

ABSTRACT

Using the Broaden and Build Theory, Personal Initiative Theory, and the Complex Adaptive Systems Theory, the study looked into how much the psychological well-being of Ugandan small enterprise employees may be explained by psychological capital, individual initiative, and adaptability. Long work hours, high job demands, work-life conflicts, stigma, and frequent social encounters between staff members and supervisors, coworkers, and customers are all characteristics of small enterprises, which are emotionally contagious. Small enterprises greatly contribute toward national economies' expansion in terms of GDP growth, employment creation, and regional development. This suggests that there is a need to investigate the psychological well-being of employees in such enterprises to foster enterprise productivity and competitive advantage. As such, there was a need to develop a framework that promotes the psychological well-being of employees in small enterprises. The study theorized and hypothesized based on the success story of Caroline, an employee of KC, a small enterprise that nurtured her psychological well-being. The study took an explanatory sequential cross-sectional mixed research design, as guided by Critical Realism Philosophy. This entailed collecting both quantitative and qualitative data at a single point in time. Prior to the main investigation, a pilot study was conducted involving 256 employees to establish the reliability and validity of the research instrument. Quantitative data for the main study were collected from a sample of 726 employees. The data were subsequently entered into the Statistical Package for Social Sciences for preliminary analysis. Following this, the dataset was imported into AMOS for more in-depth analysis using structural equation modeling. A bootstrap approach was utilized to perform the mediation test. Qualitative data were collected from 11 cases and analysed using NVivo Version 9 software, from which themes and subthemes were generated. In relation to the study's objectives, the findings indicated that the study variables elucidated 55.3% of the

variance observed in psychological well-being. Furthermore, the results demonstrated that psychological capital and individual adaptability exhibited a direct association with psychological well-being, differentiating them from personal initiative; psychological capital and personal initiative are also related to individual adaptability. Additionally, individual adaptability partially mediates the relationship between psychological capital and psychological well-being. The findings also indicate that individual adaptability fully mediates the association between personal initiative and psychological well-being. These quantitative results are further complemented by qualitative findings obtained from managers and supervisors. Furthermore, this study provides evidence that using a multi-theoretical approach offers a better explanation of the psychological well-being of employees in small enterprises in Uganda. Based on the findings of the study, policymakers, like the Government of Uganda, together with other relevant stakeholders, such as representatives from small enterprises, may collaborate in drafting a psychological well-being policy that incorporates the current workplace issues, such as stress, to promote and protect employees' psychological well-being. For practitioners, employees in small enterprises should cultivate adaptability and enhance their psychological capital by fostering self-efficacy and hope. This can be achieved through the diligent pursuit of their professional objectives and dedicated engagement in resolving complex work-related challenges. Methodologically, the study findings indicated that the psychological well-being phenomenon is better understood by studying both the objective and subjective aspects through collecting both quantitative and qualitative data. This is because psychological well-being is both structured and unstructured. This study's cross-sectional design limits its scope; future longitudinal studies are needed to track psychological well-being over time. Future research could investigate additional factors beyond psychological capital, personal initiative, and individual adaptability. Additionally, exploring other sectors, such as large enterprises in rural areas, could provide valuable comparisons of psychological well-being.

