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# The mediating role of psychological capital on organizational psychological ownership-organizational readiness for change relationship

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#### **Abstract**

The Covid 19 pandemic has accelerated the pace of change, especially in the hospital industry sector in Indonesia. The global Covid 19 pandemic in Indonesia has had an impact on the mental health of workers in the health sector which has caused work discomfort that must be faced so that Psychological Capital is needed, especially the ability of individuals to survive (resilience) in a work environment full of pressure during the global Covid 19 pandemic. The purpose of this research is to investigate the influence of organizational psychological ownership and the role of psychological capital on organizational readiness to change. This study was attended by 75 respondents from a satellite teaching hospital in the city of Surabaya, Indonesia by filling out an online questionnaire addressed to hospital employees. The results show that organizational psychological ownership influences organizational readiness for change directly and is mediated through psychological capital. This paper contributes to the theory of Conservation Resource Theory in the validated the mediated is needed to prove the relationship between organizational psychological ownership and organizational readiness for change. Psychological capital was proposed and found to have a full mediating role in the relationship between organizational psychological ownership and organizational readiness for change. Several practical implications of building psychological capital will be needed for organizations, especially in the hospital industry during and after the Covid 19 pandemic, which are change-oriented so that individual employees are ready for change initiatives.

**Keywords:** Organizational psychology Ownership; Organizational readiness for change; Psychological capital; Conservation Resource Theory

## 1. Introduction

The global pandemic (Covid 19) in Indonesia has had an impact on the mental health of workers in the health care sector. The Covid 19 pandemic outbreak has become a nightmare and has created a lot of stress and mental health, psychological well-being and the lives of individuals around the world, which is also at stake for employees for the future of the soul, especially in the health industry. The pressure of pandemic conditions creates work discomfort that must be faced by health industry employees. The world is expected to accept changes in pandemic conditions as a challenge and can understand the perspective of employee readiness to change (Al-Ghazali & Afsar, 2022). Responding to the challenges of change requires positive psychological capital. Readiness *for change* can be influenced by individual external and internal factors. Individual internal factors include belief in management (leadership), positive psychological capital (*Psychological Capital*), namely self-efficacy, hope, optimism and resilience (Luthans & Youssef-Morgan, 2017).

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Positive Psychological Capital which has an impact on individual behavior, namely action in readiness to change within the organization (Organizational Readiness for Change). Individual readiness to support organizational change efforts in facing an increasingly competitive business environment and maintaining organizational sustainability (sustainability). Sustainability will have a positive impact in the future, organizational change readiness will have an impact on organizational sustainability. Sustained organizational performance depends on individuals within the organization who are highly skilled, committed and ready to deal with change. Organizations can utilize strategic resources effectively including human resources as the key to organizational sustainability (Chen et al., 2021). Employees in the organization must be seen as an important resource capable of driving organizational change, especially in service-based organizations that are unique and distinctive in providing services to customers. Employees can become unique and skilled resources and are committed to creating an organization's competitive advantage and employees are involved in implementing strategies to achieve organizational sustainability in the future. Organizational sustainability can be carried out by strengthening organizational relationships with employees by preparing individual employees for change readiness. Organizations continue to adapt and change according to the business environment. economy and the influence of technological adaptation (Nwanzu & Babalola, 2019) . Sustainable organizational performance requires individual readiness to change in achieving organizational sustainability in order to achieve competitive advantage.

Unidirectional organizational and individual relationships are needed in the change effort. Individuals need organizational psychological ownership (Organizational Psychological Ownership) to jointly carry out changes in the organization. Organizations in improving performance cannot be separated from the role of individuals who are ready to change and play a role in organizational change. In improving the effectiveness of organizational performance, it is necessary to strengthen the relationship between the organization and employees to maintain organizational sustainability (Chen et al., 2021) . The relationship between individuals and organizations in the concept of *Organizational Psychological Ownership* is when individuals feel ownership or part of the organization and it has a positive emotional effect on individuals and will make individuals willing to take risks (Pierce et al., 2001) . An individual's sense of belonging to the organization also influences personal attitudes and behavior and sustainable positive behavior (Gardner et al., 2020) . Positive organizational behavior allows individuals and organizations to feel comfortable at work in achieving increased performance.

