

Research Article

A Study of Psychological Capital on Innovative Performance among Employees in the Textile Industry of Haryana

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Abstract: Among the employees of the textile sector in the state of Haryana, the current paper analyzes the rates of psychological capital on Innovative Performance among employees in the textile industry of Haryana. Psychological capital entails different components like optimism, hope, resilience, and self-efficacy, whereas Innovation entails components like idea generation, idea promotion and idea implementation, which is also a major source of competitiveness within the textile industry in Haryana. Due to the fast use of automation and digital technologies, textile producers have been able to grow more in productive and minimise costs. These innovations are not only able to enable businesses cut down the cost of doing business, but also make them leaders in satisfying the global demand of fast fashion. Innovative Performance among the employees is an important study because the textile industry of Haryana is also facing issues like experiencing contest, technological problems, and innovation requirements, and the employees' capabilities become very crucial in such an instance. The sample size was 100 employees, and the statistical evaluation revealed that the employees have relatively high scores of Psychological Capital (Mean = 4.21, SD = 0.41). It was evident because male employees showed higher levels of Psychological Capital in comparison of female employees. The statistical evaluation score of innovative performance (Mean = 4.15, SD = 0.38) revealed that the employees have high innovative performance. To improve things like motivation, teamwork, idea generation, idea promotion and idea implementation and job performance in the textile industry, the results exhibit the value of positive psychological resources, high innovative performance and close social relations. The research is focused on how psychological capital can contribute to positive Innovative Performance towards the development of performance and organisation.

Keyword: Psychological Capital , Innovative Performance , Textile Industry of Haryana.

INTRODUCTION

In the study of the behaviour of employees and organizational performance, the concepts of psychological capital have major relevance. Positive psychological resources include psychological capital; optimism, resilience, self-efficacy, and hope. Positive psychological resources enable employees to manage challenges and avoid demoralization. There is a very high necessity of types of capital for enhancing work place operation. High-psychological capital employees facilitates creative and problem resolution because they are more assured, optimistic and initiative takers. This collaborative environment helps in the development of ideas. When the interaction happens among psychological capital, it enhances organizational culture and it gives the result of improved performance and flexibility. Textile industry is one of the oldest industries in India and it is also the most important industry in India. This industry has played a crucial part in production, employment, and export. The second largest producer of textile and garments is Textiles and garments India and it encompasses small units, power looms, handloom industries and large scale mills. The sector is also associated with agriculture such as production of cotton. The textile industry has a lot of importance but it is still facing many threats such as the increased production cost, competition at international level, unstable cotton prices, and less use of technology. Countries like

China, Bangladesh and Vietnam are competing with the country on the high value production of the textiles but India still majoring on the low value side of the production. Many problems relating to labour, old technology and sparse trade agreements affect competitiveness. To solve this, the Government of India has been starting some initiatives such as 100% FDI in textile, National Technical Textiles Mission, and Technology Upgradation Fund Scheme (TUFs). These policies are intended to do many things such as modernize the production, attract investment, and increase exports. The future of Indian textile industry depends on the enhancing innovation, technology, as well as bettering the workforce abilities. Psychological capital among the employees can be critical to understand in this case because an encouraged, confident, and well-connected workforce will be in a better position to embrace change and facilitate growth. Innovation is also a major source of competitiveness within the textile industry in Haryana. Due to the fast use of automation and digital technologies, textile producers have been able to grow more in productive and minimise costs. The psychological capital development increases performance and productivity in the textile organisation in Haryana and stay competitive in the rapidly changing global market. The influence of psychological capital on the development of innovative performance cannot be overestimated. All these psychological resources generate

an organizational culture, which promotes creativity, resilience, and adaptability, which are necessary ingredients in promoting innovation. Skill education is critical for empowering individuals by increasing their ability to earn a living, make educated decisions, and

contribute meaningfully to economic progress. In India, empowerment via skill education is particularly crucial for young, women, and marginalised communities, who frequently confront institutional impediments to employment and entrepreneurship (Vats, 2025).

