MY STRENGTHS COUNT!

EFFECTS OF A STRENGTHS-BASED PSYCHOLOGICAL CLIMATE ON POSITIVE AFFECT AND JOB PERFORMANCE

MARIANNE VAN WOERKOM AND MARIA CHRISTINA MEYERS

This article builds on the argument that research on the link between HRM and performance benefits from investigating how HR practices are envisioned by managers (in terms of underlying philosophies), and how they are perceived by employees (in terms of psychological climates). Our study focuses on the effects of a strengths-based HR philosophy assuming that employee performance can be maximized through leveraging individual strengths. This philosophy relates to a strengths-based psychological climate, that is, employee perceptions of the opportunities they get to identify, develop, and use their strengths. We hypothesized that a strengths-based psychological climate positively influences employees’ positive affect, which in turn enhances their in-role and extra-role performance. In our study, 442 respondents working in 39 departments of eight Dutch and Belgian organizations gave ratings on the strength-based psychological climate of their organization, and indicated their level of work-related positive affect, in-role performance, and extra-role performance. Results of multilevel hierarchical regression analyses supported our hypotheses by indicating that strengths-based psychological climate was positively linked to in-role and extra-role performance, and that this link was mediated by positive affect. © 2014 Wiley Periodicals, Inc.

Keywords: extra-role performance, in-role performance, positive affect, strengths-based psychological climate, positive institutions, positive psychology
Introduction

Since people can be crucial determinants of organizational success, understanding how human resource management (HRM) practices affect individual and organizational performance is a key task for researchers. However, studies of the relationship between human resource practices and organizational performance lack theorizing (Wright & Gardner, 2000), and findings regarding the strength of this relationship vary dramatically (Combs, Liu, Hall, & Ketchen, 2006). One possible explanation for these inconsistent findings is that there is no consensus as to what an HR practice really is (Becker & Gerhart, 1996; Delery, 1998; Wright & Gardner, 2000): the same practice might be implemented with different foci, depending on underlying HR principles or philosophies about the best way of managing people at work (Arthur & Boyles, 2007; McGregor, 1960). The specific implementation will in turn influence how employees perceive a practice (see literature on process models of HRM, e.g., Purcell & Hutchinson, 2007; Wright & Nishii, 2012), and which attributions they make about its purpose (Kim & Wright, 2011; Nishii, Lepak, & Schneider, 2008). Nevertheless, although HR systems and their effects on employees can only be described and investigated in meaningful terms when we identify the major philosophies that underpin them (Boxall, 2012; Boxall & Macky, 2009), HR philosophy has not been a dominant focus within previous HR studies (Lepak, Taylor, Tekleab, Marrone, & Cohen, 2007; Monks et al., in press).

This article is based on the assumption that an important philosophy that affects both the focus of specific HR practices and employee attributions regarding them (Nishii et al., 2008; Wright & Haggerty, 2005) relates to the belief about opportunities for performance improvement. On the one hand, one might argue that the greatest performance improvements can be achieved by fixing employee weaknesses, while, on the other hand, one might claim that optimal performance can only be reached when using employee strengths. In the HR field, the implicit focus is often on managing dysfunctions in the workplace and trying to fix what is wrong with employees by correcting deficient styles, skills, and abilities, and improving dysfunctional attitudes and behaviors (Luthans, 2002). The opposite of this principle, which is based on the positive psychology movement (Seligman & Csikszentmihalyi, 2000), and which is nowadays widely propagated in popular management literature, is the assumption that people can only display excellent performance when they are in a position to leverage their strengths (Buckingham & Clifton, 2001). Therefore, the question of whether an organization does or does not use an HR practice like performance appraisal may be less important than the question of whether performance appraisals are based on the philosophy that workers’ weaknesses must be identified and corrected or on the philosophy that organizations can only flourish when employees are able to play to their strengths. In the latter case, performance appraisal will be oriented toward the collaborative evaluation of the employee’s strengths and the collaborative planning of how to apply these strengths at work (Bouskila-Yam & Kluger, 2011).

A “strengths-based philosophy” can only lead to better performance when employees perceive and interpret these principles as intended by the employer (Bowen & Ostroff, 2004). In line with Nishii et al. (2008) we expect that employees’ responses to HR practices are based on their attributions about the management’s rationale to implement these practices. Therefore, this study focuses on employee perceptions of strengths-based philosophies in terms of the opportunities they get to identify, develop, and use their strengths—in other words, a strengths-based psychological climate.

Human Resource Management DOI: 10.1002/hrm
This article pursues two aims. First, it aims to develop and validate a measure of strengths-based psychological climate. Second, it aims to investigate the relation of this climate with employee positive affect (as an indicator of well-being at work) and performance outcomes. In line with current theories about the link between HR practices and performance (e.g., Purcell & Hutchinson, 2007; Wright & Nishii, 2012), we reason that employee perceptions of HR influence their emotional and behavioral responses. In particular, influenced by the argument that human strengths are critical to well-being (Peterson & Park, 2011), and by the empirical evidence on the positive link between the use of strengths and diverse measures of well-being (Govindji & Linley, 2007; Linley, Nielsen, Wood, Gillett, & Biswas-Diener, 2010; Proctor, Maltby, & Linley, 2011; Seligman, Steen, Park, & Peterson, 2005; Wood, Linley, Maltby, Kashdan, & Hurling, 2011), we assume that a strengths-based psychological climate will lead to higher levels of positive affect. Furthermore, based on the happy-productive worker thesis (Staw, 1986), which implies that employees who are happy perform better than their less happy colleagues (Cropanzano & Wright, 2001), and on the broaden-and-build theory of positive emotions (Fredrickson, 1998, 2001), which supposes that thoughts and actions generated by positive emotions are more varied in nature than thoughts and actions generated by negative emotions (Fredrickson, 2001), we expect that positive affect will act as a mediator in the relationship between a strengths-based psychological climate and both in-role and extra-role performance.

The following section will provide more detailed information on strengths and strengths-based psychological climate. Subsequently, the hypothesized links with positive affect and in-role and extra-role performance will be discussed.