Psychological Capital (PsyCap) is defined as the development of an individual's positive psychological state characterized by self-confidence, hope, optimism and resilience. PsyCap can be used to measure the alignment of personal and organizational goals. In the dimension of individual belief can optimize cognitive resources and motivation to carry out work. Hope can be interpreted as positive individual motivation so that positive energy and individual planning appear in achieving goals. The optimism dimension is an understanding of good and bad so that a person is optimistic and the resilience dimension is an individual's ability to change bad feelings or sadness due to difficulties into good feelings. PsyCap is an important asset in facilitating learning (Geremias & Lopes, 2018) . PsyCap is the four constructs (expectation, self-efficacy, resilience, and optimism) the high-level personal resource construct can help strengthen the mental health of employees (Al Kahtani & M. M, 2022) . PsyCap has implications for aligning one's behavior with organizational goals and objectives so that it can be concluded that PsyCap has a positive impact in increasing sustainable competitiveness, reducing costs, and innovation (Nwanzu & Babalola, 2019) .

Gap research in this study was to empirically test the research gap on Organizational Psychological Ownership as an antecedent of work performance in previous research (Chen et al., 2021). OPO has identified variables that present employee motivation to improve work performance in police public sector organizations. This research wants to fill the gap in a different consequence variable, namely Organization Readiness for Change (ORC) where in previous studies the consequence variable was the work performance construct. Researchers want to fill the gap with the argument that work performance in previous research allows for success in individual readiness to make organizational changes for the purpose of organizational sustainability in achieving competitive advantage. As far as the researcher's observations, based on the results of checking on connected papers.com, there are not many articles discussing the relationship between Organizational Psychological Ownership and Organizational Readiness for Change. This research also wants to fill in the research gap related to the phenomenon of changes in government regulatory pressure on the service-based health industry in the community during a pandemic full of work risks in the conditions of Covid 19, so that change becomes an absolute consequence in maintaining organizational continuity even in uncertain situations. As far as the researcher's knowledge is still limited, previous studies have linked the Organizational Readiness for Change variable with the antecedent variable Organizational Psychological Ownership with the mediating role of Psychological Capital and Transformational Leadership. Research on PsyCap in the health industry in Indonesia is still very rare in the context of the Covid 19 pandemic.

Motivation or gap wants to empirically prove the role of *Organizational Psychological Ownership (OPO)* and *Psychological Capital (PsyCap)* in *Organizational Readiness for Change (ORC)* in the health industry analysis unit. The researcher's motivation is to understand whether *PsyCap* has a mediating role in empirical evidence on testing the effect of *Organizational Psychological Ownership* on *Organizational Readiness for Changes*.

This research is important for the health industry which is represented by a sample of hospitals and the health service industry which during the pandemic and post-pandemic contributed to the role of health services needed by the wider community, of course the role of human resources, especially employees in the medical and medical support fields. greatly influences organizational performance and organizational readiness in change. Services of health institutions are interactive, provide quality and unique services so that employees of health institutions always face customers with various cultural backgrounds, ethnicities, age groups so that high-level interpersonal relationships with patients are considered very important in health services. Health services are becoming more interpersonal and full of high pressure because interactions with patients have a high chance of substantially spreading the risk of infection and disease among individual hospital employees. The existence of pressure from government regulations regarding health service standards in the hospital industry in Indonesia is the reason researchers are interested in examining the PsyCap construct as an interesting variable to be studied in the health industry. The key to the sustainability of health organizations where human resources are the main and most important resource that is effective in achieving organizational goals and maintaining organizational sustainability (sustainability). Human resources must be seen as the main and most important resource as an organizational resource in the organization's sustainability strategy (Barney, 1991). Through psychological positive human resource management, namely Psychological Capital, it plays a important role in creating positive individual behavior in organizations in strengthening interpersonal/organizational relationships, motivating the workforce and increasing positive human resource behavior in organizations. Positive behavior of human resources in the organization will support organizational readiness in changes in organizational sustainability (sustainability).