REVIEW OF RELATED LITERATURE

Table 1.1 Review of related literature

Author & Year	Purpose of Study	Key Findings	Relevance to Current Study
Zhou et al. (2024)	Investigated how psychological capital and leadership environment influence newcomers commitment.	Psychological capital contributed to higher emotional commitment and positive attitudes in organizations.	Highlights the importance of psychological resources in shaping workplace attitudes.
Ullah et al. (2024)	Studied psychological capital and personality traits in relation to innovative work behaviour	Employees with strong psychological capital demonstrated greater creativity and initiative	Shows the role of psychological capital in influencing employee innovation and behaviour.
Karupeta et al. (2024)	Explored psychological capital and leadership characteristics in employee motivation.	Psychological capital enhanced motivation, resilience, and job satisfaction.	Indicates the relationship between psychological capital and positive workplace outcomes.
Annamalah et al. (2024)	Investigated psychological capital and burnout among employees.	Higher psychological capital reduced burnout and improved job performance.	Demonstrates how psychological strength contributes to employee well-being.

Textile Industry in Haryana

Entrepreneurship, defined as the act of recognising possibilities and producing value via new ideas and solutions, is an important engine for economic development and employment creation (Vats & Malik, 2025). Haryana state belongs to the northern part of India and this state has a significant role to play in the textile industry of India. Some of the major textile centres are home textiles, garments, carpets, blankets, and technical textiles and these major textiles centres are situated in cities like Panipat and Gurugram. At the beginning, Haryana was a regional textile manufacturer and over the years it became a big producer of textiles manufacture and exports in the country. Haryana got the Geographical advantage in this development. It is close to the capital of India, Delhi. This helps in giving it access to markets, raw materials, and skilled labour. Rapid transportation of goods is cost effective in the production of textiles and road and rail networks of Haryana are developed which helps Haryana in rapid transportation of goods. In Panipat, there are many small and medium-sized businesses. These businesses perform weaving, dyeing, finishing, and clothes manufacturing. Hence, Panipat is also called the Textile City of India. Textile industry is also a large employment source. It gives employment to both skilled and unskilled employees. In Haryana, approximately more than 2 million people are considered to be directly or indirectly employed in the textile industry. Haryana is the leading exporter of blankets, carpets and home textile items to the US, Europe and the Middle East markets. It is the most profitable industry in Haryana. This industry contributes to the GDP of the state and the competitiveness of the Indian textile in the world market. Regardless of its merits, the textile sector at Haryana has many challenges, such as:

- **Global Competition:** China, Vietnam and Bangladesh have very less labour costs, suitable trade policies and high subsidies. All these things make it hard to compete with these countries on price level.
- **High Cost of Raw Materials:** In India, Prices of Cotton and energy are comparatively higher than the prices in other countries and this higher price has an impact on production cost.
- **Technological Gaps:** The technology of many of the units is outdated or old-fashioned, and this outdated technology restricts productivity, innovation, and also restricts the production of high-value textiles.
- **Skill Shortage:** Although the workforce is high but the number of skilled workers trained in the modern textile technologies is inadequate, which raises the need to undertake vocational training.

- **Unstable Cotton Prices and Geopolitical Risks:** The production and supply chains are affected by the changes in oil prices in the world market and also in the international trade shocks. In general, Haryana has a strong and growing textile sector. Haryana's textile sector will be able to successfully compete in the long run if Haryana adopt to modernization, innovation, skills development, and needs of the international market.

Psychological Capital Overview

Psychological Capital (PsyCap) is a collection of positive psychological resources which facilitate individuals to perform well on the personal as well as professional front. Traditional human capital is skill and experience centred but PsyCap focuses on the inner strengths and that inner strengths facilitate motivation, resilience, and output. It is founded on positive psychology and it has four fundamental elements:- hope, optimism, resilience and self-efficacy. Intense Psychological Capital of employees makes them more confident, motivated, adaptable, and capable of facing any type of challenges at the workplace. PsyCap is not an inborn quality, but this quality is built by the help of training, favourable leadership and good working experience. When the amount of PsyCap is intense then chances of job satisfaction, participation, innovativeness, and the overall business performance are enhanced. In the modern competitive world, the essential element for developing a productive and innovative workforce in organisations is Psychological Capital.

Components of Psychological Capital

Hope

The meaning of Hope is to set the purposeful goals, finding ways of achieving those goals and being motivated despite the difficulties. It consists of two aspects. The first one is pathways thinking (finding ways to do things) and the second one is agency thinking (the motivation to do things). With optimism, employees stay at work for a long time and face the disappointments very bravely and help in building positive relationships and also help in solving the problems at the workplace.

