

**Needful Employees, Expectant Employers and the Development and
Impact of Psychological Contracts in New Employees**

A Dissertation

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**Needful Employees, Expectant Employers and the Development and Impact of
Psychological Contracts in New Employees**

BY

Rick Tallman

**A Thesis/Practicum submitted to the Faculty of Graduate Studies of The University
of Manitoba in partial fulfillment of the requirements of the degree**

of

Doctor of Philosophy

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Table of Contents

	Page
Acknowledgements	ii
List of Tables	viii
List of Figures	x
Abstract	xi
1. Introduction	1
Importance of Psychological Contracts	2
Purpose and Organization of the Thesis	4
2. Theory Development	7
Parties to the Contract	7
Psychological Contracts	8
Characteristics of Psychological Contracts	9
Psychological Contracts are Idiosyncratic	9
Psychological Contracts as Promissory Contracts	10
Psychological Contracts are Attitudes	15
All Psychological Contracts are Relational	17
Source of Psychological Contracts	21
Model of Relationships	25
Belief Theory	26
Hypotheses 1, 2, and 3	35
The Impact of Psychological Contracts on Affect, Attitudes and Behaviour	35

Hypotheses 4a and 4b	43
Hypotheses 5a, 5b, and 5c	45
3. Method	46
Introduction	46
Subjects	46
Variables and Measurement Instruments	48
Demographics	48
Work Values	48
Employer Obligations	55
Employee Obligations	63
Employers' Attitudes About Employee and Employer Obligations	72
Fulfillment of Employer Obligations	73
Fulfillment of Employee Obligations	74
Employees' Overall Beliefs About the Fulfillment of Employer and Employee Obligations	75
Supervisor's Beliefs About the Fulfillment of Obligations	76
Outcome Variables	76
Affect	77
Job Satisfaction	78
Commitment	78
Civic Virtue	79
Intention to Remain	80
Trust in Employer	80
Performance	80
Testing of Hypotheses	81
Hypothesis 1	81

Hypothesis 2	82
Hypothesis 3	83
Hypotheses 4a and 4b	84
Hypotheses 5a, 5b, and 5c	88
4. Analysis of Data and Hypotheses Testing	91
Introduction	91
Demographics	91
Hypothesis 1	92
Hypothesis 2	97
Hypothesis 3	103
Hypotheses 4a and 4b	109
Hypotheses 5a, 5b, and 5c	114
5. Discussion	126
Introduction	126
Sources of Psychological Contracts	126
Measurement Instruments	126
Sources Introduction	129
Societal Obligations	129
Employer Attitudes	130
Demographics	133
Work Values	134
Summary of Sources	137
Variables Not Considered	140
Fulfillment and Outcomes	140

Fulfillment Measurement Instrument	140
Demographics and Outcomes	141
Employer Fulfillment	142
Employee Fulfillment	143
Fulfillment Interaction	144
Limitations and Future Research	148
Measurement of Psychological Contracts	148
Individually Based Variables	150
External Influences	152
Employee Fulfillment and Violation	154
Common Method Variance	154
Performance Variables	155
Drop-Out Rate	155
Cause and Effect	156
Conclusions	157
References	159
Appendix A: Minnesota Importance Questionnaire	167
Appendix B: Employer Obligations	172
Appendix C: Employee Obligations	174
Appendix D: Employers' Attitudes About Employee and Employer Obligations	177
Appendix E: Fulfillment of Employer Obligations	192
Appendix F: Fulfillment of Employee Obligations	194
Appendix G: Employees' Overall Beliefs About the Fulfillment of Employer and Employee Obligations	197
Appendix H: Supervisor's Beliefs About the Fulfillment of Obligations	198

Appendix I: Demographics	203
Appendix J: Positive and Negative Affectivity Scale (PANAS)	204
Appendix K: Outcome Variables	205

List of Tables

	Page
3-1 Comparison of Work Value Instruments	49
3-2 Factor Analysis of Employees' Work Values - Four Factor, Factor Loadings	52
3-3 Factor Analysis of Employees' Work Values - Three Factor, Factor Loadings	54
3-4 Factor Analysis of Employees' Attitudes About Employer Obligations - Seven Factor Solution	60
3-5 Factor Analysis of Employees' Attitudes About Employer Obligations - Four Factor Solution	61
3-6 Factor Analysis of Employees' Attitudes About Employee Obligations - Eight Factor Solution	68
3-7 Factor Analysis of Employees' Attitudes About Employee Obligations - Four Factor Solution	70
3-8 Calculated Contract Term Results	87
4-1 Relationship Between Demographic Variables	92
4-2 Minimum Recorded Score, Mean, and Standard Deviation for Employee Obligations - Ranked by Mean	93
4-3 Minimum Recorded Score, Mean, and Standard Deviation for Employer Obligations - Ranked by Mean	95
4-4 Correlations Between Employees' and Employers' Attitudes About Employee Obligation Factors	97
4-5 Correlations Between Employees' and Employers' Attitudes About Employee Obligation Variables	98
4-6 Correlations Between Employees' and Employers' Attitudes About Employer Obligation Factors	99
4-7 Correlations Between Employees' and Employers' Attitudes About Employer Obligation Variables	99
4-8 Spearman's Rank Correlations Between Employees' and Employers' Attitudes About Employee Obligations	100

4-9 Spearman's Rank Correlations Between Employees' and Employers' Attitudes About Employee Obligations	101
4-10 Means, Standardized Means and Rank for Employee and Employer Obligations	103
4-11 Regression Analysis of Employee Obligations	105
4-12 Relationship Between Employees' Attitudes About Employee Obligations and Individual Work Value Factors from the Regression Analysis	106
4-13 Regression Analysis of Employer Obligations	107
4-14 Relationship Between Employees' Attitudes About Employee Obligations and Individual Work Value Factors from the Regression Analysis	108
4-15 Correlations Between Demographic Variables and Outcome Variables	110
4-16 Correlations of Employers' and Employees' Fulfillment of Obligations and Outcome Variables	111
4-17 Multivariate Regression Analysis of Fulfillment Variables and Outcome Variables	113
4-18 Groups Created from the Overall (single question) Fulfillment Measure	115
4-19 Groups Created from the Calculated Fulfillment Measure	116
4-20 Two-Way Analysis of Variance Between Employees' Overall Fulfillment, Employers' Overall Fulfillment and Work Outcome Variables	117
4-21 Two-Way Analysis of Variance Between Employees' Calculated Fulfillment, Employers' Calculated Fulfillment and Work Outcome Variables	119
4-22 Contrast Tests for Negative Affectivity and Intent To Remain	121
4-23 Group Designations and Cell Means for the Work Outcome Variable Negative Affectivity	122
4-24 Group Designations and Cell Means for the Work Outcome Variable Intent To Remain	123
4-25 Post Hoc Test for Negative Affectivity (Bonferroni's Multiple Comparison)	123
4-26 Post Hoc Test for Intent To Remain (Bonferroni's Multiple Comparison)	124

List of Figures

	Page
2-1 Model of relationships Leading to Psychological Contract Attitudes	26
2-2 Assumptions Regarding Obligation Fulfillment	42
2-3 Grouping of Participants	45
4-1 Employee Groups	115
4-2 Contrasts for the One-Way Analysis of Variance	121

Abstract

This thesis examines some sources of psychological contracts and the impact of employees' and employers' fulfillment on employees' work outcomes. Belief theory suggests employees' obligation attitudes are likely to come from direct sensory experience and external authority sources. Direct sensory experience was operationalized as employees' work values. External authority was operationalized through societal obligations and employers' attitudes about employee and employer obligations. This thesis proposed that societal obligations, employers' attitudes about obligations and employees' work values would influence the development of employees' psychological contracts. It was found in this study that there is a significant relationship between employees' psychological contracts and their work values. Significant relationships were found between employees' work values and all four employer obligations and between two of the four employee obligation factors. The specific work value involving the work environment was particularly significant in these relationships. The relationship between employees' psychological contracts and both employers' obligation attitudes and societal obligations would appear to be minimal.