#### 2. Theoretical basis

## 2.1. Organizational Psychological Ownership (OPO)

Psychological ownership is a condition in which certain objects, both tangible and intangible, are psychologically related to, owned and extended by their owners. (Van Dyne & Pierce, 2004) describes psychological ownership as an attitude with both affective and cognitive elements. They illustrate with the following common phrases that indicate a feeling of belonging or possession. For example, 'She is MY daughter,' or 'That is OUR home!' includes both affective and cognitive information based on affective judgments and more abstract beliefs. This is consistent with basic psychological research with Weiss and Cropanzano's Affective Event Theory (1996) in (Van Dyne & Pierce, 2004) which distinguishes beliefs about work from emotional experiences at work. Affective Event Theory proposes that different attitudes have different mixes or relative proportions of affective and cognitive elements. Psychological ownership consists in part of an emotional attachment to the organization that goes beyond mere cognitive evaluation of the company. This close relationship between ownership and feelings of ownership can be directed at the organization or workplace as a whole or at specific aspects of the organization such as groups, jobs, work tools (i.e., computers or production machines), or the work itself. Different ownership targets can vary in importance, depending on the individual and the situation; for example, employees have psychological ownership of their jobs and others may have feelings of ownership of the organization as a whole. OPO can be focused on the organization as the target of the feeling of ownership i.e. psychological ownership for the organization. In work organizations, that sense of belonging (which enables individuals to satisfy their basic needs for place, efficacy and effectiveness, and self-identity) is key to work-related attitudes (commitment and satisfaction), self-concept (organizational) based on self-esteem), and behavior (performance and organizational citizenship) (Van Dyne & Pierce, 2004) . The psychology of ownership identifies three fundamental outcomes associated with feelings of ownership: a positive attitude toward targets, improved self-concept, and a sense of responsibility.

## 2.2. Psychological Capital (PsyCap)

PsyCap is a psychological theory concept that explains individual strengths and attributes in positive psychological development to increase data productivity and performance. PsyCap consists of four components of Self Efficacy, Optimism, Hope, Resilience (Luthans & Youssef-Morgan, 2017).

Self Efficacy is the confidence to accept challenging assignments and succeed through effort. Optimism is an attribute of someone who can succeed in current and future endeavors. Hope is the persistence to achieve goals and change plans to achieve goals and succeed. Resilience or resilience is being able to face problems, difficult is and difficult times with

the aim of achieving success and continuing to rise from failures with positive intentions. These four PsyCap components can be implanted and developed within individual employees through coaching, counseling and training.

Positive psychology focuses on the positive aspects that make everyday life bearable and equally enjoyable. Psychological capital (PsyCap) comes from positive psychology and the four psychological resources: hope, efficacy, resilience, and optimism best meet the criteria of positive organizational behavior (POB). As basic research on PsyCap is now well recognized, the aim of this paper is to present a systematic review of the existing PsyCap literature and chart its overall growth and trends.

## 2.3. Organizational Readiness for Change

John Kotter, in his book Leading Change (2012), argues that the cause of the inability of organizations to initiate change is the inability to complete the necessary changes even though they have tried their best and complete the changes because they exceed the allocated budget. In the classical theory of change (Lewin, 1951), there are three stages of change: unfreeze, change, and refreeze. Based on the theory of organizational readiness for change, ORC is the level of psychological readiness of organizational members to accept change and confidence in their ability to implement change (Weiner, 2009). ORC is a psychological state in which organizational members are committed to implementing organizational change and confident in their collective abilities as an organization to make it happen. A high ORC level should lead to a higher probability for organizational members to initiate change, put more effort into making the change develop, demonstrate higher resilience, and have positive and more cooperative behavior. Low ORC tends to perceive change as undesirable and avoids or even rejects planned change initiatives thereby refusing to take part in the change process. ORC is a multi-level construct that can be found at the individual, group, department, or even at the organizational level (Weiner, 2009). It is not only a multi-level construction but also a multi-dimensional construction. ORC has two main dimensions, the commitment dimension, and the efficacy dimension. The commitment dimension represents a shared psychological guarantee of the benefits of change and the collective desire of organizational members to realize change initiatives. The efficacy dimension represents the collective ability to implement change which includes: knowledge, resources, and prerequisites needed for change. ORC emphasizes the collective efforts of all members of the organization, where everyone is expected to contribute to the change implementation efforts. Serious complications will occur when not all members of the organization want and are committed to change initiatives. ORC shows the collective readiness of organizational members to commit to the implementation of change and have collective confidence in their ability to make changes. ORC levels can vary as a function of members' level of appreciation for change and how confident they are in three areas: task requirements, resource availability, and situational factors. Lack of consistency in communicating change messages will impact ORC uniformity.

