

# Analysis of Individual Theoretical Studies in Economic Psychology

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**Abstract:** Since the global economic inflation level in the first half of 2022, China's economic situation has shown a recovery trend, and prices have basically remained stable. As we all know, due to the repeated emergence of epidemics, the government must ensure the vital safety and socio-economic development of the people under efficient epidemic prevention and control and prevention measures. With the further formulation of our policies and measures, our economy is expected to continue to return to stable growth, then we can look forward to the next economic prosperity. The economic environment has always been a hot topic of discussion. However, during the recent recession, the real industry seems to be experiencing a cold winter, which directly affects the development of the social economy, so this article mainly presents the psychological changes in economic activities, with a deep understanding of economic psychology, will better serve economic development.

**Keywords:** Economy; Psychology; Social Development

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## 1. Introduction

The economy is closely related to our lives. Through the analysis of economic theory and practice research system, combined with the current situation, demand and trend of China's economic development, the application value of economic theory in real economic activities is improved, and the practice of economic psychology in socio-economic system, economic activities, economic themes, product markets, consumer psychology and economic investment is studied and constructed, which opens up new research directions for China's social and economic development and refines new scientific development strategies.

## 2. The combination of economic and psychological research

The innovation of economic psychology is mainly reflected in the following two aspects: On the one hand, the research and development of economic psychology theory breaks the macro framework of traditional economic research; Economic research is not only to discuss the ideal goals, methods, and objective models of the socio-economic system, but also to strengthen the attention to realist issues, including individuals, enterprises, families, etc. <sup>[1]</sup> He uses people's subjective cognition, emotions, behaviors and manners in economic research, revealing the profound psychological and social factors in socioeconomic research, and also revealing the independence and creativity of economic research, on the other hand, economics has significant value in practice, which can not only open the perspective of people's thinking and space in theoretical research at the same time, but also carry out scientific positioning, help optimize the system, optimize the management model, explore the development path, make business decisions, etc.

## 3. Practical analysis

The interaction between psychological effects and economic activities is mainly introduced.

### 3.1 Concepts

Economic psychology is a science that studies the laws of mental activity. As a special subject of study, our research focuses on the systematic study of people who compare management goals to the ultimate efficiency gains as a way to motivate these people.

Today's economic psychology is based on a human-centered way of thinking, and as a premise, how to understand people's motivations, it has become an important part of economic psychology. The aim of this work is to study the mental activity and behavioral norms of individual and group behavior.

Psychologist Maslow divided human needs into five levels, from small to large: physiological needs, safety needs, social needs, respect needs, and self-actualization needs. The stronger the motivation, the greater the positivity.<sup>[2]</sup> How much effort has been made to achieve the desired goals. The more likely it is to reach the goal, the greater the result. Vice versa. Under the same conditions, the relationship between the two is: work performance = ability x motivation.

Management is a process of planning and controlling with the attributes of thinking, and it is a practical activity. In economic management, the first problem to be solved is how to view and understand human nature, and then we can determine the idea of management, formulate the principles and systems of management, adopt corresponding management forms and methods, and establish an organizational structure. Therefore, while Chinese enterprises gradually realize the importance of talents in the process of participating in world competition, it is necessary to use basic economic psychology in order to improve the innovation ability of talents. Discover and tap the potential of talent, which comes from the foundation of knowledge and technology.

### **3.2 "Incentive Law" of Management Methods**

Economic managers should proceed from our national conditions, from surveys and investigations, and continue to achieve development goals suitable for managers. We should focus on the needs of the team, but not ignore the needs of everyone. With regard to the basis for dealing with relations between nations, collectives and individuals, we should maximize the enthusiasm of our employees and maximize human potential. The central problem with motivation theory is that motivation is the process of estimating employee motivation using motivation methods consistent with an individual's psychological characteristics; For motives, the content of motives is what people want or expect Maximtsev Igor, Rokoshna Elita, Demitova Lyudmila, Urumontseva Tagiana.<sup>[3]</sup> This desire and search will be transformed into a force that motivates him to take all kinds of measures, overcome all difficulties, fulfill his desires, fulfill his wishes. For managers, the goal of motivation is to discover and meet employees' desires in a timely manner, stimulate their enthusiasm, and consciously work hard to achieve the organization's goals.

### **3.3 Application of economic psychology in human resources**

In the early stage of the modernization and transformation of Chinese enterprises, the investigation of the relationship between the two has shaken the original results, and during this period the goal of analysis has been strengthened, and with the help of the connection between the deep structure (internal structure) and the surface structure (external structure) of economic psychology, a human resource management plan with "internal traction and external incentive" as the core content has been established<sup>[4]</sup> On the one hand, in the application of theory, enterprises will become the theory of psychological behavior, and gradually emotional traction and direction guidance. In addition, enterprises combine empirical psychology, behavioral psychology and positive psychology to analyze the factors affecting employees' emotions from the perspective of method orientation, reduce the traditional forms of "hard work" and "abandon ideals", change the common development level of enterprises and employees, and change the internal traction related to individuals such as trust mechanism construction and corporate culture construction.

According to the restrictions of management activities and specific work conditions, enterprises should formulate evaluation indicators consistent with the construction of the workforce, including employees' work attitude, work initiative, cooperation with colleagues (communication, information exchange), ability to withstand pressure, ways to relieve pressure, opinions and suggestions on specific work, feelings of relevant personnel of the enterprise, etc.<sup>[5]</sup>

Secondly, from the perspective of optimizing the knowledge structure, enterprises should base the application of personal ability training on the content of system and mechanism construction, so that employees can be aware of the relationship between behavior and psychology. Through the ability training process, employees can experience the effect of external psychological adjustment, and at the same time, they can solve the problem of their own subjective ability.

All in all, most enterprises advocate strategic planning of talents in the specific management of human resources, and improve the

ability to absorb external talents and the cultivation of internal talents. Especially in the context of globalization and diversification, the greater role of human resources in factor markets strengthens the mobility of talents and increases the importance of talents. Combined with the practical application of human resource management, strengthen the analysis of personal ability, trust mechanism and brand building, so that enterprises and individuals, individuals and individuals treat each other honestly, and promote the application of psychology in human resource management in the enterprise development and brand mining of cultural paths.

### 3.4 Summary

The development of modern society and the promotion of the "people-oriented" development concept, as well as the application of this concept in enterprise development and human resource management, can effectively improve the sense of personal identity. Effectively motivate employees to self-improvement and self-improvement. Finding a spiritual foundation and health can to a large extent promote the physical and mental development of the employed.<sup>[4]</sup>

## 4. Summary

Economic psychology studies the change in the quality of people in a society, which depends on changes in economic characteristics, as well as changes in economic characteristics in the process of individuals and groups understanding psychological laws and exploring. In order to explore how to effectively use psychological factors in the organization of economic activities is the application of economic leaders, they cannot ignore the psychology of groups, because the different characteristics of people and the evaluation of these psychological factors indirectly reflect this system, so this understanding should be mastered by leaders.<sup>[3]</sup> In general, economic management is subject to its development, such as end results, coordination and efficiency.

We must point out that any economic law is to some extent subjective. The human factor plays an important role in the economy, because the decision and execution of any plan or proposal depends on the individual, on the level of education, professionalism, intelligence, and desires and motivations of the individual, that is, on the psychological qualities of the individual.

Economic psychology is very important for understanding the economy and modern society. In the information age, everyone's life and choices may change, affecting the social economy, so we should grasp the laws of the market, let the economy better serve the society, and build a harmonious society.

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