**Theory and Hypotheses**

**Strengths**

Strengths have been defined as capacities “for feeling, thinking, and behaving in a way that allows optimal functioning in the pursuit of valued outcomes” (Linley & Harrington, 2006a, p. 88); “characteristics of a person that allow them to perform well or at their personal best” (Wood et al., 2011, p. 15); and an individual’s potential to achieve excellence (Biswas-Diener, Kashdan, & Minhas, 2011). There is no clear answer to the question of whether strengths are stable personality traits or more malleable constructs. Peterson and Seligman (2004) argued that strengths are traitlike and tend to be stable across situations and across time; however, they did acknowledge that some strengths can be displayed all the time (e.g., kindness), whereas others require specific circumstances to become apparent (e.g., bravery). Biswas-Diener et al. (2011) have a more dynamic view of strengths, describing them as mere potentials that have to be developed before optimal performance levels can be reached, and that interact with context, personal values, interests, and other strengths. This implies that the same strength can manifest itself in different ways for different individuals. Acting in accordance with one’s strengths is supposed to bring about many valuable consequences such as feeling authentic, excited, fulfilled, eager to learn, energetic, and intrinsically motivated (Peterson & Park, 2011), and by the empirical evidence on the positive link between the use of strengths and diverse measures of well-being (Govindji & Linley, 2007; Linley, Nielsen, Wood, Gillett, & Biswas-Diener, 2010; Proctor, Maltby, & Linley, 2011; Seligman, Steen, Park, & Peterson, 2005; Wood, Linley, Maltby, Kashdan, & Hurling, 2011), we assume that a strengths-based psychological climate will lead to higher levels of positive affect. Furthermore, based on the happy-productive worker thesis (Staw, 1986), which implies that employees who are happy perform better than their less happy colleagues (Cropanzano & Wright, 2001), and on the broaden-and-build theory of positive emotions (Fredrickson, 1998, 2001), which supposes that thoughts and actions generated by positive emotions are more varied in nature than thoughts and actions generated by negative emotions (Fredrickson, 2001), we expect that positive affect will act as a mediator in the relationship between a strengths-based psychological climate and both in-role and extra-role performance.

The following section will provide more detailed information on strengths and strengths-based psychological climate. Subsequently, the hypothesized links with positive affect and in-role and extra-role performance will be discussed.

**Strengths-Based Psychological Climate**

The climate in an organization refers to a firsthand description of what people see and experience in an organizational situation, and involves employees’ perceptions of the organization in terms of practices, policies, procedures, routines, and rewards (Ostroff, Kinicki, & Tamkins, 2003). Although early research suggested that climate was produced by the objective features of the organization such as size, hierarchy, and span of control (Becker & Gerhart, 1996), more recent contributions have a stronger focus on subjective understandings and individual perceptions of the organization (McGregor, 1960). Although,
Idiosyncratic psychological climate perceptions are likely to emerge due to individual differences among employees, differences in situations, and the interaction between the person and the situation. Additionally, there was disagreement in the literature over whether climate is an individual or organizational characteristic, the distinction between psychological climate and organizational climate is widely accepted today (Ostroff et al., 2003; Schneider, 2000). Psychological climate conceptualizes and measures climate at the individual level and refers to an individual perception. Organizational climate conceptualizes climate as an organizational variable and refers to a shared perception comprising aggregated individual perceptions. Only when there is sufficient consensus among individual climate perceptions can the perceptions be meaningfully aggregated to represent subunit or organizational climate (Bowen & Ostroff, 2004; James et al., 2008).

Although climate has been said to develop out of the structural characteristics of an organization because these create a common reality that provides the basis for shared perception (Bowen & Ostroff, 2004), idiosyncratic psychological climate perceptions are likely to emerge due to individual differences among employees, differences in situations, and the interaction between the person and the situation (Brown & Leigh, 1996). Perceptual biases and other individual factors generate different perceptions of the same environment for different individuals (Brown & Leigh, 1996). Furthermore, research on leader-member exchange has shown that the same manager treats different subordinates differently because of dyadic relationship factors or differences in employees' abilities (Brown & Leigh, 1996; Dansereau, Graen, & Haga, 1975; Dienesch & Liden, 1986; Xanthopoulou, Bakker, Heuven, Demerouti, & Schaufeli, 2008).

Because employees' interpretations of HR practices and the principles behind those practices are likely to differ, and because individual employees have different relationships with their managers, our study focuses on psychological climate and hence on the individual unit of analysis (Parker et al., 2003). Therefore, we define a strengths-based psychological climate as individual employees' perceptions of the formal and informal policies, practices, and procedures in their organization concerning the identification, development, use, and appreciation of their talents and strengths.

The predominant “identify and use” approach of the strengths literature (e.g., Govindji & Linley, 2007) focuses on the value of strengths assessment and on encouraging individuals to use their strengths more often. We agree that the extent to which an organization is perceived to focus on the identification and use of employee strengths is an important element of a strengths-based psychological climate. However, recent research has emphasized that strengths are traitlike rather than mere traits, implying that they are less stable across settings and time than previously assumed. Therefore, strengths should not only be identified and used more often, but also be developed to fit the context (Biswas-Diener et al., 2011). Consequently, strengths development is another important element of a strengths-based psychological climate. Moreover, in line with the literature on appreciative inquiry (Schaufeli & Salanova, 2007), which is based on the assumption that appreciating people's strengths is more beneficial than focusing on their dysfunctions, we believe that appreciating employees' strengths and affirming their successes and potential is a necessary element of a strengths-based psychological climate.

Strengths can be identified and appreciated by formal strengths-based performance appraisals (Bouskila-Yam & Kluger, 2011)—as an alternative to appraisal approaches with a strong focus on deficiencies—and by informal positive feedback from managers or coworkers when one is successful or one’s talents have been effectively used. Employee strengths can be developed by training and development practices that are aimed at expanding employee talents instead of repairing their weaknesses, and that support employees in their inherent drive to fully use their potential (Linley & Harrington, 2006b).
Moreover, strengths can be developed and fine-tuned more informally by deliberate and spontaneous forms of work-related learning resulting from task characteristics and social interactions at work (Doornbos, Bolhuis, & Simons, 2004). Finally, organizations can make optimal use of their employees' strengths by employing a job design, either formally or informally, that allows an employee to maximize the use of his or her strengths, for instance, via task allocation and complementary partnering (Linley & Harrington, 2006a).