## 2.4. Effect of OPO on ORC

Organizational readiness for change is a multi-level, multi-faceted construction that can be present at the individual, group, departmental or organizational level (Weiner, 2009). Contextual factors in Organizational Psychological Ownership (OPO) are circumstances in which individuals in an organization consider certain objects, both tangible and intangible, psychologically related to what they own. PO as an affective, cognitive construction based on individual feelings, namely having 3 elements, namely being born with a sense of belonging, subject ownership, and a sense of belonging will have an impact on individual attitudes and behavior and can fulfill three human needs including a sense of belonging, self-efficacy and self-identity (Chen et al., 2021). Individual employees who have high perceptions of OPO will have an emotional connection with the organization so as to have a positive behavioral effect and will consider themselves to be an extension of the organization and will consider organizational success to be the same as their own success, thus having an impact on positive attitudes and work behavior of employees and support change readiness in the organization. Then the research hypothesis can be formulated as follows:

H1: Organizational Psychological Ownership has a positive effect on Organizational Readiness for Change

# 2.5. The Influence of Organizational Psychological Ownership on PsyCap

OPO is the psychological state of the individual in the organization as a cognitive and affective construction based on the individual's emotional feelings attached to the organization, so that a very high sense of belonging to the organization makes individuals with high organizational psychological ownership have an impact on employee attitudes and behavior which will affect strong motivation, a more positive attitude and a higher perception of responsibility. Because of this, with high OPO in individual employees, OPO can increase psychological capital resilience (PsyCap) (Chen et al., 2021) . A high OPO can have positive traits towards certain things and have more positive attributions to all things thereby increasing a sense of optimism, a sense of responsibility, motivation and hope in the

elements that make up PsyCap. Based on the description above, high OPO will have a positive and proactive attitude in dealing with difficulties, so the hypothesis formulated is:

H2: Organizational Psychological Ownership has a positive effect on Psychological Capital

## 2.6. Psychological Capital has a positive effect on Organizational Readiness for Change

An organization is conditioned in a group of people who coordinate to achieve common goals. Organizations that are undergoing change reflect an attitude of commitment and individual behavior to change along with all members of the organization. Attitudes are related to behavior, where attitudes are feelings or beliefs that are relatively stable towards individuals and groups. The attitude of individual acceptance in organizational change is influenced by inclusive personality in individual psychological development, namely optimism, self-confidence (Nwanzu & Babalola, 2019) . PsyCap is a psychological construction that describes a person's psychological capacity for how human capital, namely knowledge, skills and individual competencies obtained from education, experience (Luthans & Youssef-Morgan, 2017) will enable individual change readiness to contribute to organizational change. Based on the description above, the hypothesis can be formulated:

H3: PsyCap has a positive effect on Organizational Readiness for change

#### 2.7. The Mediation Role of Psychological Capital

*PsyCap* is a pervasive psychological state, which has both indirect and direct effects. PsyCap has been found to mediate relationships between supporting organizations climate and performance (Luthans, Norman, Avolio, & Avey, 2008). It has also been linked to a mediating role in relationships between organizational socialization, knowledge integration and knowledge sharing (Jian & Hanling, 2009). These patterns make sense that *PsyCap* is also involved in the relationship between management's perceived support for change and employee readiness to engage with organizational change . PsyCap has 4 elements, namely *self-efficacy*, *optimism*, *hope* and *resilience*. Based on the arguments and logic of the researcher and support from the literature the following hypotheses: .