Optimism

Optimism is a positive approach and it is a nature in which a person expect positive results in the difficult situations. People with positive thinking see the problems as a temporary challenge and they think that these challenges can be dealt with. The relation of Optimism atworkplace is with better performance, creativity, job satisfaction and teamwork behaviour. Positive thoughts, favorable conditions and positive feedbacks can reinforce it.

Resilience

Resilience is known as the ability to overcome from difficulties, adapt oneself to changes, and stay focused under stress. Resilient employees handle pressure in effective manner, maintain emotional balance, and learn from difficult experiences. In organizations, the trait of resilience supports productivity, innovation, and rapid recovery during difficult times. It can be developed through training, strong social support, and favourable work conditions.

Self-efficacy

Self-efficacy means the belief of the person that he or she can complete his/her work and achieve goals. Highly self-efficacious employees work in a independent way and face the difficulties with confidence and with do not to quit when the difficulties arrive. This trait improves job performance, creativity and problem solving capabilities. Self-efficacy is developed with the help of successful experience, assistances, and opportunities to build the skill.



Fig 1.1 Components of Psychological Capital on Innovative Performance among Employees

Interaction of Psychological Capital in the Textile Industry

Within the textile organisations, Psychological Capital (PsyCap) plays an essential role in developing innovation, performance, and adaptability. PsyCap strengthens individual qualities such as confidence, optimism, hope, and resilience the interaction of PsyCap capital can help the firms so that those firms remain competitive and sustain long-term growth.

Creating an Innovative Culture Through Psychological Capital Employees who have high Psychological Capital are very innovative. They are more willing to take initiative, generate new ideas, and persist even in the difficult situations.

- Employees set meaningful goals and stay motivated because of the hope.
- Employees got the confidence to try new ways because of self-efficacy.
- They remain positive during setbacks due to optimism they have.
- Resilience allows them to recover very fastly so that they can continue working on innovative solutions.

However, only strong psychological resources are not sufficient. The support needed to filter and implement new ideas within an organisation is provided by relationships, trust, and communication. Innovation becomes more productive and efficient only when employees share knowledge, seek feedback, and make collaboration across departments. It is the synergy between PsyCap that helps in creating a workplace where creativity, teamwork, and continuous improvement are inspired. High-PsyCap employees are more attentive in behaviours that are collaborative.

Impact on Organizational Success

The Psychological Capital are the potent force that helps in achieving the success in the long-term in the textile industry. Employees who have High PsyCap are more flexible. They are also always ready to change and risk-takers and these qualities of employees are very essential in a industry that is changing at very high pace. Organisations have resilience and confidence that's the reason that organisations are well ahead of industry trends. The textile companies are also assisted by it so that companies can build relationships with their suppliers, consumers, and other external stakeholders. Organisations have higher chances of introducing new products, adopting modern technologies, and being competitive in the international markets only if those organisations invest in building both the PsyCap, with the help of leadership, training, team-building, and practices.

Three Core Dimensions to Measure Innovative Performance among Employees in the Textile Industry of Haryana

