expectations are results of ongoing, social learning processes. Optimism, for example, refers to an explanatory style that attributes positive events to permanent, pervasive and internal causes and negative events to temporary, situation-specific and external causes (Gillham et al., 2001). People with lower socio-economic status are likely to experience negative events more regularly, consistently and pervasively, which may explain why they are more prone to develop a pessimistic outlook on the future (Robb et al., 2009), attributing negative events to permanent, pervasive and internal causes. People from different segments of the social stratification system are thus subjected to different learning processes shaping the development of psychological capital, because of their differential exposure to situations that are (un)favourable for the emergence of positive beliefs and expectations about themselves and their future.

**PSYCHOLOGICAL CAPITAL AND THE REPRODUCTION OF THE SOCIAL STRUCTURE**

In his seminal work, Bourdieu (1986) differentiates between social, cultural and economic capital. Additionally, he defines symbolic capital as ‘the form that the various species of capital assume when they are perceived and recognised as legitimate’ (Bourdieu, 1989, p. 21). Bourdieu argues that different types of capital (social, cultural and economic) can be converted to each other, and that this conversion of capitals plays an important role in the reproduction of the social structure by allowing for a disguised transmission of power and privileges within dominant social groups. We propose to include psychological capital within this framework, based on the notion that psychological capital can also be converted to other forms of capital, thereby playing an important role in the reproduction of power in organisations and society and in the reinforcement of social stratification. Constituents of psychological capital, such as confidence, optimism, resilience and a positive outlook on the future are highly valued in organisations (symbolic capital). Because these characteristics are perceived as signifiers of worth, competence and leadership potential, they are often rewarded with recognition, trust and positive selection and promotion decisions (Hartmann, 2000) and are thus relatively easily convertible to economic and social capital. Dominant group members are not only more likely to develop these qualities in the first place, but they also recognise and appreciate these qualities in others as signs of familiarity and trustworthiness (Hartmann, 2000) and have the power to reward them with opportunities and high-status positions. This points at the crucial role of psychological capital in social reproduction, that is, in the masked transmission of power within dominant social groups and in the maintenance of social hierarchies over time. At the same time, social, economic and cultural capital can also be converted to psychological capital. For example, research shows that belonging to higher social classes and thus having access to a high-status social network (social capital), good education (cultural capital) and wealth (economic capital) enhances one’s self-esteem and self-efficacy (Francis & Jones, 1996; Gecas & Seff, 1989; Wiederkehr et al., 2015). This way, capital begets capital.

That economic, social and cultural capital are unequally distributed in society between members of different classes, ethnic groups and genders has been long acknowledged (e.g. Burt, 1998; Herring & Henderson, 2016; Liu et al., 2017; McDonald & Day, 2010). High status societal groups tend to accumulate all forms of capital through their conversion, thereby maintaining their rich capital pool within the group both intra- and intergenerationally and reproducing their elite position in society. At the same time, low power social groups tend to experience deprivation of all forms of capital. Similarly to social and economic capital, we put forward that high status social
groups maintain and reproduce high levels of psychological capital within the group which contributes to reproducing their elite position in organisations and society.

**Within-group transfer and maintenance of psychological capital**

Members of dominant social groups have access to resource-rich social networks based on relationships of mutual trust, recognition, cooperation and information sharing (Lin, 2000; Timberlake, 2005). We propose that psychological capital spreads through these networks facilitated by mutual recognition and trust within the dominant socio-demographic group. A mechanism of the relational spreading of psychological capital (Story et al., 2013) within the social group is through behaviours that favour in-group members to out-group members and through the recognition, acknowledgement, appreciation and support of in-group members by those in power (see similarity-attraction effect, Montoya & Horton, 2013, Hartmann, 2000). This idea is supported by the finding that people tend to trust others who are similar to them (Williams, 2001), are more likely to affiliate with them (Philipp-Muller et al., 2020), share more information with them (Harrison et al., 2002) and are more likely to mentor them (Dreher & Cox, 1996). Relationships of mutual trust and recognition offer economic benefits, for example annual compensation advantage for in-group members (Dreher & Cox, 1996), or psychological benefits, for example better organisational adjustment of newcomers (Zheng et al., 2020). Through these relationships of mutual recognition, trust and liking, members of dominant social groups pass on psychological capital to each other. Furthermore, leaders tend to develop more trustful relationships with followers that are similar to them, give them more responsibility, time, attention and recognition (Goldberg & McKay, 2015) and evaluate their performance more positively (Varma & Stroh, 2001). By providing them with recognition, responsibility and opportunities, managers may set their in-group members up for success and for the smooth accumulation of psychological capital. In contrast, members of stigmatised groups tend to end up in the outer circle of leaders (Goldberg & McKay, 2015), having limited access to high-status relationships. Furthermore, the above discussed *within-group* transfer of psychological capital may not characterise low-status groups to the same extent as dominant groups. This is not only because members of marginalised groups are underrepresented in high-power organisational positions with significant access to resources to pass on, but also because members of low-status social groups often also prefer high-status individuals, appreciating and respecting them more than in-group members (Derks et al., 2016).