Hypothesis 4 : *PsyCap* mediates the relationship between *Organizational Psychological Ownership* and *Organizational Readiness for change* 

#### 3. Research Framework

This paper uses the individual level in the organization to analyze all constructs. The Gotong Royong Hospital is one of the 3 Satellite Education Hospitals in Surabaya, Indonesia, used as the sample for this study. Table 1 Respondents in this study consisted of 79% women and 21% men, interestingly, the majority of respondents 73% were millennial respondents aged between 21-30 years. In terms of education level, 84% of respondents had bachelor's degrees, only 1% held master's degrees and 1% had Ph.D degrees and 10% had non-degrees.

Table 1 Respondent Demographic Profile

		Amount	%
Gender	Man	16	21%
	Woman	59	79%
Total Sample		75	
Age	21-30	55	73%
	31-40	14	19%
	41-50	3	4%
	51-60	3	4%
Total Sample		75	
Education	D4/S1	63	84%
	S2	1	1%

	S3	1	1%
	SMA/Equivalent	10	13%
Total Sample		75	
Position	Doctor	11	15%
	Nurse	36	48%
	Medical support	22	29%
	Admin	6	8%
Total Sample		75	

## 3.1. Questionnaire and Measurement Questionnaire

The first part begins with a demographic profile, followed by the latent variables proposed in this study. All latent variables are measured based on previously validated measurements. Employees must assess OPO using OPO-6, which was adapted from the work (Van Dyne & Pierce, 2004), ORC is measured by 5 items adopted from the organizational readiness scale to implement change (ORIC scale) (Shea et al., 2014), PsyCap is measured with 5 items measured using (Luthans & Youssef-Morgan, 2017). The three latent variables (ie, OPO, PsyCap, ORC) were all measured using a 6-point Likert scale.

## 3.2. Data Analysis

Structural Equaling Modeling (SEM) sofware was used for data analysis throughout this research report. SEM is also known as a second generation method that offers simultaneous modeling of the relationship between several independent and dependent variables. PLS-SEM was chosen because it is more suitable for predictive-oriented research designs (Hair et al., 2017). The results of the measurement model research are shown in Table 2. The three latent constructs in this study met the requirements, where all indicator loads exceeded 0.5 (Hair et al., 2009), all-composite reliability (CR) was above the minimum threshold of 0.7 and all AVE (Average Variance Exacted) is greater than 0.5.

As a result, all constructs meet the requirements of convergent reliability and validity. This paper also assesses discriminant validity, a measure to ensure that a construct is different from other constructs (Hair et al, 2011), by ensuring that the external loading of indicators of the related construct must be higher than all of its contents. Cross-loading of other constructions. As shown in Table 3, all the indicator external loading values of the related constructs are greater than all the cross loading values of the other constructs.

Table 2 Construct Reability Test

Variable	Indicator	<b>Loading Factor</b>	Composite Reability	Average Variance Extracted (AVE)
ОРО	X1.1	0.739		
	X1.2	0.783		
	X1.3	0.756		
	X1.4	0.779		
	X1.5	0.794		
	X1.6	0.631		
ORC	Y1.1	0.742	0.805	0.46
	Y1.2	0.86		
	Y1.3	0.885		
	Y1.4	0.827		
	Y1.5	0.771		

	Y1.6	0.849	0.927	0.679
PSYCAP	Z1.1	0.624		
	Z1.2	0.481		
	Z1.3	0.808		
	Z1.4	0.699		
	Z1.5	0.732	0.859	0.486

Table 3 Discriminant Validity Test

Variables	Indicators	Cross Loading			
		X1 (OPO)	Z1 (PSYCAP)	Y1 (ORC)	
ОРО	X1.1	0.739	0.200	0.223	
	X1.2	0.783	0.357	0.453	
	X1.3	0.756	0.426	0.314	
	X1.4	0.779	0.403	0.376	
	X1.5	0.794	0.413	0.44	
	X1.6	0.631	0.305	0.282	
	X1.7	0.202	0.038	0.082	
ORC	Y1.1	0.462	0.323	0.742	
	Y1.2	0.424	0.433	0.86	
	Y1.3	0.421	0.474	0.885	
	Y1.4	0.286	0.462	0.827	
	Y1.5	0.371	0.393	0.771	
	Y1.6	0.417	0.567	0.849	
PSYCAP	Z1.1	0.358	0.624	0.455	
	Z1.2	0.149	0.481	0.134	
	Z1.3	0.366	0.808	0.337	
	Z1.4	0.263	0.699	0.378	
	Z1.5	0.405	0.732	0.415	