This thesis proposed that both employers' and employees' fulfillment of psychological contract terms would influence employees work outcomes. Two forms of measurement of employee and employer obligation fulfillment were used in the study. The first was a single item or overall measure of fulfillment. The second was a calculated measure. Both measurement forms appeared to be satisfactory methods for this measurement. It was found that both employees' and employers' fulfillment was significantly related to a number of work outcomes. Fulfillment of obligations by employers was significantly and positively related to positive affectivity, job satisfaction, affective commitment, intention to remain and trust. It was significantly and negatively related to negative affectivity. Employee fulfillment of their own obligations was significantly related to positive affectivity, job satisfaction, affective commitment civic virtue, performance, and trust in a positive direction and negatively related to negative affectivity.

It was further proposed that there would be an interaction between employees' and employers' obligation fulfillment. Although this proposition could not be tested as conceived, the interaction between higher and lower fulfillment of obligations by employers and employees was examined. It was found that only two interactions occurred using the single item measure and no interactions using the calculated measure. It would appear that there are minimal interaction effects between the fulfillment of employees and employers portions of employees' psychological contracts.

A number of recommendations are made in this thesis for future work. Further development is required on psychological contract measurement instruments. Further exploration of potential individually based and external sources of psychological contract is needed. In addition, further research is necessary to verify a number of the findings of this study.

Chapter 1

Introduction

By its nature, employment has been seen as a contract between employers and employees. Employers contract with employees to provide the effort, skills and abilities that employers need for the fulfillment of the organization's purpose. In exchange, employers provide remuneration and other benefits that employees need to fulfill their aspirations in life. Many aspects of the employment contract have been codified through statutes enacted in federal and provincial legislatures such as employment standards acts. Other aspects of the contract have been established in formal written documents such as union contracts or explicit employment contracts between employers and employees. Still other aspects of the contract have been established in the courts such as the generally accepted rules regarding justified and unjustified termination. There is an extensive body of work describing these aspects of the employment contract.

Many aspects of the employment contract, however, are not written or formally established but are based on employees' perceptions of rules, norms and principles, employees' interpretation of communication between employees and the agents of employers, and the needs and wants of employees and employers. This portion of the employment contract, effectively, is in the minds of employees and has been referred to as a psychological contract.

Importance of Psychological Contracts

Over the past decade, psychological contracts have increasingly become of interest to researchers. This interest has developed as researchers considered the response of employees to restructuring and the new demands in the work place that have been prevalent in North American organizations throughout the 1980's and 1990's (Rajan, 1997; Ebadan and Winstanley, 1997). Restructuring is purported to have caused significant changes in the employment environment of many employees and potential employees. For example, Hendry and Jenkins (1997) state that employees can no longer anticipate the traditional career path of long service and promotional opportunities in an organization. Employment has now become much more contingent in nature as employers attempt to match their organizations to changing market places. Numerous books and articles have been written to help employers and employees understand and cope with these changing conditions (see for examples Goman, 1997; and Hirsch, 1988). Both employees and employers are being told that they must divest themselves of the "old deal" and adopt and restructure beliefs about obligations and expectations around a new employment contract. Employees are being told that they must take responsibility for their own careers. They can no longer rely on their current or future organizations to provide for their long term needs and aspirations. Employers are being told they must find new ways to attract, motivate and achieve loyalty and commitment from employees without committing to extended tenure or career development.

The concern is that, as the 'old deal' is changed by employers, employees feel their contracts with their employers have been violated. Violation of psychological contracts is believed to cause strong negative emotional reactions in, and anti-organizational behaviours by, employees (Rousseau,

1989; McLean Parks and Kidder, 1994, Morrison and Robinson, 1997). In some cases those behaviours may become destructive involving retribution by employees against their employer. However, the shift from an "old deal" to a "new deal" may actually only affect a segment of the working population. It is primarily a portion of the employees in large bureaucratic organizations that appear to have been affected (Hendry and Jenkins, 1997). Even within these organizations, many employees, such as production workers, have been traditionally employed on a contingent basis. In addition, many employees in organizations involved in a variety of segments of the economy never had the benefit of the "old deal" (Hendry and Jenkins). If Hendry and Jenkins are correct, psychological contracts may appear to apply to only a portion of employees and may not appear to be a terribly important construct.

The psychological contract construct should have greater relevance to organizational behaviour studies than simply considering violations to the contract by employers changing the employment relationship to a "new deal". A primary benefit of the current interest in psychological contracts is likely to be the recognition that all employees, contingent and secure, hold psychological contracts. The term obligation, in the definition of a psychological contract, implies employees believe they and their organizations are duty bound to act in certain ways that fulfill those obligations. As such, there should be a strong connection between employees' psychological contracts and their attitudes toward their employer and their work, how they behave and how they respond to the behaviour of their employer. This construct should, therefore, provide a good theoretical basis for explaining both positive and negative employee' attitudes, behaviour and emotions at work.

Purpose and Organization of this Thesis

Although the term Psychological Contract was coined by Argyris (1960), its development has primarily come from the theorizing of a number of authors (Levinson et al., 1963; Schein, 1965, 1980; Rousseau, 1989, 1990, 1995; Kotter, 1973; Baker, 1985; Dunahee and Wangler, 1974; Robinson and Morrison, 1995; Lucerno and Allen, 1994; Mcfarlane Shore and Tetrick, 1994; Herriot and Pemberton, 1996; Robinson and Rousseau, 1994; Robinson, Kraatz and Rousseau, 1994; Morrison and Robinson, 1997; Rousseau and McLean Parks, 1993; McLean Parks and Kidder, 1994; Robinson, 1996; Ebadan and Winstanley, 1997; Guest, 1998; McLean Parks, Kidder and Gallagher, 1998; Shore and Barksdale, 1998). From the early 1960's until 1989, this theory development was primarily influenced by Levinson et al. (1963) and Schein (1965, 1980). These authors approached psychological contracts from the perspective that the underlying and, in most cases, unstated needs of employees, organizations and managers determine the sources, content, change and influences of the psychological contract. Since 1989, theory development of this construct has been primarily influenced by Rousseau (1989, 1990, 1995). She has taken a perspective where the exchange of promised commitments determines the development and operation of the contract.