**Organisational rules, norms and standards**

As people from dominant groups are overrepresented in higher organisational levels, they have an important impact on the rules, norms and standards of the organisation. Because these norms, standards and the overall image of the ‘ideal employee’ are to a large extent tailored to the characteristics and needs of the dominant group (Acker, 1990; Festing et al., 2015), its members will in turn have an invisible advantage at meeting organisational expectations and at delivering ‘desirable’ behaviours, attitudes and performance, whereas the habitus (Ihlen, 2007) of marginalised group members is being ‘othered’ and seen as less valuable (Bleijenbergh et al., 2013). The more ‘prototypical’ an employee is, the more likely s/he will achieve high status in the organisation (Gómez et al., 2014). The resulting success, recognition and access to
developmental opportunities ensure the relatively effortless accumulation of psychological capital for dominant group members.

**DISCUSSION**

‘sociological laws never completely determine the individual’, wrote Viktor Frankl, ‘—do not, that is, deprive him of his (sic) freedom of will. Rather, they cannot affect him (sic) without first passing through a zone of individual freedom where they leave their mark upon the individual’s behaviour’ (Frankl, 1955/2004, p. 97).

Despite having focused on sociological factors that shape people’s access to psychological capital, we do not consider individuals’ psychological states simply as manifestations of societal forces and structures. First, a socially determinist approach would fall short of accounting for plenty of variation in individual experience and behaviour (within socially homogeneous groups) that are not explicable by societal influences. Second, by aiming to counterweigh the tendency in organisational practice and research to attribute responsibility to individuals for their labour-market and life outcomes, we may fall into an *inverse* fallacy by ascribing all responsibility to the ‘system’ instead. By exempting the individual, we risk disempowering them, as focusing one-sidedly on structural influences and on the role of power and inequalities in shaping one’s work and life outcomes would render the individual helpless in the face of life’s challenges. Critical work and organisational psychology could have a unique potential in tackling the simultaneous impact of structural forces and individual agency on one’s psychological experiences and behaviour, being a research field that studies the individual as embedded in social systems. However, acknowledging the role of power, exploitation, exclusion, deprivation, discrimination and other socio-structural dynamics in shaping the individual’s trajectory is not necessarily an emancipatory endeavour in itself. Generating awareness of one’s predicament and of the enormous influence of societal structures on one’s experiences may even have the opposite effect as long as it leaves the individual feel powerless against structural forces (Emirbayer & Mische, 1998). Although we embrace a Bourdieusian approach in this paper to re-conceptualise psychological capital and grasp its relationship with social inequalities, Bourdieu himself has been criticised for his deterministic perspective on society that does not leave room for individual agency and social action (Jenkins, 1982). To find our way out of this conundrum, we draw on the existentialist tradition in psychology and philosophy. The existentialist tradition acknowledges that the individual exists within biological, psychological and sociological constraints, but at the same time, they are free in choosing their position towards these constraints (de Beauvoir, 1962; Frankl, 1955/2004; Sartre, 1947/2007). Thus, the freedom we have is not ‘from conditions, but it is freedom to take a stand towards the conditions’ (Frankl, 1959/2006, p. 130). Understanding ourselves as victims of psychological conditions (e.g. emotions) or sociological conditions (e.g. race, class or history) would be an act of ‘bad faith’ (Sartre, 1947/2007). Instead, we must take responsibility and engage with the external situation that constraints our freedom and the freedom of others (de Beauvoir, 1962; Sartre, 1947/2007). This tension between societal constraints and individual freedom is at the centre of the human experience and we must strive for advancing our freedom and the freedom of others notwithstanding our constraints (de Beauvoir, 1962).

It is here that existing research on the development of psychological capital might provide important insights into how one may exercise and advance their freedom within or despite of their constraints by practicing strategies that increase psychological capital (Luthans, Avolio,
et al., 2007). Notwithstanding that the interventions and strategies these studies offer are not equally effective nor equally available for members of different socio-demographic groups, it highlights the potential of individual agency in expanding one’s psychological constraints. An important contribution of this research area lies in its focus on state-like (as opposed to trait-like) positive psychological qualities, which has the potential to empower the individual and enable them towards positive psychological change. Having developed a socio-psychological perspective on psychological capital, we postulate that psychological capital can be best studied by considering the role of both structural influences and individual agency in its formation. To date, however, most research on psychological capital has studied it on the individual level (psychology), not taking into account the role of structural constraints on individual outcomes (sociology). To address this issue, more interdisciplinary research is needed on the intersection of those fields. In the first place, we need to understand the extent to which the distribution of psychological capital is socially stratified on the one hand and the extent to which it can be explained by individual differences on the other. Moreover, such interdisciplinary research might also focus on phenomena through which the perspectives of structure and agency can be combined, such as social mobility. In fact, the mere existence of social mobility shows that psychological capital is not entirely contingent on one’s external, social situation and points towards individual differences in terms of the degree to which one’s agency to change and improve their life situation and advance their social status is hindered by their social background and experiences. Hence, studying what distinguishes socially mobile individuals from those who could not defy structural constraints, in terms of their psychological characteristics and overall capital composition, would contribute not only to our understanding of the interplay between structure and individual, but it might also be helpful in developing (structural or individual-level) interventions.

DATA AVAILABILITY STATEMENT
This is a conceptual paper so the data availability statement is not applicable

REFERENCES


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