



Transformative Organizations

A Global Perspective

Editor

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19 The Positive Psychology of the Transformative Organization

A Fresh Perspective and Evidence
from the Anglo Context

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Any organization, be it a for-profit corporation or a non-profit educational institute, is a collection of individuals, with their unique combinations of genetic make-ups, cultural heritage, family background, attitudes, biases, needs and personal agenda. It is never easy to bring these different individuals together and turn them into a harmonious, productive high-performance organization. The psychosocial dynamics involved are complex and intricate; it takes a great deal of care and competence to keep the dynamics of interactions positive.

The positive psychology of culture-climate management is concerned with the psychosocial dimensions of corporate culture and work climate of organizations. More specifically, it is interested in transforming organizational culture-climate for optimal functioning of individual workers as well as the organization as a whole. It aims to maximize resources needed for organizational survival and success.

For any corporation to be healthy and productive, four cores areas are important: (a) financial capital in terms of investments and profits, (b) technological capital in terms of cutting-edge software and hardware, (c) human capital in terms of knowledge, expertise, and creativity, and (d) social/emotional/spiritual capital in terms of relationship, morale, meaning and purpose.

Of these, the fourth area is the most difficult to manage and most difficult to quantify, but has become increasingly prominent over the recent years for two related reasons. First, in a knowledge economy, the most valuable resource is human capital. Second, in order to unleash human potential, corporate leaders need to know how to manage the emotional economy (Coffman, Gonzalez-Molina, and Clifton, 2002).

The recent Enron collapse is instructive. How could America's seventh largest corporation suddenly descend to bankruptcy overnight? What has contributed to its unexpected, quick demise? Currently, there are more than 10