# 3.3. The Goodness of Fit Model

The theoretical model of this study is said to be fit if the R-square value for each exogenous variable is greater than 0. From Table 4 it can be concluded that the theoretical model is considered fit. The Q2 value for ORC is  $1 \times (1-0.359) \times (1-0.233) = 0.491$ . It is greater than 0, thus indicating the relevance and validity of the model's predictions.

Table 4 Goodness of Fit Test

Variables	R-Square
Influence of OPO, PSY to ORC	0.359
Effects of OPO on PSY	0.233

#### 3.4. Hypothesis testing

Value path coefficient to test the significance of the hypothesis using resampling technique (5000 re-samples). Based on the results in Table 5, two of the three direct relationship hypotheses are supported. The results illustrate that OPO shows a direct effect on PsyCap ( $\beta$ =0.151, t=0.0085, p≤0.005) and PsyCap also shows a direct effect on ORC ( $\beta$ =0.085, t=0.151, p<0.005), OPO also shows a direct effect directly on ORC (( $\beta$ =0.145, t=1.983, p<0.005) so H1, H2 and H3 are supported

Table 5 Relationship between Hypotheses

hypothesis	Influence between variables	Original Coef	Bootstrap B = 5000		Conclusion	
			Coef	T-values	P-values	
H1	OPO to ORC	0.287	0.145	1,983	0.048	Supported
Н2	ORC to PSYCAP	0.405	0.151	0.0085	0.000	Supported
Н3	PSYCAP to ORC	0.483	0.085	0.151	0.007	Supported

#### 3.5. Mediation Analysis

Bootstrapping Procedure is also applied to test mediation effects. Mediation analysis was performed to assess the mediating role of PsyCap in the OPO and ORC relationship. The results presented in Table 6 indicate that the relationship between OPO is fully mediated by ORC.

Table 6 Mediation Analysis

hypothesis	Original Coef	Bootstrap B = 5000			Conclusion
		Coef	T-values	P-values	
H4: OPOPSYORC	0.196	0.092	2,213	0.039	Supported

#### 4. Discussion

This study uncovers the effect of OPO on PsyCap and ORC. First, OPO was found to have a significant relationship with ORC (so H1 was accepted). This shows that OPO, which is an individual psychological state of having an organization, shows behavior at the individual level from the readiness of organizational members psychologically and their behavior to implement organizational change. In other words, organizational readiness for change is a psychological condition when organizational members are ready to commit to implementing organizational change and have subordinates belief in individual ability to change is a collective ability as an organization (Weiner, 2009) . This argument is also supported because this research was conducted after the peak of the COVID 19 pandemic where the hospital industry in Indonesia was required to face conditions of uncertainty and high risk, the need for positive psychology in serving the needs of the Indonesian people in health services.

Second, respondents acknowledged that OPO had a direct influence on PsyCap. OPO is the psychological state of the individual in the organization as a cognitive construction based on the individual's emotional attachment to the organization, so that a very high sense of belonging to the organization makes individuals with high OPO have an impact on employee attitudes and behavior which influences strong motivation, more positive attitudes and perceptions of responsibility. high responsibility, so a high OPO on individual employees increases PsyCap. This finding is in line with (Chen et al., 2021) where a high OPO increases the resilience of psychological capital. These three studies also found that PsyCap had a direct influence on ORC. Individuals who have resilience will develop positive psychology in cooperative behavior making efforts to implement planned changes more effective so that individual employees will increasingly accept the changes themselves with conditions of strong self-resilience in accepting organizational changes (Al-Ghazali & Afsar, 2022) The main emphasis positive psychology is that challenging and difficult times make individuals resilient, hopeful, and thriving. This points to the fact that happiness, positive energy, optimism, survival and the ability to remain calm should not diminish in difficult situations (Al-Ghazali & Afsar, 2022).