Although psychological contracts have been discussed off and on over the past thirty-eight years, empirical testing of the theory is still fairly limited. This research has involved a study on the influence of employees' orientation to work (Rousseau, 1990), a study on the differentiation of employees based on the perceived level of obligations (Shore and Barksdale, 1998), a study on the change in contracts of new recruits over time (Thomas and Anderson, 1998), two studies on the level of agreement between employer and employee perceptions of contract terms and employee outcomes

(Cavanaugh and Noe, 1999; Porter, Pearce, Tripoli and Lewis, 1998), a comparison of psychological contracts held by employees and contractors (Millward and Brewerton, 1999) and five studies on employer contract violations (Robinson and Rousseau, 1994; Robinson, Kraatz and Rousseau, 1994; Robinson and Morrison, 1995; and Robinson, 1996; Turnley and Feldman, 1999). The different perspectives on psychological contracts and the limited testing of the theory have left a number of questions unanswered on the sources, content, structure, change and effects of psychological contracts.

The purpose of this thesis is to expand the psychological contract literature by clarifying a number of issues related to the characteristics, development, and impact of these contracts and to test the resulting propositions. I will begin the discussion by identifying the parties to the contract for the purposes of this thesis. I will then review the definition of psychological contracts and discuss their characteristics. During this discussion, I will propose that psychological contract terms are attitudes and are composed of solely relational terms. The latter point is a significant departure from recent literature which has dichotomized psychological contract terms as either transactional or relational in nature and has suggested that psychological contracts lie on a transactional/relational continuum (Rousseau, 1990, 1995; Robinson and Rousseau, 1994; Robinson, Kraatz and Rousseau, 1994; Robinson and Morrison, 1995; and Robinson, 1996). I will then use belief theory to clarify the sources of psychological contracts. Although psychological contracts have been acknowledged as a set of beliefs, belief theory has not been considered in the discussion of this construct. Belief theory assists in our understanding of the dispositional and situational aspects that contribute to the formation of these contracts. Finally, I will propose that employees' emotional, attitudinal and behavioural responses to the overall fulfillment or violation of their psychological contract are a

function of the fulfillment or violation of contract terms and the degree of obligation to fulfill the term.

Chapter 2

Theory Development

Parties to the Contract

Schein (1965, 1980) suggests that psychological contracts exist between an employee and the organization as well as others in the organization with which the person interacts. Levinson et al. (1963) suggest the psychological contract is primarily between the employee and the organization but that secondary contracts exist between the employee and others. Rousseau (1989) and the researchers who have followed her indicate the psychological contract is between the employee and the organization. They are silent with regards to whether or not people hold psychological contracts with others inside or outside the organization. To-date no researcher has defined what is meant by the organization.

For purposes of this thesis, I will only be considering the psychological contract as it exists between employees and their employing organizations. Employees are defined as people at all levels in an organization who are hired to work for, and are remunerated by, an organization. Excluded from the study are people such as consultants or contract employees, who may regard themselves as employed by another organization. The reciprocal party to the contract is the organization and not organizational managers, although they serve as agents in the process. An organization is defined as the entity which each employee regards as his or her employer and the party accountable for the fulfillment of contract terms. As such, the organization is defined in the minds of individual employees. This definition may be fairly fluid as it may differ depending on the contract term in

question. For example, an employee may regard the local organization to be accountable for the fair administration of personnel policies but the parent organization accountable for bonus payments. Thus, the organization may have a different meaning between employees and within an employee at different times and circumstances. Throughout this thesis, I will use the terms organization and employer interchangeably to mean the same entity.

Psychological Contracts

A psychological contract is the set of beliefs individuals hold regarding the unwritten, reciprocal expectations (Levinson et al., 1963; Schein, 1980) or obligations (Rousseau, 1989) that organizational members believe exist between themselves and their organizations. These contracts are psychological in that they are constructed in the minds of individuals. They are not written or formalized, although some of the terms of the contract may be based on written documentation or other formal communications. Psychological contracts are wholly perceptual. They are beliefs about objective facts but are not necessarily congruent with objective facts. The contracts are constructed by individuals through their understanding and interpretation of information they have received from a variety of sources. Psychological contracts, therefore, are a set of beliefs, based on perceptions and held in the minds of individuals, about their obligations to other parties and other parties' obligations to them.

Characteristics of Psychological Contracts

Psychological Contracts are Idiosyncratic

The contract is idiosyncratic in that it is an individual's unique understanding or interpretation of the agreed to obligations that makes up the psychological contract (Rousseau, 1995). Information processing models indicate that individuals encode and categorize information in ways unique to themselves (Calder and Schurr, 1981). Various factors within individuals' minds increase or reduce the salience of specific information to them. Preexisting information categories or schemas influence how information is interpreted, encoded and stored in memory. These factors cause distortion of information as it is processed and stored. Two individuals provided with the same information are likely to have different understandings and interpretations of that information. The terms of psychological contracts are constructed in the minds of individuals and are based on individuals' interpretations and understanding of the information they have received. Thus, each employee will likely hold a different psychological contract even though the circumstances of hiring and employing a group of people may be similar.

The organization or organizational agents do not have to be in agreement with the employee's understanding of the contract (Robinson and Rousseau, 1994). Information, which is used to construct contracts between individuals and other parties, is subject to distinct information processing systems. Each party to the contract may have a different interpretation of the information used to construct the terms of the agreement. In the minds of both parties, however, their own interpretation is believed to be correct. The false-consensus effect would suggest that the focus of attention on preferred positions, as opposed to alternative positions, and active reasoning and rational

processes underlie peoples estimates of the similarity of beliefs between themselves and others (Marks and Miller, 1987). These contracts are considered by individuals to be binding agreements between themselves and the other party even though the terms of these agreements, in the minds of the parties, may be quite different (Robinson and Rousseau, 1994). In other words, employees may believe the organization is obligated to behave in certain ways or do certain things even though no agent of the organization believes the organization has this obligation. In some instances, other employees or managers may hold some similar beliefs to an individual employee. Organizational culture, normative beliefs, written policies or union contracts and beliefs about societal obligations may result in some contract beliefs being similar. However, it is the individual's own perceptions and interpretations of these obligations that forms the basis of the psychological contract.

Psychological Contracts as Promissory Contracts

Psychological contracts are conceptualised as promissory contracts (Rousseau and McLean Parks, 1993; Rousseau, 1995). They are established through promises that are made, acceptance of the terms, and payment being made, by the parties to the contract (Rousseau and McLean Parks, 1993; Robinson and Rousseau, 1994; Rousseau, 1995).

Promises: Promises convey a commitment to some future course of action by the party making the promise with respect to the party to whom the promise is given (Fridman, 1986; Rousseau, 1995). The former agrees to act, or refrain from acting, in specific ways that are of benefit to the latter. A contract consists of a promise, or set of promises, given by one party in exchange for a promise, or set of promises, made by the other party (Fridman, 1986).

Promises which create the terms of an employment contract come from written or verbal

agreement and from the behaviour of the parties to the contract (Freedland, 1976). Written and verbal agreement generally would occur during the hiring process. Behaviour which results in promises may occur prior to, during and after the hiring process. Psychological contracts are employees' perceptions of the set of promises exchanged by themselves and other parties coming from employees' interpretations of written and verbal agreements and from the behaviours of themselves and the other party.

Written agreement which creates promises between the parties may involve formal offers and acceptance of employment, union agreements or organizational policies. Although written agreements would appear to be a relatively clear form of contract making, they cannot cover every situation or contingency which might arise or interpretation of the language that might be made (Mcfarlane Shore and Tetrick, 1994). As a result, written agreements are open to different interpretations by the two parties to the agreement. This can be observed in court or arbitration cases involving written agreements. In the case of psychological contracts, it is solely employees' interpretations of written agreements that creates their contracts.