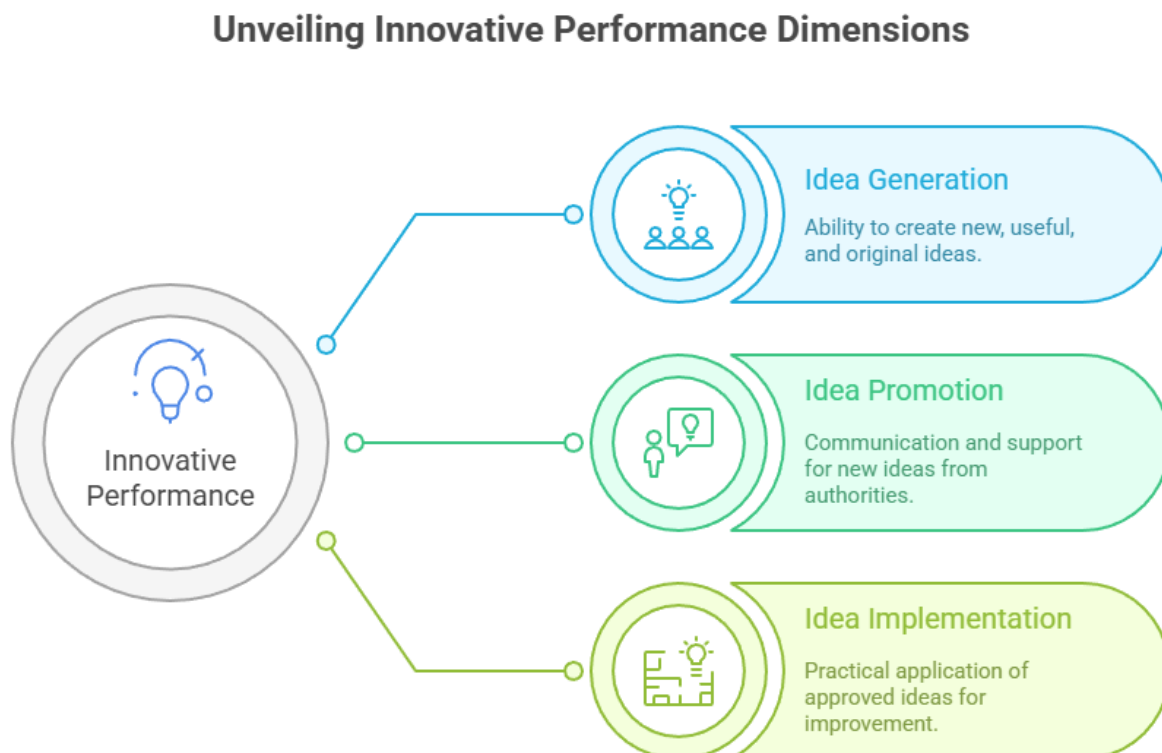


Fig 1.2 Three Core Dimensions to Measure Innovative Performance

- **Idea generation:-** This refers to an employee's ability to generate useful, new, original and creative ideas for work production and problem solving. It involves how employees can contribute by using new methods of doing.
- **Idea promotion:-** This involves communication and support for newly generated ideas from the authorities. It requires confidence, skills, support, unity and resources for further development.
- **Idea implementation:-** This refers to the practical implementation of approved ideas. It includes the successful implementation of transforming ideas into actual improvement.

Effect of Four Dimensions of Psychological Capital on Innovative Performance

PsyCap is comprised of four important dimensions, including self-efficacy, hope, optimism, and resilience that play a specific role in innovation.

Impact of Psychological Capital on Innovation

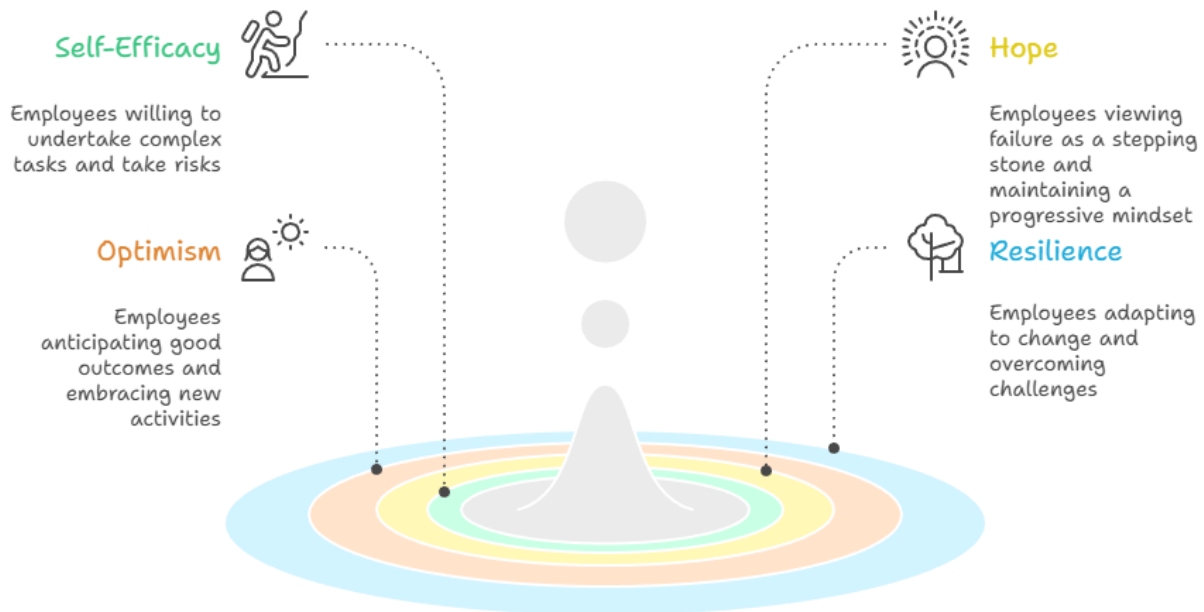


Fig 1.3 Effect of Four Dimensions of Psychological Capital on Innovative Performance