**Strengths-Based Psychological Climate and Positive Affect**

Positive affect has been defined as “the extent to which a person feels enthusiastic, active, and alert. High positive affect is a state of high energy, full concentration, and pleasurable engagement, whereas low positive affect is characterized by sadness and lethargy” (Watson, Clark, & Tellegen, 1988, p. 1063). This definition implies that positive affect is a state that can vary across time and situations (Luthans & Youssef, 2007). In this regard, it differs from positive affectivity as a trait, which is defined as the predisposition to experience positive affective states (Watson & Pennebaker, 1989) and qualifies as a stable construct.

Within this article, we focus on positive affect in the workplace. This variable is influenced by positive affectivity, or the disposition to experience positive affect, to some extent. However, it also greatly depends on situational factors at work (George, 1991). Based on findings of recent empirical studies (e.g., Wood et al., 2011), we argue that a strengths-based psychological climate is an important situational factor that enhances employee experiences of positive affect during working hours. Wood et al. (2011) conducted a three-wave longitudinal study and found that the use of strengths is significantly related to gains in positive affect after three and six months. Similarly, participation in an intervention aimed at identifying strengths and using them in a novel way was found to lead to increased happiness as assessed over a six-month period (Seligman et al., 2005). Furthermore, two more studies revealed that use of strengths (Govindji & Linley, 2007; Koestner, Lekes, Powers, & Chicoine, 2002) and strengths knowledge (Govindji & Linley, 2007) are positively linked to students' subjective well-being (measured as a combination of positive affect, negative affect, and life satisfaction).

Theoretically, those findings can be explained by conceptual work proposing that strengths are employed concurrently with many positively toned states such as feeling fulfilled, authentic, excited, intrinsically motivated, and invigorated (Peterson & Seligman, 2004). Linley and Harrington (2006b) furthermore proclaimed that using strengths causes people to feel good about themselves and raises their energy level. We add to this literature by arguing that a strengths-based psychological climate, where people feel appreciated because of their unique strengths and where those strengths can be put to work, will facilitate feelings of competence, self-worth, and respect. These feelings, in turn, have been considered important enabling factors of positive mood (Isen, Daubmann, & Nowicky, 1987). Taken together, the empirical and theoretical arguments mentioned here lead us to the following hypothesis:

**Hypothesis 1:** A strengths-based psychological climate is positively related to positive affect at work.

**Positive Affect and Performance**

Following a general trend in the empirical literature (e.g., MacKenzie, Podsakoff, & Ahearne, 1998), we understand performance as a combination of the proficiency to fulfill core technical activities that are important for the job (in-role performance) and extra-task proficiency that contributes to the organizational, social, and psychological environment (extra-role performance) (Arvey & Murphy, 1998; Borman & Motowidlo, 1993). In particular, we considered two distinct forms of extra-role performance to do justice to the dual conceptualization of the construct: behaviors of interpersonal facilitation and behaviors that show dedication to
It has been suggested that positive affect, as the “hallmark of happiness,” should be central in research on the happy-productive worker thesis.

Positive Affect and In-Role Performance

The happy-productive worker thesis (Staw, 1986), which implies that employees who are happy perform better than their less happy colleagues (Cropanzano & Wright, 2001), attracted the attention of many scholars. This implies that the link between happiness and employee performance is a well-researched topic. However, in the beginning, no clear relationship between the two constructs could be found (Brayfield & Crockett, 1955; cf. Staw, 1986; Wright & Staw, 1999). Scholars then argued that the ambiguous findings might be caused by the usage of diverse happiness measures such as subjective well-being, job satisfaction, lack of exhaustion, presence of positive affect, and absence of negative affect (e.g., Cropanzano & Wright, 2001). Based on this argument, it has been suggested that positive affect, as the “hallmark of happiness,” should be central in research on the happy-productive worker thesis (e.g., Cropanzano & Wright, 2001; Lyubomirsky, King, & Diener, 2005). Consequently, Lyubomirsky et al. (2005) proposed a conceptual model in which happiness, described as the long-term propensity to experience positive affect frequently, causes success. Their model was supported by an empirical analysis of cross-sectional, longitudinal, and experimental studies (Lyubomirsky et al., 2005). Therefore, we formulated the following hypothesis:

Hypothesis 2a: Positive affect is positively related to in-role performance.

Positive Affect and Organizational Citizenship Behavior

OCB is closely related to prosocial behavior and refers to important and useful activities at the workplace that go beyond the job requirements laid out in formal job descriptions (Williams & Shiaw, 1999). Examples of such activities are volunteering to assist coworkers with their work, helping new members of the organization, talking favorably about one’s organization to outsiders, and attending nonmandatory functions that enhance the organization’s image. Many empirical studies have delivered supporting evidence for the link between positive affect and OCB (e.g., Lee & Allen, 2002), and this link was furthermore supported by meta-analytic evidence (Kaplan, Bradley, Luchman, & Haynes, 2009; Lyubomirsky et al., 2005).

Theoretically, this link can be explained by the broaden-and-build theory of positive emotions (Fredrickson, 1998, 2001), which suggests that positive affective states cause individuals to experience a widened array of thoughts and to engage in various kinds of actions such as approaching, playing, exploring, savoring, and integrating different perspectives. This theory offers two explanations for increases in OCB triggered by increases in positive mood. First, it says that feeling good goes along with a tendency to display approach behavior toward other persons (Fredrickson, 2001). Second, feeling good is said to lead to greater perceived similarity with third persons (Waugh & Fredrickson, 2006), which, in turn, increases the likelihood of helping (e.g., Cialdini, Brown, Lewis, Luce, & Neuberg, 1997). Given the theoretical
and empirical arguments described here, we hypothesize the following:

**Hypothesis 2b:** Positive affect is positively related to OCB.

**Positive Affect and Innovativeness**

Innovativeness involves three steps: idea generation, which is closely related to creativity (Scott & Bruce, 1994); idea promotion; and idea realization. Evidence supporting the supposed link between positive affect and innovativeness or creativity can be drawn from a number of studies. For example, positive affect has been found to enhance the quantity of ideas (Vosburg, 1998b); divergent thinking (Vosburg, 1998a); creativity and creative problem solving (Amabile, Barsade, Mueller, & Staw, 2005; Estrada, Isen, & Young, 1994; Isen et al., 1987); curiosity and exploration (Kashdan, Rose, & Fincham, 2004); creative and integrative approaches to negotiation (Carnevale & Isen, 1986); and the unusualness of word associations (Isen, Johnson, Mertz, & Robinson, 1985).