Verbal discussions between organizational agents and employees during and following the hiring process can lead employees to believe that certain promises have been made. Organizational agents may portray the organization in a favourable way to attract better employees. In doing so, these agents may intentionally or unintentionally convey to employees that the organization is committed to provide certain things or act in certain ways that are beneficial to employees. Employee perceptions of the commitments made by organizational agents may create expectations of the organization that the organization cannot meet. The 'Realistic Job Preview' literature discusses this problem in some depth (see Wanous, 1976, 1977, 1980). Employees' interpretation and

understanding of promises and commitments made by organizational agents result in their believing an agreement has been reached. These understandings are used to construct the terms of the psychological contract.

Terms of the contract resulting from behaviour come from the parties' interpretation or understanding of the other parties' and their own behaviour. Behaviour can be observed directly by employees or be conveyed indirectly by third parties. Prior to employment, potential employees may seek out information from current employees or other sources such as the public press to determine how specific organizations behave toward their employees. During the hiring process organizational agents' behaviours, and statements related to organizational behaviour, conveys information to employees. The act of hiring suggests to employees that the employee's expectations of the organization have been agreed to. Acceptance of the offer to hire would confirm to employees that they have accepted employer expectations. Once employed, employees can observe how the organization, managers and others in the organization behave toward them and other employees. These different sources of behaviour lead employees to develop beliefs about what they can expect from the organization and ultimately to the construction of a psychological contract with it.

Psychological contracts are constructed in the minds of individuals (Robinson and Rousseau, 1994). It is the individuals perceptions of promises conveyed through written agreements, verbal agreements and behaviour that determine the terms of the contract. Because the psychological contract is constructed within individuals' minds, individuals delineate both their promises to the organization and the organization's promises to them. Levinson et al. (1963) suggest that some contract terms may be clearly defined in employees' minds whereas other terms may be quite vague.

Acceptance: A second important aspect of psychological contracts is that individuals have

to accept the contract (Rousseau, 1995). Acceptance is considered the essence of a contract, which means that contracts are voluntary agreements (Fridman, 1986). It is the mutual concordance between the parties as to their rights and duties that is essential to a contract (Fridman, 1986). Acceptance makes the terms binding and motivates individuals to comply with those terms. If one of the parties did not accept the terms of the contract, that party would not feel bound or obligated to meet those terms. Terms imposed on one of the parties through coercion or unilateral action by the other party does not create a contract between the parties.

MacNeil (1985) questions the voluntariness of the acceptance of obligations. He states “This notion presumes the capacity to choose, but choice in exchange transactions and relations, as anywhere else, is by its nature pressured, not voluntary: if one does not assume the obligation, one does not get what one wants.”. In many employment situations, the employer is dominant (Lawless, 1979) and there can be power asymmetries between the employer and employee (McLean Parks and Kidder, 1994). McLean Parks and Kidder (1994) suggest that these power asymmetries affect the perceived voluntariness of the contract. Employees may submit to the demands of the employer as their alternative is to exit the relationship which they cannot easily do. Are psychological contracts voluntary agreements or, are only parts of the contract voluntary while other parts are coerced? If an employee accedes to the demands of the employer, does that mean the employee believes a contract exists related to those demands?

McLean Parks and Kidder (1994) theorize that involuntary demands lead to a reassessment of the psychological contract by employees and a change in employees’ behaviour. In some cases, they suggest behaviours can become anti-role in nature with employees exacting a form of revenge on the employer. In these cases, they suggest that employees reconstruct their psychological

contracts eliminating terms involving pro-role behaviours and socio-emotional obligations and focus on more explicit instrumental obligations between the parties.

As psychological contract terms are constructed in the minds of individuals, it is individuals who are in control of determining what obligations they believe exist between the parties. McLean Parks and Kidder (1994) suggest that rather than incorporating into their contract demands which employees view as unacceptable, employees modify their psychological contracts in ways that reflect their beliefs about fairness and justice. This appears to support the concept that psychological contract terms are agreed to voluntarily. The organization or a manager can unilaterally set the conditions of employment and expectations of employees. Employees may go along with them. It is employees, however, who decide whether or not they incorporate those conditions and expectations into their psychological contract. They will do so only if they voluntarily accept them. Any conditions or expectations with which employees disagreed would not be incorporated as part of their psychological contract and employees would not feel they were obligated to meet them.

Payment: A third aspect of promissory contracts is payment (Rousseau, 1995) or consideration (Fridman, 1986). Payment is defined by Rousseau (1995) as “something of value offered in exchange for the promise.” Psychological contracts involve an exchange of promises whereby employees agree to obligations in exchange for obligations agreed to by the organization. These reciprocal obligations involve current actions by one of the parties in exchange for future actions by the other party. Payment occurs when a party fulfills his or her obligation to the other party. If contract terms were agreed to but payment was not made by one of the parties, the obligations implied by the terms would not come into effect (Fridman, 1986). However, once one of the parties has made payment by fulfilling his or her obligation, the other party is expected to

complete the reciprocal obligation.

Not all promises lead to psychological contract terms. For example, an employee planning to leave an employer within the next year would not likely construct a psychological contract term around an employer's promise to provide life time employment. For promises to be incorporated into psychological contracts, they must have meaning and relevance to employees.

Psychological Contracts are Attitudes

Two different approaches to attitudes have been discussed in the literature (Judd, Drake, Downing and Krosnick, 1991). Beckler (1984) states that the tripartite model proposes that attitudes have cognitive, affective and behaviour components. Within this model an attitude is defined as a response to an antecedent stimulant or attitude object. The components are three classes of response to that stimulus or object. The cognition component involves beliefs, knowledge structures, perceptual responses and thoughts related to the stimuli. Affect refers to emotional responses and behaviour to actions, intentions and statements regarding behaviour related to the stimuli. Beckler goes on to suggest that the stimulus acts through the attitude to produce the three classes of response.

The second approach views attitudes from an information processing perspective. An exemplar of this approach is the socio-cognitive model of attitude (Pratkanis and Greenwald, 1991). According to this model an attitude is represented in memory by an object label, rules for applying the label, an evaluative summary of the object and a knowledge structure supporting that evaluative summary (Pratkanis and Greenwald, 1991). Pratkanis and Greenwald (1991) state that an attitude is used by a person to make sense of the world. The evaluative summary serves as a strategy for appraising an object and the knowledge structure serves to organize and guide memory for events

and complex action toward an object.

Psychological contract terms appear to fit these models of attitudes. The three components of the tripartite model can be observed in psychological contract terms. Each contract obligation is characterized as a belief or expectation regarding an obligation owed by one party to the other (Schein, 1980; Rousseau, 1995). The obligation involves some form of knowledge structure that allows people to think about, and form perceptual responses to, stimuli related to the obligation. This can be observed in peoples' judgement as to whether or not their organization is fulfilling or violating their obligations (Robinson and Rousseau, 1994). Psychological contract violations are also theorized to invoke strong emotional and behavioural responses (Rousseau, 1990; Robinson and Morrison, 1995). These responses suggest that contract terms have meaning to, and are important for, people. The reciprocal nature of psychological contracts and their requirements for action suggests a behaviour component.