- **Self-efficacy and Innovative Performance:-** It is part of the philosophy of an employee towards innovation. High self efficacy employees tend to be more willing to undertake complex and new tasks because they have the belief to find a way out of them and take risks that are needed to create something new. With self-efficacy, employees will decide to take on difficult and high reward innovation projects either because they believe that they can complete the projects successfully.
- **Hope and Innovative Performance:-** The hope aspect is important in the innovation process and must keep the process going and especially under the pressure of challenges or failure. It inculcates the attitude to regard failure as a stepping stone, and employees have a progressive mindset that contributes to continuous innovation activity.
- **Positive Thinking and Fresh performance:-** Refers to the overall inclination to anticipate good things that will happen in future. It is a style that is attributional to the ways employees view and respond to problems. Positive people are also more willing to follow new activities and new ways and risk-taking, which are some major constituents of innovation.
- **Both Resilience and Innovative Performance:-** The concept of resilience plays a significant role in the particular field of innovation, when one tends to fail during the process of getting an answer, and constant adaptation is needed. It brings change when a new technology or process is introduced to an industry, such as the textile industry.

Need for the Study

The textile business of Haryana is working in a highly dynamic market. It's a market where employee output and flexibility are very crucial in determining competitiveness and sustainability. That's why it is very important to understand Psychological Capital on Innovative Performance. Psychological Capital is based on optimism, resilience, hope, and self-efficacy and it makes the employees motivated so that they can cope with difficulties. Textile units are motivated through sharing of knowledge and by relationships, trust and teamwork. It is important to examine the both forms of the capital because in the workplace, both the forms of capital directly affect the employee behaviour, productivity and the whole effectiveness. The research is very necessary to understand that if positive psychological resources and social networks are provided to the employees then employees can create a suitable and productive workplace in the textile industry. The gained knowledge from this study can guide organisations in developing HR practices, enhance the welfare of employees, enhance effective teamwork and complete performance of the organisation. Eventually, the results will establish a more dedicated, and cooperative workforce to the textile industries in Haryana to fit the present-day industry trends.

RESEARCH METHODOLOGY

Quantitative research design is used in this study because the researcher had to determine the levels of Psychological Capital on Innovative Performance of employees working in the textile industry in Haryana. 100 employees is the sample size which is taken for the study. These 100 employees represented different departments of the textile industry. The aim of the study was

to assess the two key variables:- The Psychological Capital (which is composed of hope, motivation, optimism, and resilience) and Innovative Performance (which is composed of like idea generation, idea promotion and idea implementation). The scales were standardised rating scales, which were on a 5-point Likert scale, and these scales were used to collect data. The descriptive statistics were computed on two variables: the mean and the standard deviation in order to get the desired aims of the research. Analysis of the difference between genders in Psychological Capital on Innovative Performance was done with the use of an independent t-test. Significant positive values of both variables was showed in the results/outcomes and these variables were statistically significant therefore showing strong psychological strength and value social networks among the staff. Drastic differences in was found in gender based tests because male employees were scoring higher in comparison of female employees. Positive correlation showed between Psychological Capital and Innovative Performance. The methodology was used to measure employee perceptions. Employee perceptions were measured in respect to Psychological Capital on Innovative Performance in a structured, objective, and reliable manner.

Research Objectives

1. To assess the level of Psychological Capital among employees working in the textile industry of Haryana.
2. To assess the level of Innovative Performance among employees working in the textile industry of Haryana.
3. To assess the relationship between Psychological Capital and Innovative Performance among employees working in the textile industry of Haryana.
4. To evaluate the difference in Psychological Capital between male and female employees.

Hypothesis

H₁: There is a significant level of Psychological Capital among employees working in the textile industry of Haryana.

H₂: There is a significant level of Innovative Performance among employees working in the textile industry of Haryana.