Theoretically speaking, these findings demonstrate that a positive affective state might influence cognitive processes because people who are in a positive mood seem to apply unusual creativity-enhancing strategies to integrate material and to relate diverse stimuli to each other (Isen et al., 1987). It appears that individuals perceive more aspects of an object or perceive it more fully when they are happy (Isen, 1987), and that this changed perception allows them to use the object in more and very atypical ways. This phenomenon can again be explained by the broaden-and-build theory of positive emotions (Fredrickson, 1998, 2001), which holds that thoughts and actions generated by positive emotions are more varied in nature and less specified than thoughts and actions generated by negative emotions. Consequently, positive affect facilitates broad-minded thinking and innovativeness.

In line with the research findings and the theoretical assumptions inherent to the broaden-and-build theory of positive emotions, we hypothesize that positive affect fosters innovativeness.

**Hypothesis 2c:** Positive affect is positively related to innovativeness.

**Positive Affect as a Mediator in the Relationship between a Strengths-Based Psychological Climate and Performance**

Taking Hypothesis 1 and Hypotheses 2a to 2c together, we expect that positive affect is a mediator in the relationship between a strengths-based psychological climate on the one hand and both in-role and extra-role performance on the other hand. A mediating variable transmits the effect of an independent variable on a dependent variable (MacKinnon, Fairchild, & Fritz, 2007). It seems likely that a strengths-based psychological climate in itself will not lead to better job performance, but a strengths-based psychological climate is a prerequisite for positive affect, which, in turn, will lead to better job performance.

**Hypothesis 3:** Positive affect mediates the positive relationship between a strengths-based psychological climate and (a) in-role performance, (b) OCB, and (c) innovativeness.

**Methods**

**Sample and Procedure**

We tested the hypotheses using a cross-sectional sample of employees from 39 departments of eight Dutch and Belgian organizations operating in the health care, telecommunications, consulting, education, and civil service sectors. Self-report questionnaires in two languages (Dutch and English) were developed, and respondents received either a link to the electronic questionnaire or a questionnaire in paper-and-pencil form. Out of 1,997 employees who were invited to participate in the study, 442 responded (response rate = 22.13 percent).
The low response rate was mainly attributable to one participating organization where 1,500 questionnaires were sent out but only 201 employees responded (response rate: 13.4 percent). We checked for possible nonresponse bias by comparing the gender, age, tenure, and educational background of the average respondent to those of the average employee of this company. The results suggest that the two groups did not differ, which indicates that nonresponse bias is unlikely.

The sample comprised 220 male (49.77 percent) and 222 female (50.23 percent) respondents. Their average age was 41.9 years. Most of the respondents ($N = 386$, 87.3 percent) were Dutch native speakers. A minority ($N = 56$, 12.7 percent) had an international background and completed the English version of the questionnaire. The respondents’ average tenure was 12.68 years. More than half of the respondents were highly educated: 45.7 percent had completed academic higher education, and an additional 29 percent had completed vocational higher education. Of the remaining respondents, 22.2 percent had completed vocational secondary education, and only 1.8 percent reported lower educational levels. The sample mainly comprised professional and clerical workers who did not perform managerial tasks.

**Measures**

**Strengths-Based Climate**

Because no study has investigated the strengths-based climate as defined in this article, a new instrument was developed to measure this construct. We partially built upon the Strengths Knowledge Scale and the Strengths Use Scale (Govindji & Linley, 2007) to develop the necessary items covering the aspects of appreciating talents, identifying strengths, developing strengths, and using strengths. Items were generated by two researchers and revised based on the comments of two experts in the field of human resources development and occupational psychology. This effort resulted in a pool of 14 items.

These 14 items were developed in Dutch, translated into English by a professional translator, and then translated back into Dutch by a bilingual researcher (Brislin, 1970). Example items include the following: “In this organization, my strengths are appreciated” (appreciation); “In this organization, I have the opportunity to learn what my talents are” (identification of talents); “In this organization, I discuss with my superior how I can strengthen my strong points” (development of strengths); and “In this organization, I get the opportunity to do what I am good at” (use of strengths). Answers were given on a 5-point Likert scale ranging from 1 (totally disagree) to 5 (totally agree).

We tested the newly developed scale with two independent samples. We first conducted a Principal Component Analysis (Oblimin rotation) on data from a pilot sample of 400 employees from 40 different organizations operating in different sectors (health care, education, manufacturing, and financial services). Additionally, a confirmatory factor analysis (CFA) was performed on the primary dataset with 442 respondents, which was used in the context of this study. Analyses indicated the suitability of a scale with 12 items and a one-factor structure (Cronbach’s $\alpha = .92$) (see the Appendix for an overview of the items). To investigate the construct validity of the strengths-based climate measure, we furthermore used the pilot study data to examine its relationships with work engagement (Schaufeli, Bakker, & Salanova, 2006), perceived organizational support (Rhoades, Eisenberger, & Armali, 2001), and perceived supervisory career support (Greenhaus, Parasuraman, & Wormley, 1990) using AMOS 19. We expected that the strengths-based climate measure would be positively related to, but also distinct from, these already established measures. A more detailed description of these analyses can be found in the Results section.

**Positive Affect**

Positive affect was measured with the positive affect scale of the Positive and Negative
Affect Schedule (PANAS; Watson et al., 1988) (translated into Dutch by Peeters, Ponds, & Vermeeren, 1996). This scale asked respondents to indicate the extent to which they generally feel one of ten particular emotions (e.g., interested, excited) while at work.