In the case of the socio-cognitive model, the object label stored in memory would likely be a psychological contract term. Psychological contract terms are used by people as the basis for determining if the obligated party is fulfilling or violating their contracts (Rousseau, 1990; Robinson and Morrison, 1995). In order for people to make this determination, they would have to have a set of rules defining the obligations, how obligations were to be acted upon, what constituted fulfillment or violation, and other rules related to the terms. Research has measured psychological contract terms as a continuous variable ranging from "not at all obligated" to "very highly obligated" (Robinson, Kraatz and Rousseau, 1994) suggesting people hold a form of evaluative summary of psychological contract terms. One can assume that, in order for people to be able to judge the level of obligation that existed for a psychological contract term, they would have to have some form of

knowledge structure which supported their evaluation.

Attitudes serve heuristic and schematic functions (Pratkanis and Greenwald, 1989). If psychological contract terms are attitudes, then they can be used by people to appraise ongoing events relative to their contracts. Certain events may be interpreted as having a direct relationship to the fulfillment or violation of contract terms. Other events may be appraised as having implications as to the willingness or ability of the parties to fulfill the contract. In addition, attitudes provide a basis for people to organize, store and retrieve information from memory. Thus, if psychological contracts are attitudes, information and interpretations of past events should be readily accessed from memory and utilised in contemplating and interpreting current events. It is likely, therefore, that events are not considered in isolation but in a broader context involving the interpretation of past events. This suggests beliefs about psychological contract obligations and the fulfillment or violation of contract terms develop over time based on numerous confirmatory events.

All Psychological Contracts are Relational

Psychological contracts have been theorized as lying on a transactional/relational continuum (Rousseau, 1995; Rousseau and McLean Parks, 1993). The theory states that the ends of the continuum are anchored by purely transactional and purely relational contracts. Transactional contracts have been characterized as short term, specific, and narrowly focused in nature, involving extrinsic economic terms (Rousseau and McLean Parks, 1993). Both parties maintain the ability to negotiate new arrangements. Alternatively, relational contracts are characterized as open-ended, general, subjective, comprehensive, and evolutionary in nature, involving economic and intrinsic socio-emotional terms (Rousseau and McLean Parks, 1993). Each person's psychological contract

is theorized to lie somewhere on this continuum. A person with a contract near the transactional end would be expected to hold a contract made up of primarily transactional terms with few relational terms. A person near the relational end would be expected to hold a contract made up of primarily relational terms with few transactional terms.

The Continuum: The concept of a continuum implies a zero sum situation. A person who had a psychological contract lying at the transactional end of the continuum would have a contract consisting of solely transactional terms (Rousseau, 1995). As one placed other employees along the continuum, the number of transactional terms in a person's contract would be less relative to the person lying closer to the transactional end of the continuum and the number of relational terms would be greater. A person at the relational end of the continuum would be expected to have no transactional terms in his or her contract as the person's contract would comprise only relational terms (Rousseau, 1995).

This does not seem consistent with reality for two reasons. First, assuming for the moment that one can characterize psychological contracts and contract terms as either transactional or relational, there has to be, at the core of every employment relationship, a set of transactional terms in a person's contract. These would be some minimum set of obligations that the employee believes are owed by the employee and employer to each other. There is no reason to believe these obligations would disappear as relational obligations were added to the contract. Second, because of the idiosyncratic nature of psychological contracts, even employees doing the same work in an organization are likely to have different psychological contracts. It seems likely that employees, within an organization or across organizations, may have different numbers of transactional and relational terms in their contracts. How one would place the myriad of potentially different contract

combinations that might exist on a continuum is not clear. For example, if one employee had two transactional terms and three relational terms in his or her psychological contract and another employee had five transactional and five relational terms in his or her contract, would the former employee be deemed to have a more relational contract than the latter? Where might they be placed on the continuum in relationship to each other? What inference would one be able to draw from the placement?

Transactional versus Relational Terms: In conjunction with the continuum concept, researchers have attempted to categorize specific psychological contract terms as either transactional or relational. Using factor analysis, they seem to have been able to group contract terms into two factors which they have labelled as transactional and relational (Rousseau, 1990; Robinson, Kraatz and Rousseau, 1994). A primary difficulty with the concept of psychological contract terms being either transactional or relational is how one would delimit this terminology. Transactions are an exchange of goods, services or funds (Merriam Webster's Collegiate Dictionary, 1997). Relations are aspects or qualities that connect two or more things as working together, or, the state of being mutually or reciprocally interested (Merriam Webster's Collegiate Dictionary, 1997). All employment exchanges are both transactional, as they involve an exchange of goods, services or funds, and relational in that the parts of the exchange are connected and work together, and the parties have a reciprocal interest. The exchange of wages for hours worked is considered a transactional term within the current concept in that it is short term, specific and involving extrinsic economic exchange. However, it is also relational as the exchange takes place over a period of time and involves an ongoing relationship that extends into the future. Does the exchange of wages for labour during a specific pay period make the obligations between the parties primarily a transactional

contract term? Or, is the specific exchange of wages for labour a part of the larger, on-going exchange of wages for labour making this a relational contract term? An exchange of commitment between an employee and an organization or manager would be considered a relational term in that it is open ended, subjective, and involving socio-emotional terms. It is also transactional as it involves the exchange of service [useful labour that does not produce a tangible commodity (Merriam Webster's Collegiate Dictionary, 1997)]. In determining whether an exchange of commitment is relational or transactional, does one focus on the specific acts that demonstrate commitment (transactions) or the ongoing pattern of acts (relations)? Whether the exchange of wages for labour or the exchange of commitment is more transactional than relational or more relational than transactional is in the eye of the beholder. There is no clear way of delineating the two.

All Terms are Relational: Rousseau (1990) has stated that the concept of a transactional/relational continuum and the characterizing of terms as transactional or relational comes from the work of MacNeil (1985). MacNeil, however, states that discrete or transactional exchanges are rare and only occur at the interface between the parties where there is an immediate exchange of good and services. He states that all other exchanges are relational and he characterizes employment as "extremely relational." In the case of promise-centred contracts, which psychological contracts are theorized to be, he states all contracts are relational (MacNeil, 1985, p. 497). This comes from the fact that promise-centred contracts involve a current action by one party in exchange for a future action by the other party. Of necessity, these contracts involve an element of trust that the promised future action will be completed as promised. Parties involved in current actions cannot recover what they contributed to the other parties if those other parties do not fulfill their promise. This ongoing interconnection and mutual interest that exist between the parties implies a relationship exists.

MacNeil is clearly suggesting that there can be no transactional terms in psychological contracts nor is there a transactional/relational continuum.

Social exchange theory suggests that the specific benefits exchanged by parties are primarily symbolic and are valued for their expression of underlying mutual support (Blau, 1964). Discrete acts by either party can be seen as events that confirm or deny to employees that they, or their organization, intend to fulfill or violate their obligations. An employee may use his or her psychological contract as the basis for monitoring the actions of the organization and its agents, interpreting acts, and deciding their meaning as they relate to the fulfillment or violation of contract terms. As in social exchange theory, these acts may be interpreted by employees as symbolic of the underlying relationship between themselves and their employer. The exchange of wages for labour, clearly part of the transactional contract for those who adhere to the Transactional/Relational dichotomy, is likely not as important to employees for its instrumental value as it is for its symbolic value and indicative of the ongoing relationship. I would argue that, for employees, the exchange of wages for labour is relational in nature, as are all other psychological contract terms.