H₃: There is a significant relationship between Psychological Capital and Innovative Performance among employees working in the textile industry of Haryana.

H₄: There is a significant difference in Psychological Capital between male and female employees.

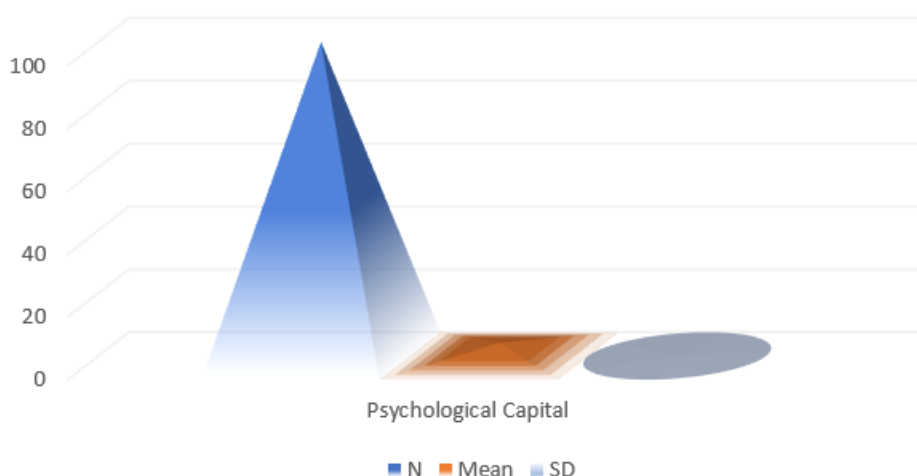
Result and interpretation

H₁: There is a significant level of Psychological Capital among employees working in the textile industry of Haryana.

Table 1.2 Descriptive Statistics for Psychological Capital (N = 100)

Variable	N	Mean	SD
Psychological Capital	100	4.21	0.41

DESCRIPTIVE STATISTICS FOR PSYCHOLOGICAL CAPITAL (N = 100)



Graph 1.1 Descriptive Statistics for Psychological Capital

The results indicate that employees working in the textile industry of Haryana possess high mean value 4.21, Indicating presence of level of psychological capital which has self-efficacy. The low SD 0.41 implies that employees have the same level of strength and positive work attitude. So the hypothesis is rejected. Luthans, Youssef and Avolio (2007) reported that employees with a

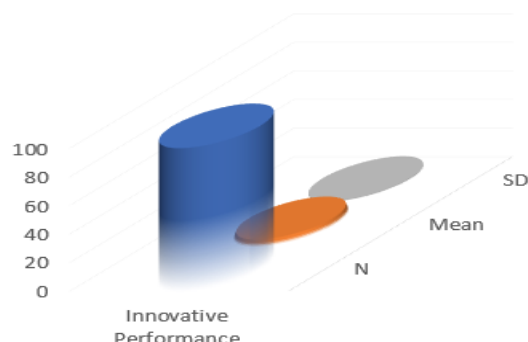
high level of psychological capital show motivation, confidence and a positive attitude toward work.

H₂: There is a significant level of Innovative Performance among employees working in the textile industry of Haryana

Table 1.3 Descriptive Statistics for Innovative Performance (N = 100)

Variable	N	Mean	SD
Innovative Performance	100	4.15	0.38

DESCRIPTIVE STATISTICS FOR INNOVATIVE PERFORMANCE (N = 100)