Control Variables

Because educational level has been found to be positively linked to innovative job performance (Janssen, 2001) and to OCB (Smith, Organ, & Near, 1983), while organizational tenure (Chiu & Tsai, 2006) and gender (Kidder & Parks, 2001) have been found to be linked to OCB, we included gender, educational level, and tenure as control variables in the analyses.

Analysis

To account for the nested data structure (employees nested within organizational departments), we computed intraclass correlations (ICC1; Bliese, 2000) for all study variables, indicating the proportion of the total variance in the data between the 39 departments. We furthermore computed the ICC2 as a measure of group mean reliability (Bliese, 2000) and the $r_{wg}$ as a measure of within-group agreement (James, Demaree, & Wolf, 1984). As expected, the ICC1 for strengths-based psychological climate was quite low at .09 (ICC2 = .44; $r_{wg}$ = .94), indicating that it is indeed better to conceptualize a strengths-based climate as a psychological climate than as an organizational climate. The ICC1 values for the other variables were .05 for positive affect (ICC2 = .33; $r_{wg}$ = .96), .09 for task performance (ICC2 = .48; $r_{wg}$ = .95), .11 for OCB (ICC2 = .51; $r_{wg}$ = .96), and .20 for innovativeness (ICC2 = .32; $r_{wg}$ = .94). Taken together, those values suggest that measurements of individuals within departments were not independent of one another. Therefore, we considered it appropriate to apply a multilevel hierarchical regression procedure, using the linear mixed-effects model procedure in SPSS (Heck, Thomas, & Tabata, 2010). This procedure allows us to examine the effects of group-level and individual-level variables simultaneously while accounting for the noninterdependence of observations within groups (Diez-Roux, 2000). To control for a possible group-level effect, we chose to model effects at the individual and departmental levels simultaneously, and to include the group average of the climate perceptions as a level 2 predictor in addition to individual-level perceptions. Variables were

Task Performance

We used Goodman and Svyantek’s (1999) nine-item task performance scale to measure in-role performance (translated into Dutch by Bakker, Demerouti, & Verbeke, 2004). Respondents indicated if statements such as “I achieve the objectives of my job” and “I am competent in all areas of my job, I handle tasks with proficiency” hold true for them.

Innovativeness

Innovativeness was measured with an eight-item scale covering the dimensions of idea exploration, generation, promotion, and implementation (De Jong & Den Hartog, 2005; based on Kleysen & Street, 2001). Respondents could indicate their level of agreement with statements such as “I often come up with ideas in my work” and “I like to try out things in a new way.”

Organizational Citizenship Behavior

Organizational citizenship behavior was measured by ten items covering the OCB dimensions of altruism, civic virtue, and courtesy (MacKenzie, Podsakoff, & Fetter, 1991). Example items include the following: “I willingly give of my time to help others” (altruism); “I keep up with developments in this company” (civic virtue); and “I consider the impact of my actions on others” (courtesy). Consistent with previous research that took into account the high intercorrelations among the different OCB dimensions and created a single overall OCB measure (MacKenzie et al., 1998), we also created an overall factor score for OCB. Factor analysis confirmed the fit of a one-factor model.
component that explained 41.99 percent of the variance (eigenvalue = 5.9). After deleting two items that did not have factor loadings greater than .40 and item-total correlations above .30, the final scale consisted of 12 items (Cronbach’s α = .90).

Subsequently, we conducted a confirmatory factor analysis (CFA) on the previously tested 12-item strengths-based psychological climate scale with the primary dataset with 442 respondents using AMOS 19. Models were examined by checking chi-square, the standardized root mean squared residual (SRMR), the comparative fit index (CFI), and the Tucker-Lewis index (TLI). The model provides a good fit if the SRMR ≤ .08 and if the fit indices are ≥ .95 (Hu & Bentler, 1998). Because the scree plot in the exploratory factor analysis pointed to a one-factor solution, we started to test the fit of a one-factor model. This initial model did not provide an adequate fit ($\chi^2 (54, N = 421) = 564.91, \text{SRMR} = .08, \text{CFI} = .83$). Using a model with the factors that were initially suggested by the exploratory factor analysis (with identification and development as one factor and appreciation and use as separate factors) and with an underlying second-order factor representing the strengths-based psychological climate as a whole, we achieved a considerably better fit as indicated by the fit indices ($\chi^2 (51, N = 421) = 203.32, \text{SRMR} = .05, \text{CFI} = .93, \text{CFI} = .93$) and the chi-squared difference ($\Delta \chi^2 = 361.6, df = 3, p < .001$).

To establish the construct validity of the strengths-based climate measure, we examined its relationships with work engagement, perceived organizational support, and perceived supervisory career support in the context of the pilot study. The former construct was chosen based on the notion that identifying and employing strengths lead to feelings of excitement and intrinsic motivation (Peterson & Seligman, 2004), and the latter two constructs based on the notion that these constructs also refer to employee beliefs regarding the extent to which their organization values their contributions although not specifically targeted towards their strengths. We could confirm the construct validity of the newly developed measure with confirmatory
factor analysis. The model in which strengths-based psychological climate ($\alpha = .90$), perceived organizational support ($\alpha = .83$), supervisory career support ($\alpha = .92$), and work engagement ($\alpha = .93$) were each represented by a separate factor (Model A) fitted the data significantly better than any other model in which combined factors of strengths-based climate and one or more of the other variables were formed (see Table I). By allowing six error terms to correlate (only if they belonged to the same factor), we achieved an acceptable fit of the overall model (Model A*). In addition, correlation estimates as generated by AMOS supported our expectation that strength-based climate is related to, but distinct from work engagement (.53), perceived organizational support (.49), and perceived supervisory career support (.75).

Common Method Variance

To verify whether the relationships between the predictors and the dependent variables were significantly biased by common method variance, we used the CFA marker technique proposed by Williams, Hartman, and Cavazotte (2010). This technique tests whether the method being used creates a bias that changes the relationships between variables in the survey, and it is based on the use of a marker variable that is (theoretically) unrelated to the other constructs. In this case, we chose transactional leadership as the marker variable because its correlations with the substantial variables of strengths-based climate ($r = .37, p < .01$), positive affect ($r = .14, p < .01$), and performance ($r = .08$) were low to moderate. We chose to restrict the CFA marker technique to those four variables and not to include innovativeness and OCB in order to guarantee sufficient power of the analysis. The CFA marker technique is based on five structural equation models: the general CFA, baseline, Method C, Method U, and Method R models (for a complete description of the procedure, see Williams et al., 2010). Our results (see Table II) suggest that the Method U model provides the best fit to our data, implying that the indicators of our substantial variables were influenced by a method factor associated with the marker variable and that this influence was not equal for all indicators. However, the Method U model did not provide a significantly better fit than the Method R model, meaning that the relationships between the predictors and the dependent variable were not inflated due to a method effect.