Source of Psychological Contracts

An important aspect of understanding psychological contracts is understanding how they develop. To date this aspect of psychological contracts have not been considered in sufficient depth. Levinson et al. (1963) and Schein (1980) suggest psychological contracts come from the needs of the parties. Employees construct contract terms based on their understanding that employers have accepted and agreed to meet employees' needs in exchange for employees' accepting and agreeing

to meet employers' needs. The focus of these authors appears to be on an exchange of expectations of the two parties. Rousseau (1989, 1990, 1995) suggests psychological contracts come from an exchange of promises between employees and employers. Lawless (1979) and Rousseau (1995) suggest that the employer is fairly dominant in determining both employee and employer obligations. Rousseau (1995) indicates psychological contracts are "shaped by the organization." She implies that employer commitments determine the employer's obligations and employer's expectations as to what is required from the employee that determine the employee's obligations. Kotter (1973), on the other hand, suggests that employees have both expectations of what the organization should provide to them and what they expect to provide to the organization. Likewise, he suggests organizations have sets of expectations as to what they expect from employees and what they offer employees. Kotter (1973) states that it is "these four sets of expectations and the matches and mismatches that make up the psychological contract." Kotter does not attempt to discuss how these sets of expectations are sorted out in a person's mind to create a psychological contract as we would define it. Are psychological contracts derived from an exchange of needs as Levinson et al. (1963) and Schein (1980) suggest? Are they derived from what organizations expect to give and receive as Rousseau (1995) suggests? Or, do they come from some cognitive resolution of Kotter's (1973) sets of expectations of employers and employees?

The development of psychological contracts has been discussed in the literature as a process which begins prior to hiring and continues throughout a person's employment. Levinson et al. (1963) alludes to the fact that some elements of the psychological contract predate a person's employment in an organization. Individuals seek out information about an organization's characteristics during the recruitment and selection process (Mcfarlane Shore and Tetrick, 1994).

Mcfarlane Shore and Tetrick suggest that this information seeking and the development of psychological contracts are goal-oriented processes in which individuals attempt to address their employment goals. The term goal implies employees have fairly concrete concepts as to what it is they wish to achieve in employment. Levinson et al. and Schein (1980) suggest people are trying to satisfy needs. Many of these needs may not be clearly articulated in peoples' minds nor may they be fully cognizant of them (Levinson et al.). This lack of clear articulation of terms is consistent with Blau's (1964) social exchange theory in which he states "The obligations individuals incur in social exchange are defined only in general, somewhat diffuse terms" (Shore and Barksdale, 1998). Herriot and Pemberton (1996) indicate that it may be the individuals' identity or self-concept that is instrumental in determining what they offer an organization and what roles they will accept. It seems likely that, as with needs, people may not be fully cognizant of the totality of their self-concept. Whether it is goals, needs or self-concept, these authors conjecture that, prior to employment, people have some criteria which they use to seek and evaluate information about organizations and to determine the attractiveness of a given organization as a place of employment. Employees' interpretation of the information received would form the basis for the development of their psychological contracts.

During the hiring phase employees may negotiate the terms of their contracts in an attempt to match their needs, wants and goals and what they are prepared to offer the organization, with the organizations' goals and what the organization is prepared to offer them (Herriot and Pemberton, 1996). Authors appear to differ on how active a role employees have in this negotiation. Some authors suggest employees are active participants in negotiations (Schein, 1980; Mcfarlane Shore and Tetrick, 1994; Herriot and Pemberton). Other authors indicate that individuals may be relatively

passive and adapt their psychological contracts to what organizations offer and expect (Rousseau, 1995). This difference may be partially explained by the author's views on the symmetry or asymmetry of power between the parties. Lawless (1979) states that organizations are generally the dominant party in the relationship and psychological contracts are a reflection of management philosophy. McLean Parks and Kidder (1994) note that where power is asymmetrical the contract maker can largely impose the terms of the contract. Whether or not employees are active negotiating participants, employers must satisfy some minimum employee requirements in exchange for employees' acceptance of employer expectations in order for a functional psychological contract to develop.

Once working, employees may find they have received information, from organizational agents or others, that is inconsistent with work reality (Mcfarlane Shore and Tetrick, 1994). Louis (1980) theorizes how new employees go through a process of surprise, contrast, change and sense-making as they attempt to cope with their organizational experiences. Employees receive social cues and other information from co-worker and organizational agents regarding employer actions which they interpret and incorporate in their psychological contracts (Mcfarlane Shore and Tetrick; Rousseau, 1995). This likely results in the clarification, modification, elimination or addition of terms in their psychological contracts.

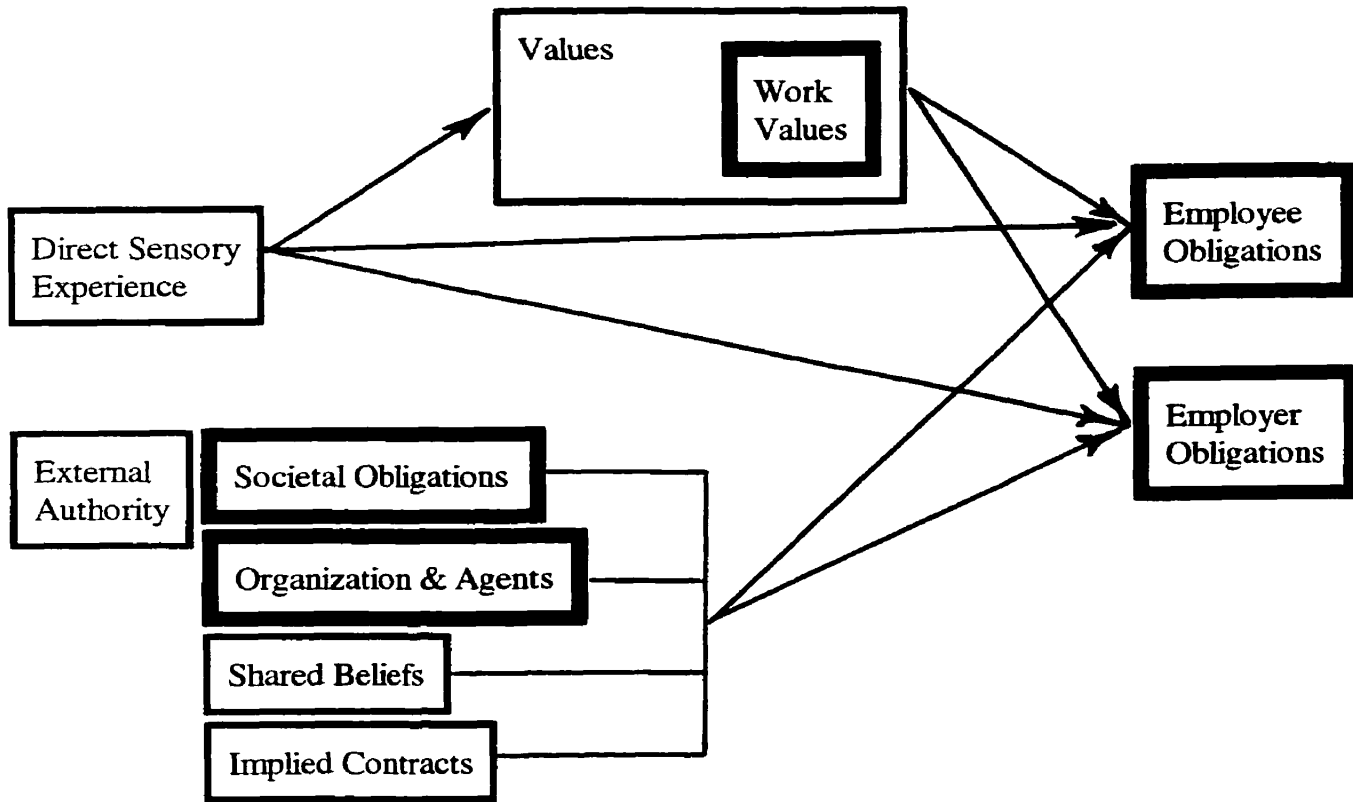
Researchers have primarily relied on information processing models or observation of the employment process to explain the development of psychological contracts (Rousseau, 1995; Mcfarlane Shore and Tetrick, 1994; Schein, 1980; Levinson et al., 1963). This theory acknowledges that individuals have unique sets of requirements which they are trying to satisfy through employment. It only provides minimal assistance in understanding what those requirements are,