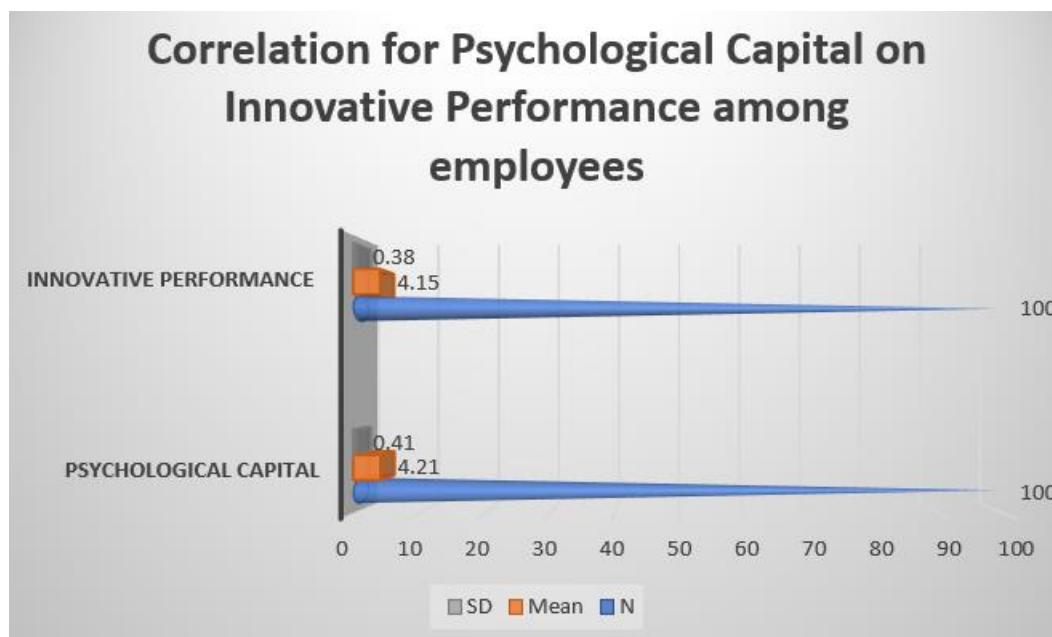
Graph 1.2 Descriptive Statistics for Psychological Capital

The results indicate that employees working in the textile industry of Haryana possess high mean value 4.15 reflecting positive response during work and actively engaged in innovative ideas like problem solving, implementation of new ideas. The low SD 0.38 implying uniformity in innovative performance among employees. So hypothesis is rejected. Luthans, Youssef and Avolio (2007) reported that employees with a high level of innovative performance entail components like idea generation, idea promotion and idea implementation.

H₃: There is a significant relationship between Psychological Capital and Innovative Performance among employees working in the textile industry of Haryana.

Table 1.4 Correlation for Psychological Capital on Innovative Performance among employees

Variable	N	Mean	SD	r	Result
Psychological Capital	100	4.21	0.41	0.62	Positive relationship
Innovative Performance	100	4.15	0.38		



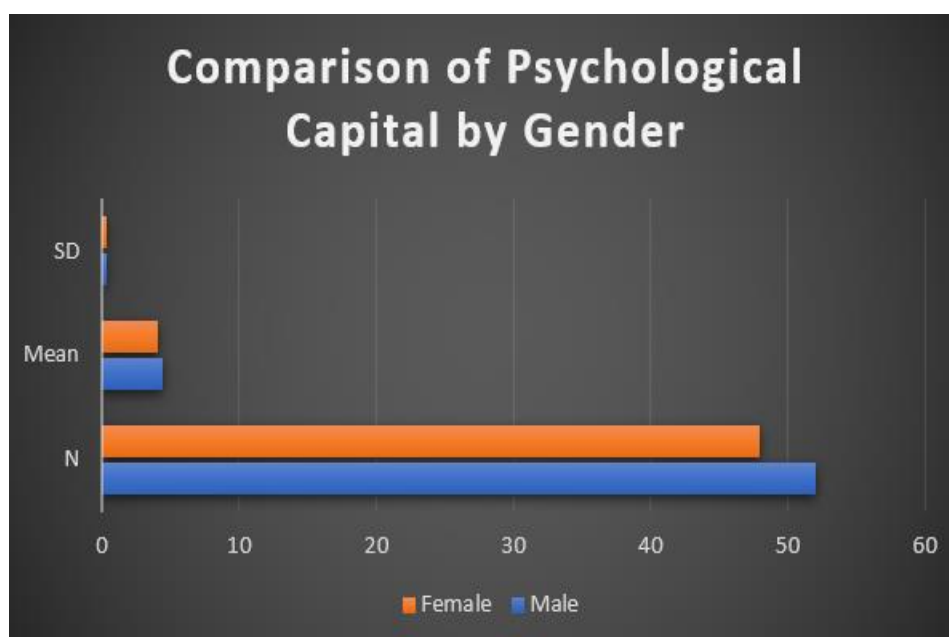
Graph 1.3 Correlation for Psychological Capital on Innovative Performance among employees

The results indicate that employees in the textile industry of Haryana possess a positive relationship for Psychological Capital on Innovative Performance. This suggests that employees demonstrate strong confidence, maintain a positive outlook, set meaningful goals, and recover quickly from challenges. Hence, Hypothesis H₁ is accepted. Luthans et al. (2007) found that employees across industries consistently show high levels of Psychological Capital, and PsyCap significantly predicts performance and satisfaction on Innovative Performance. Avey et al. (2011) reported that employees typically demonstrate strong hope, resilience, efficacy, and optimism, the four components of PsyCap.