<table>
<thead>
<tr>
<th>Model</th>
<th>$\chi^2$ (df)</th>
<th>SRMR</th>
<th>CFI</th>
<th>TLI</th>
<th>$\Delta \chi^2$ (df)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A*</td>
<td>1773.93</td>
<td>.069</td>
<td>.87</td>
<td>.86</td>
<td></td>
</tr>
<tr>
<td>A</td>
<td>2628.4 (659)</td>
<td>.069</td>
<td>.78</td>
<td>.76</td>
<td></td>
</tr>
<tr>
<td>B</td>
<td>3167.9 (662)</td>
<td>.082</td>
<td>.71</td>
<td>.70</td>
<td>539.5 (3)**</td>
</tr>
<tr>
<td>C</td>
<td>3093.5 (662)</td>
<td>.080</td>
<td>.72</td>
<td>.71</td>
<td>456.1 (3)**</td>
</tr>
<tr>
<td>D</td>
<td>3632.7 (664)</td>
<td>.092</td>
<td>.66</td>
<td>.64</td>
<td>539.2 (2)**</td>
</tr>
<tr>
<td>E</td>
<td>5109.5 (665)</td>
<td>.123</td>
<td>.49</td>
<td>.46</td>
<td>1476 (1)**</td>
</tr>
</tbody>
</table>

Note. $p < .05$, **$p < .01$ (two-tailed).

Model A*: Four separate factors (strengths-based psychological climate, perceived supervisory career support, perceived organizational support, and work engagement), six error terms within factors were allowed to correlate.

Model A: Four separate factors (strengths-based psychological climate, perceived supervisory career support, perceived organizational support, and work engagement).

Model B: Three factors (combined factor strengths-based psychological climate and perceived organizational support; separate factors perceived supervisory career support and work engagement).

Model C: Three factors (combined factor strengths-based psychological climate and perceived supervisory career support; separate factors perceived organizational support and work engagement).

Model D: Two factors (combined factor strengths-based psychological climate, perceived organizational support, and perceived supervisory career support; separate factor work engagement).

Model E: One factor (combined factor strengths-based psychological climate, perceived organizational support, perceived supervisory career support, and work engagement).

* Model B and Model C were both compared with Model A.
In addition, all outcome variables displayed significant intercorrelations (r = .36, p < .01, for performance and innovativeness; r = .38, p < .01, for performance and OCB; r = .43, p < .01, for innovativeness and OCB).

Main Analysis

Tables IV and V report the results of the multilevel regression analyses that were conducted to test the predictors of in-role performance, OCB, and innovativeness.

Our first hypothesis stated that a strengths-based psychological climate is positively related...
to positive affect. As observed in Table IV, this hypothesis was supported ($B = .27, p < .001; \Delta \chi^2 = 93.84, df = 1, p < .001$). Moreover, the result was still valid when adding the average score of the strengths-based climate perception per department as a group-level factor (cf. Model 3, Table IV).

We further hypothesized that positive affect would be positively related to in-role and extra-role employee performance (Hypotheses 2a, 2b, and 2c) and that positive affect would mediate the effects of strengths-based climate on the three performance measures (Hypotheses 3a, 3b and 3c). Table V reveals that a strengths-based psychological climate is a highly significant predictor of in-role performance ($B = .24, p < .001; \Delta \chi^2 = 47.03, df = 2, p < .001$), OCB ($B = .14, p < .001; \Delta \chi^2 = 42.45, df = 2, p < .001$), and innovativeness ($B = .23, p < .001; \Delta \chi^2 = 50.83, df = 2, p < .001$). When entering positive affect into the regression equation (Models 3a, 3b, and 3c), the previously significant effects of strengths-based climate on the outcome variables turned nonsignificant. Only the effect of strengths-based climate on OCB remained marginally significant ($B = .07, p = .51$). Positive affect, in contrast, significantly improves in-role performance ($B = .81, p < .001; \Delta \chi^2 = 102.94, df = 1, p < .001$), OCB ($B = .30, p < .001; \Delta \chi^2 = 44.99, df = 2, p < .001$), and innovativeness ($B = .64, p < .001; \Delta \chi^2 = 106.78, df = 1, p < .001$), which supports Hypotheses 2a, 2b, and 2c.

To test the hypotheses regarding mediation, we calculated 95 percent bootstrap confidence intervals. Bootstrapping is a non-parametric procedure that randomly resamples data several hundred or thousand times and calculates estimates of the indirect effect for each of these resampled datasets (Preacher & Hayes, 2004, 2008). By sorting the estimates thereby obtained, a bootstrap confidence interval of the indirect effect can be produced. We ran a bootstrap analysis with 5,000 resamplings and found that none of the 95 percent bootstrap confidence intervals (CIs) included zero, which means that the indirect effects were all significant at the $p < .05$ level. The 95 percent CIs ranged from .13 to .33 for in-role performance, from .04 to .16 for OCB, and from .12 to .25 for innovativeness. Those results were supportive of Hypotheses 3a, 3b, and 3c.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Model 1</th>
<th>Model 2</th>
<th>Model 3</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$B$</td>
<td>$B$</td>
<td>$B$</td>
</tr>
<tr>
<td>Constant</td>
<td>.09*</td>
<td>.07</td>
<td>.07</td>
</tr>
<tr>
<td>Gender</td>
<td>-.19**</td>
<td>-.16**</td>
<td>-.16**</td>
</tr>
<tr>
<td>Education</td>
<td>.02</td>
<td>.00</td>
<td>.01</td>
</tr>
<tr>
<td>Job tenure</td>
<td>-.00</td>
<td>-.00</td>
<td>-.00</td>
</tr>
<tr>
<td>SBPC</td>
<td>.27***</td>
<td>.28***</td>
<td></td>
</tr>
<tr>
<td>Department (random intercept)</td>
<td>.01</td>
<td>.02*</td>
<td>.02*</td>
</tr>
<tr>
<td>SBPC average</td>
<td></td>
<td></td>
<td>-.10</td>
</tr>
<tr>
<td>Model fit</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$-2 \log$ likelihood</td>
<td>528.3**</td>
<td>434.42***</td>
<td>433.46</td>
</tr>
<tr>
<td>Deviance change ($\Delta \chi^2$ (df))</td>
<td>16.55(3)*</td>
<td>93.84 (1)</td>
<td>0.95 (1)</td>
</tr>
</tbody>
</table>

Note. $B =$ Reported values for each model are estimates of the effect, comparable to unstandardized regression coefficients in standard multiple regression.