Fourth and finally, this study also found that PsyCap fully mediates the relationship between OPO and ORC. This finding fills a current research gap by validating that the influence of OPO on ORC is fully mediated through PsyCap. In other words, for OPO to have an impact on ORC, it is necessary to first ensure that PsyCap within the organization is in place. With positive psychology in the resilience dimension, namely the ability of individuals to survive in high pressure situations, especially the conditions of the occurrence of Covid 19 where nurses in the hospital industry must survive in situations of uncertainty, discomfort in work pressure, able to show positive psychological developments in increasing productivity, performance and responding individual collective ability in task demands, situational factors indicate the belief that PsyCap is an individual's collective belief and capability to make changes (Weiner, 2009) . The findings of this study are consistent with (Avey et al., 2011) that PsyCap mediates the relationship between organizational climate support and performance.

#### 4.1. The Study Implications

To the extent of theoretical implications of this research go, the researcher applies the COR (Conservation Resource Theory) theory, namely to strengthen the understanding of the relationship between OPO and ORC and the role of PsyCap in this relationship. The COR theory is used to validate that PsyCap is a construct that links individual employee cognition to building and protecting oneself and survival and to the OPO construct psychological ownership causes employees to think that organizational employees are a representation of themselves. PsyCap was allowed as an intervening variable and was found to fully mediate the relationship between OPO and ORC. This finding also fills a gap in existing research on the relationship between OPO and ORC.

This finding has important practical implications for preparing change initiatives, it is necessary to prepare employee PsyCap which helps employees coordinate with groups to achieve common goals in situations of uncertainty and full of work discomfort. PsyCap is a significant personal resource that can improve mental health and organizational change readiness. Luthans and colleagues show that PsyCap can be developed in training interventions to be able to increase employee confidence with the assets needed to build and maintain resilience in the face of adversity which are actually integral elements of human capital, such as knowledge, skills, abilities, and experience. Assets that are antecedents of resilience also include vital elements of social capital, such as relationships and social networks (Peterson S. & Luthans F., 2003) . The notion that PsyCap is a fairly volatile state-like psychological resource provides a good rationale for interventions to develop PsyCap. In Covid 19 it is clear that hospital management in particular is concerned about the mental health and job insecurity of its employees. In addition, the hospital industry is expected to make a number of changes during and after the pandemic in order to remain competitive and successful. Therefore, the hospital management is interested in knowing the level of readiness of its employees for these changes. The results of this study indicate that one way to achieve this agenda is through improving and developing employee PsyCap. To improve PsyCap, managers must employ multiple strategies and must understand that PsyCap development is a fast and steady process.

## Limitations and Suggestions for Further Research

In this study, the data must have a large sample size first to explore this topic and ultimately produce broad results. The cross-sectional study research method is also a limiting factor, because it is an illustration of the process of change that is happening. Therefore the impact of OPO on PsyCap and ORC may not be fully effected due to the feedback nature of OPO on yields. Future studies should expand the broader sample of hospital organizations, to reach a more credible and valid set of findings. In addition, the answers to the respondent's questionnaire are generally based on their previous experience of change, which with positive and negative experiences definitely affects their perception of their readiness to change, which may cause a high bias in the questionnaire answers. Future research needs to consider the transformation leadership factor as one of the main antecedents of success in implementing change, future research can consider providing a longitudinal study method to ensure that previous experience is controlled to eliminate potential bias.

## 5. Conclusion

This paper aims to answer and confirm the relationship between OPO and ORC. By using the Conservation Resource Theory, it is validated that mediation is needed to prove the relationship between OPO and ORC. PsyCap was proposed and found to have a full mediating role in the relationship between OPO and ORC. Several practical implications of building PsyCap will be needed for organizations, especially in the hospital industry, especially during and after the Covid 19 pandemic orientated towards change so that individual employees are ready for change initiatives.

## Compliance with ethical standards

Disclosure of conflict of interest

No conflict of interest to disclosed.

Statement of informed consent

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