H₄: There is a significant difference in Psychological Capital between male and female employees.

Table 1.5 Comparison of Psychological Capital by Gender

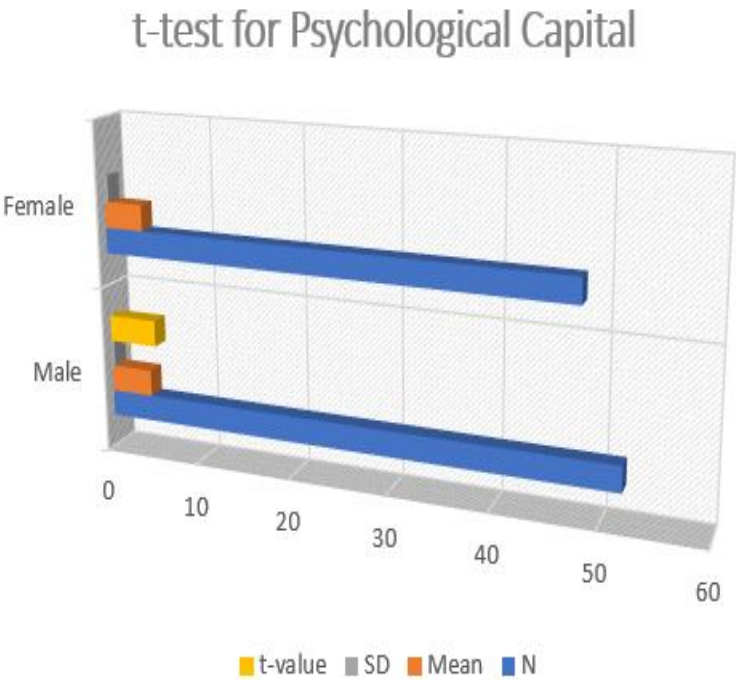
Gender	N	Mean	SD
Male	52	4.38	0.31
Female	48	4.03	0.38



Graph 1.4 Comparison of Psychological Capital by Gender

Table 1.6 One-Sample t-test for Psychological Capital

Gender	N	Mean	SD	t-value	Result
Male	52	4.38	0.31	5.02	Significant at the 0.05 level
Female	48	4.03	0.38		



Graph 1.5 One-Sample t-test for Psychological Capital

The findings reveal a significant difference in Psychological Capital between male and female employees. Male employees reported a higher mean score (4.38) compared to female employees (4.03), and this difference was statistically significant ($t = 5.42, p < 0.001$). This implies that male employees tend to show greater confidence, resilience, optimism, and hope in work situations. Thus, Hypothesis H_2 is accepted. Abbas & Raja (2015) found gender differences in Psychological Capital, with men often scoring slightly higher in confidence and resilience. Sahoo & Sia (2015) reported that male employees had significantly higher PsyCap than female employees in Indian organizations.

CONCLUSION

The conclusion of the study is that In the textile industry of Haryana, Employees are highly enriched with Psychological Capital on Innovative Performance. The descriptive and inferential discussion clearly shows that the employees got confidence, optimism, resilience, and purposeful goal-setting, which also give contribution into the overall Psychological Capital. In this context, the employees have supportive social networks, relationships based on trust, and cooperative work environments. At workplaces, The capital have a role to play on Innovative Performance. These capitals enhance communication, teamwork, and performance at workplaces. The results also show a great difference between the genders because the male employees have higher points in both Psychological Capital but the female employees don't have higher points in the capital. It clearly means that there are many differences in the workplace experiences, the level of confidence, and social life between the male and female employees. After viewing the result it was found that organisation should make their environment more inclusive and supportive so that both male and female got empowerment by psychological and social resources on Innovative Performance.

All in all, the study highlights that for the textile industry in Haryana, a motivated, resilient, and well-connected workforce is very crucial for the long-term growth and competitiveness. When Psychological Capital are strengthen then it can help industries respond in a better way to the challenges and it will also improve productivity, and promote a culture of innovation and cooperation.

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