where they come from, and how they influence the development of psychological contracts.

Model of Relationships

Figure 2-1 depicts a model of the relationships that lead to, or are the source of, employees' psychological contracts. Belief theory states that beliefs, values and attitudes originate from direct sensory experience and external authority (Bem, 1970). Direct sensory experience influences the development of values, of which work values are a subset. The external authorities proposed are those suggested by Rousseau (1995). These are organizations and their agents, shared beliefs with co-workers, implied contracts, and societal obligations. Each of these sources provide information to employees which they interpret and upon which they develop perceptions. The variables which are of interest in this thesis are those which are enclosed in heavy lined boxes. It is proposed that employees' work values, societal obligations and the obligation attitudes of the employees' organization are direct sources of employees' psychological contracts.

Figure 2-1 Model of Relationships Leading to Psychological Contract Attitudes



Belief Theory

Fundamentally, psychological contracts are a set of beliefs held by employees. To understand how psychological contracts are acquired we need to look at how beliefs are acquired. The theory of beliefs indicates that beliefs come from two basic sources, direct sensory experience and external authority (Rokeach, 1967; Bem, 1970).

Direct Sensory Experience: The first source of our beliefs is from our direct sensory experience of the world and our environment. It is what we learn from interacting with people,

entities and things. We believe a ball is round because we have seen and felt round objects which are named balls. We believe chocolate tastes good because we have tasted chocolate. Some experiences evoke emotional responses. The death of a pet or friend may cause feelings of sadness. The loss of a job may result in feelings of anger and humiliation. The successful completion of a task may cause feelings of joy or an increased sense of self-worth. Thus, we come to have beliefs about the consequences of certain events in our lives. The experience of consequences from behaviour can also shape our beliefs. Being punished for stealing may invoke beliefs that it is important to be honest or perhaps that it is important to ensure you are not caught. As a result of direct sensory experience, people develop beliefs concerning the meaning and importance of things, expectations of themselves and others, the way things are in the world, their status or station in life, consequences of behaviour, preferences and the like.

The direct and indirect experience of work will likely influence peoples' beliefs about the obligations that exist between employees and employers. People can learn about work obligations by directly experiencing work or through the observation of others who work. For example, prior to working themselves, people will have the opportunity to observe how work and work obligations affect their parents and their parents' behaviour. By experiencing work directly, belief theory would suggest people will likely develop an understanding of what they like or dislike about work, what they desire from work, and what they are prepared to contribute to an organization. Similarly, they should develop an understanding of what organizations expect from them and are willing to do for them. These experiences should help lead to a set of beliefs about reciprocal obligations. Psychological contracts are likely, therefore, to be partially a reflection of a person's past experiences and development.

Values: Psychological contracts are also determined by personal dispositions of employees (Rousseau, 1995). Direct sensory experience assists in the development of values (Hechter, 1993; Dawis, 1991). Values are a specific subset of a person's total belief system (Bar-Tal, 1990). Values are particularly important because "they enter as premises into many syllogisms, and accordingly, many particular attitudes and beliefs derive from them" (Bem, 1970). Rokeach (1968) has defined values as preferred modes of conduct or end states of existence. Values not only influence how the holder of the value believes he or she should behave but also how others should behave (Williams, 1979; Rokeach, 1979). Therefore, if honesty is a strong value, a person would believe that both he or she and others should behave honestly. Of interest here are work values and how work values lead to beliefs related to obligations of employees to their employer and employers' obligations to employees. Work values have been defined as preferred work outcomes (Sagie, Elizur and Koslowsky, 1996; Pryor, 1979). Work outcomes involve what people receive from work as well as how they are treated. Values go beyond how others behave toward the value holder, however. They also would be expected to guide the behaviour of the value holder. As such, work values should provide a guide to how employees believe they should behave toward their employers. In other words, employees' work values can be seen as their preferred modes of conduct and end states of existence for both themselves and their organizations. If values are the bases for beliefs, then work values should directly influence employees' beliefs about employees' and employers' mutual obligations to each other or employees' psychological contracts.

Values are arranged hierarchically in people's minds (Rokeach, 1968). Because of this hierarchy, each person holds a set of values that is unique to the individual. What distinguishes one value from another in this hierarchy is the level of intensity with which it is held. As work values

are expected to be related to psychological contract obligations, those obligations can be expected to be held with a level of intensity similar to their corresponding work value. In other words, a strongly held value would be expected to result in a belief that its corresponding psychological contract obligation or term would be very important. The value hierarchy should produce a similar hierarchy of psychological contract terms. It is this hierarchy of terms which may make psychological contracts idiosyncratic.

External Authority: The second source of beliefs is based on external authority (Bem, 1970). Many times our beliefs come from being told facts that we have not directly experienced. Thus we may believe there is a God because we have been told this by a minister or from having read the Bible even though we have not directly experienced the physical entity of God. We believe certain forms of social behaviour are correct because we have been informed of their correctness by parents, community or business leaders, governments or through laws even though we have not experienced a society in which the opposite forms of behaviour are the norm. These beliefs come from our acceptance of the knowledge, legitimacy and expertise of specific persons or entities in our lives. Psychological contract theory indicates that people will seek out and receive information on what benefits organizations offer to them and what organizations expect of them. If the sources of this information are deemed reliable and credible, potential employees will develop beliefs regarding these benefits and expectations. During employment interviews they will likely be told, by organizational agents, certain facts related to the organization and the job. Beliefs about the situation will develop from these sources. Some of the information they acquire will involve organizational policies and practices. Organizational agents may make promises to employees during the interview and hiring process. If the sources of this information are deemed reliable and credible, employees

will expect the organization to live up to the employees' beliefs. Other information will relate to employees' responsibilities to the job, the organization and managers. This information will lead to beliefs about employees' obligations. Current theory also suggests employees may receive inconsistent information (Mcfarlane Shore and Tetrick, 1994). Belief theory suggests that where this occurs, employees will develop beliefs based on their beliefs about the credibility, reliability or authority of the sources. Information acquired from external sources, where that source is believed to be an authority, will be used to establish beliefs about the obligations of the employee to the employer and the employer to the employee.

