

Can Psychological Capital (PsyCAP) be used as a Moderator in Developing Sustainable Competitive Advantage (SCA) of an Organization? Identification of the Gaps in Literature

Bandaranayake, I. W. M.¹ and Pushpakumari, M. D. B.²

The Psychological Capital (PsyCAP) has been derived from the Positive Psychological Movement of Seligman and Csikszentmihalyi. It is based on the idea that human strengths can be used effectively to benefit at individual level as well at organizational levels. Luthans, and Youssef reasoned those human resources are crucial for the organizational success and suggested it offer the best return on investment for Sustainable Competitive Advantage (SCA) for an organization. The literature show that PsyCAP has widely been used as Mediator and Moderator in research on business Organizations. The mediation and moderation are important concepts and are widely used in Strategic Management research. A systematic literature survey was conducted using the Google Scholar. Two strings, "PsyCAP"+"Moderator" + "Sustainable competitive advantage" and "Psychological Capital as a Moderator" + "sustainable Competitive Advantage" used to collect articles to identify the moderation effect of the PsyCAP in the business research and to assess how it is useful in organizational performance. The literature show that PsyCAP can be used as a moderator in individual, team and organizational levels to improve individual wellbeing and organizational performance

Keywords: Moderator, Organizational performance, Psychological Capital (PsyCAP)

¹ University of Sri Jayewardenepura, Sri Lanka [mangalabandaranayake@gmail.com]

² University of Sri Jayewardenepura, Sri Lanka [pushpakumarimd@sjp.ac.lk]