* In comparison to an empty model, with department as only predictor.

*p < .05, **p < .01, ***p < .001.
Human Resource Management, January–February 2015

by being the first that draws on positive psychology literature to specify principles behind HR practices. In particular, it focuses on a strengths-based philosophy as a guiding principle that characterizes the treatment of employees covered within a particular HRM system (Kepes & Delery, 2007). This study shows that employee perceptions of such a philosophy are related to their levels of positive affect and performance. A common feature of many studies on high-commitment management, high-involvement work systems, high-performance work systems, or bundles of HR practices (e.g., Arthur, 1994; Guest, Conway, & Dewe, 2004; Huselid, 1995; MacDuffie, 1995; Pil & MacDuffie, 1996) is that they measure the extent to which a given cluster of HR practices is applied in an organization. These studies, however, do not specifically address how employees perceive the exact content of the practices involved (Kim & Wright, 2011; Nishii et al., 2008) or the principles underlying those practices. Moreover, for the most part, they fall short of

**Discussion**

The purpose of this study was to develop a measure of strengths-based psychological climate and to investigate how such a climate is related to employees’ levels of positive affect and performance outcomes. We were able to measure strengths-based psychological climate with a 12-item scale that proved to have satisfactory construct validity by demonstrating that it is related to, but distinct from, work engagement, perceived organizational support, and perceived supervisory career support. Furthermore, the results of this study revealed that a strengths-based psychological climate was related to positive affect at work and that positive affect was a mediator in the relationship between strengths-based psychological climate on the one hand, and both in-role and extra-role performance on the other hand.

**Theoretical Implications**

First and foremost, this study represents an important contribution to the HR literature
explaining the processes through which HR practices impact performance and other outcomes (Boxall & Macky, 2009), even though theoretical models of the HRM-performance link suggest that employee perceptions of practices are a crucial linking element (Purcell & Hutchinson, 2007; Wright & Nishii, 2012). Our study shows that more abstract concepts than the HR practices as such influence employee performance. This also relates to the concept of equifinality (Delery & Shaw, 2001; Lepak, Liao, Chung, & Harden, 2006), suggesting that there is a broad range of combinations of HR practices that may be effective in realizing the HR system’s objectives. This may mean that higher-level concepts such as perceived principles behind HR practices are a more useful way to study the link between HR and performance. This is in line with a meta-analysis of the effects of high performance work practices showing that systems of high-performance work practices with one underlying principle are superior to individual high-performance work practices (Combs et al., 2006).

In addition to developing a measure of strengths-based psychological climate, this study shows that a strengths-based psychological climate elevates employee emotional states, in line with our hypothesis. This finding supports results of previous studies in nonorganizational contexts that found evidence for a link between strengths identification or use and well-being (e.g., Wood et al., 2011), and of previous studies corroborating the positive relationship between psychological climate and well-being (see meta-analysis by Parker et al., 2003). To the best of our knowledge, our study is the first that expands the literature by combining strengths research with research on climate, and by showing that the resulting strengths-based psychological climate leads to increases in well-being. Next to examining effects of a strengths-based psychological climate on emotions, we investigated the effects of positive emotions on in-role and extra-role performance measures. Regarding in-role performance, we found another piece of evidence for the validity of the happy-productive worker thesis (Staw, 1986) when happiness is conceptualized as positive affect. This study, furthermore, found evidence for the broaden-and-build theory of positive emotions (Fredrickson, 1998, 2001), and showed that positive emotions facilitate the extra-role behaviors of innovativeness and OCB. Thus, this study reveals that the broaden-and-build theory is applicable not only to personal but also to working life. Employees who experience higher amounts of positive affect engage in more innovative and creative behaviors and act more prosocially in the workplace. Moreover, this study revealed that positive emotions mediate the relationship between a strengths-based psychological climate and in-role and extra-role behavior: A strengths-based psychological climate led to positive mood states, and those mood states caused performance increases. As expected, full mediation was indicated for in-role performance and innovativeness, whereas an unexpected and marginally significant direct relationship between strengths-based psychological climate and OCB was found. This link can be explained by social exchange theory (Amabile, 1996) assuming that individuals invest resources in a second party if they expect this other party to reciprocate. Against this background, it seems highly likely that employees who perceive a strengths-based psychological climate feel that the organization is investing in them and therefore tend to reciprocate with OCB to keep the give-and-take equation in balance.

**Practical Implications**

The results make a good case for the benefits of a strengths-based psychological climate in organizations. On the one hand, a strengths-based climate enhances levels of work-related positive affect, which should translate into a more positive and satisfied workforce. On the other hand, this climate also leads to better performance. Furthermore, a strengths-based climate enhances extra-role performance over and above improvements in in-role performance, and could therefore prove to be of particular importance to firms that rely on innovations and/or teamwork.

For HR managers, this means that their focus should not be on providing as many
HR practices as possible, but on scrutinizing the underlying philosophy in terms of how human resources should be treated and managed (Monks et al., in press). If HR managers decide to adopt a strengths-based philosophy, they should carefully look at the content of HR practices like training and development, appraisal and reward, and job design and task allocation. It is advisable to use instruments like the Strengthsfinder (Rath, 2007), the values in action inventory of strengths (VIA-IS; Peterson & Seligman, 2004), StandOut (Buckingham, 2011), feedforward interviews (Bouskila-Yam & Kluger, 2011), reflected best self-exercises (Roberts, Dutton, Spreitzer, Heaphy, & Quinn, 2005), and a ratio of 3:1 between positive and negative feedback (Fredrickson & Losada, 2005) in the context of these practices.

In line with Nishii et al. (2008), we would like to stress the importance of communicating the intentions of HR practices to employees in an unambiguous manner. Employee perceptions of HR practices are crucial determinants of the attitudes and behaviors that these practices elicit (Purcell & Hutchinson, 2007; Wright & Nishii, 2012). Next to explaining the strengths-based philosophy to their employees, HR managers also need to make sure to explain it to line managers, who are a crucial factor in applying this philosophy in practice (Purcell & Hutchinson, 2007). In doing so, they should be prepared for critical questions from line managers: “Is it no longer allowed to address problematic performances?”; “Is it not dangerous to only focus on successes and talents while the situation we find ourselves in is really serious?”; “Should I also give compliments when I do not mean it?”; and “If I allow employees to spend their time on the things they are good at, how can I make sure that I will not create a chaos in the organization?” (Tjepkema & Verheijen, 2009).

In answering these questions, HR managers should stress that creating a strengths-based climate does not mean that problems should no longer be addressed. However, instead of centering attention on the analysis of a problem, problems can also be discussed in the light of the desired situation where the problem no longer exists. This includes collecting present examples of situations where this desired situation is already observable and ideas on how to make these instances more frequent. Furthermore, since focusing on deficits may improve employee performance from “poor” to “average” but not from “poor” to “excellent” (Kaiser & Overfield, 2011), discussions about employee development should not automatically focus on translating employee weaknesses to learning goals. Instead, these discussions can also center on the question of how to develop toward an ideal level. Moreover, discussions about how to maximize the opportunity for employees to do what they are good at and to carry out work activities in a manner that plays to their strengths do not need to take place in a vacuum. Line managers have an important task in communicating the boundaries of what is possible in the organization to their employees. Finally, managers may be convinced of the utility of a strengths-based philosophy by pointing to the fact that increases in employee perceptions of a strengths-based climate come at affordable costs. It does not take much effort to praise employee strengths during the workday, or to include discussion about an employee’s strong points in performance appraisals. When such humble measures are applied by line managers, this might have a visible effect on climate perceptions and therefore on positive affect and performance.

Limitations and Future Research

This study is subject to several limitations. First, we conducted an exploratory study that relied exclusively on cross-sectional data-limiting causal claims that we can make. Furthermore, our study uses self-report data, thus increasing the likelihood of potential biases due to common method variance (Podsakoff, MacKenzie, Lee, & Podsakoff,
2003; Spector, 2006). We took this issue into account and provided statistical evidence that common method variance did not significantly inflate the relationship between the predictor strengths-based psychological climate and the dependent variables. Nonetheless, a necessary next step is to investigate whether the relationships we found can be maintained when using more objective measures for the outcome variables (e.g., number of patents in the case of innovativeness and supervisor ratings of performance).

Second, the low response rate of 22.13 percent might cause nonresponse bias and distort the validity of the results. However, as the response rate was considerably lowered by one large organization that yielded very few responses, we compared respondents and nonrespondents from this organization regarding several variables and could not detect any differences.

Third, in this study we chose to focus on employee perceptions of strengths-based philosophies because it is these perceptions that will affect their emotional and behavioral responses. Future studies could include strengths-based philosophies by interviewing managers and investigate the conditions that facilitate or impede the translation of strengths-based philosophies into strengths-based climate perceptions.

**Conclusion**

Although this study is subject to several limitations, we were able to provide initial evidence that strengths-based psychological climate is a valuable construct that has positive implications for employee positive affect and in-role and extra-role performance. Future research will hopefully shed more light on the link between such a climate and diverse outcome measures because our research suggests that a strengths-based climate might create positive outcomes for both individuals (in terms of happiness) and organizations (in terms of performance). The proposed combination of the concepts of strengths and climate may therefore be another step on the path towards the flourishing of individuals and organizations.

**Acknowledgments**

We would like to thank Professor Riccardo Peccei and Professor Arnold B. Bakker for their valuable feedback on an early draft of this article.

---

**References**


Schaufeli, W. B., & Salanova, M. (2007). Efficacy or inefficacy, that’s the question: Burnout and work engagement, and their relationships with efficacy beliefs. Anxiety, Stress, and Coping, 20, 177–196.


### APPENDIX

**Remaining Items Measuring a Strengths-Based Psychological Climate after CFA**

<table>
<thead>
<tr>
<th>Factor</th>
<th>In this organization ...</th>
</tr>
</thead>
<tbody>
<tr>
<td>Identification &amp; development</td>
<td>my development plan is aimed at strengthening my strong points.</td>
</tr>
<tr>
<td>Identification &amp; development</td>
<td>I get the opportunity to learn what my talents are.</td>
</tr>
<tr>
<td>Identification &amp; development</td>
<td>I discuss with my superior how I can strengthen my strong points.</td>
</tr>
<tr>
<td>Identification &amp; development</td>
<td>I am stimulated to further develop my competences.</td>
</tr>
<tr>
<td>Identification &amp; development</td>
<td>I am facilitated to recognize my strengths.</td>
</tr>
<tr>
<td>Appreciation</td>
<td>I gain recognition for activities I do well.</td>
</tr>
<tr>
<td>Appreciation</td>
<td>it does not go unnoticed when I obtain a successful result in my work.</td>
</tr>
<tr>
<td>Appreciation</td>
<td>my strengths are appreciated.</td>
</tr>
<tr>
<td>Appreciation</td>
<td>I receive compliments for performing well.</td>
</tr>
<tr>
<td>Use</td>
<td>I get the opportunity to do what I am good at.</td>
</tr>
<tr>
<td>Use</td>
<td>I am given room to perform my work activities in a manner that best suits me.</td>
</tr>
<tr>
<td>Use</td>
<td>I spend most of my time doing things I am good at.</td>
</tr>
</tbody>
</table>

*Note. Answers on a 5-point scale from 1 (totally disagree) to 5 (totally agree).*