Four External Authorities: Rousseau (1995), has suggested that contracts held by individuals are influenced by four external authorities. They are: information conveyed by organizations and organizational agents to employees; beliefs shared by co-workers; implied contracts interpreted by third parties; and societal obligations. Rousseau contends that only contracts formed with information conveyed by the organization and organizational officials are psychological contracts. The other sources create different types of contracts as there are other people or groups involved. This restriction of the definition of psychological contracts seems inappropriate. It would preclude from the psychological contract, for example, the belief that the organization would not layoff people if that belief was generally shared in the organization. The recent interest in psychological contracts came about because of changes to commonly perceived employment arrangements, not because of changes to specific individual arrangements.

The first external authority source is information conveyed by agents of the organization directly to employees. This information would involve commitments the organization makes to employees and expectations the organization has of employees. In effect, this portion of the contract

is "shaped by the organization" through statements, commitments and expectations conveyed to the employee (Rousseau, 1995). The second source is the normative portion of the contract or beliefs shared by all employees of the organization. This portion would develop from interactions between employees resulting in a shared interpretation of written policies, culture or actions of the employer. The third source is implied contracts. These "are the attributions that people, not party to the contract, make regarding its terms, acceptance and mutuality" (Rousseau, 1995). Rousseau (1989) refers to implied contracts as being "patterns of obligations arising from interactions between parties (e.g., individuals and organizations)". Implied contracts would include such things as union agreements, written or implied employment contracts enforced in the courts and other past practices which third parties might interpret as giving rise to mutual obligations. Although implied contracts are attributed to the parties by third parties, employees can be expected to have their own interpretations or understandings of these contracts. Implied contracts would be an external authority source as they would inform employees attitudes about obligations. The fourth source would be societal obligations or universal norms imposed on employees and organizations within the society in which they operate.

Each of these four external sources would be expected to influence employees' beliefs about the obligations of the parties to each other. It is not the objectively measured information from these four sources which would be directly related to employees' psychological contracts. Rather, it would be employees' interpretations and perceptions of that information. In other words, employees' beliefs about employer commitments and expectations, shared normative beliefs, implied contracts and societal obligations would directly influence their psychological contracts.

Importance of Work Values: Of the various sources of psychological contract beliefs, work

values should be of particular importance. First, work values are influenced by direct sensory experience and, therefore, they likely lead to many of the same contract beliefs that would come from direct sensory experience. One could argue that there is a reciprocal influence of work values on direct sensory experience. A person's work values might result in that person experiencing specific situations or behaviours and not others. Thus work values might indirectly influence a person's direct sensory experience. This relationship is not as explicit as the direct sensory experience to work values relationship, however.

Second, work values also can be expected to play a role in employee beliefs about employer commitments and expectations. Values influence peoples' perceptions of information. Postman, Bruner and McGinnies (1948) have found that values increase the perceptual selection sensitivity people have to information that is congruent with their values and erect barriers to the selection of information that is incongruent or threatening to their values. Information on employer commitments and expectations from organizational agents that is congruent with an employee's work values should be used to form perceptions of employer commitments and expectations. On the other hand, employees can be expected to ignore or discount information from these sources that is incongruent with their work values. One would expect, therefore, that there will be a direct relationship between employees' work values and their beliefs about employer commitments and expectations.

Third, in a similar way to the above but perhaps to a lesser extent, work values might influence employees' perceptions of shared beliefs and implied contracts. In many cases, information on shared beliefs and implied contracts is likely to be relatively pervasive in the environment and salient over time as much of this information will come from co-workers with whom employees routinely interact. Information that was incongruent with employees' values may

be harder to ignore.

Fourth, societal obligations and work values likely interact with each other. Employees would be aware of societal obligations which impose specific obligations on employers and employees. As these are obligations generally accepted and part of the culture in the society in which most employees were raised, they likely influence the values of the employee. At the same time, employees have unique sets of values which can be expected to influence their perceptions and understanding of those obligations.

Fifth, work values play an indirect role on the development of employee obligations through their influence on acceptance of employer expectations. It was discussed earlier that acceptance of the terms of the contract was instrumental to the formation of a contract. Employee beliefs about employer expectations of them would have to be accepted by employees before these expectations would be incorporated as obligations in employees' psychological contracts.

The issue of employee acceptance of employer expectations is similar to the issue of acceptance of externally imposed goals found in Goal Setting theory. In a review of the goal setting literature, Locke, Shaw, Saari and Latham (1981) state that studies of goal setting assume that goals must be accepted before they affect task performance. Acceptance acts as a mediating variable between goals and performance. They also noted, however, that in goal setting studies nearly all subjects showed complete or substantial commitment to the assigned goals. In an attempt to clarify this issue, Erez and Zidon (1984) manipulated acceptance and found that a positive linear relationship between acceptance and performance where goals were accepted and a negative linear relationship between acceptance and performance where goals were rejected. Although Erez and Zidon reported that acceptance moderated the goal-performance relationship, the model they tested

treated acceptance as a mediating variable.

Studies that have considered the antecedents to goal acceptance suggest that control over the setting of goals, feedback on performance, information about the goal, whether or not goal attainment leads to desirable results and the discrepancy between assigned goals and personal goals, all may influence acceptance of assigned goals (Locke et al., 1981; Erez and Kanfer, 1983; Earley, 1985; Austin, 1989; Vance and Colella, 1990).

Employer expectations of employees are similar to assigned goals in that they are specific demands placed on employees by their employer. As with goal setting theory, acceptance of employer expectations would mediate the relationship between employer expectations and employees' intentions to comply with those expectations. In psychological contracts, intentions to comply would take the form of employee beliefs about their obligations to their employers. Goal setting theory suggests a number of factors that will influence acceptance. Acceptance of employer expectations is likely greater where employees are able to negotiate those expectations or are provided with relevant information as to why the expectation is important. Expectations which are tied to desirable benefits for the employee are also more likely to be accepted. Desirable benefits in the model being developed for this thesis would be represented by employees' work values. It would be expected, therefore, that acceptance would be directly related to the congruence between employer expectations and employee work values. Work values are employees' personal goals and, as with goal setting theory, will have an influence on the acceptance of employer expectations.

From the above discussion, there is likely to be a set of obligations that come from societal obligations and are universal across employees. In addition, employers' beliefs about obligations are likely to influence employees' beliefs. Employee work values are also an important source of

obligations as they capture direct experience to some degree, directly influence beliefs about employee and employer obligations, and influence perceptions of obligations emanating from external authority sources.

Hypothesis 1. There will be a set of obligations that will be shared by most employees across a variety of organizations.

Hypothesis 2. There will be a significant relationship between employers' attitudes about any given obligation and employees' attitudes about the corresponding obligation.

Hypothesis 3. Employees' work values will be significantly related to employees' attitudes about obligations beyond what can be accounted for by employers' attitudes about obligations.

The Impact of Psychological Contracts on Affect, Attitudes and Behaviour

Researchers have theorized that employer violations to psychological contracts result in significant negative emotional, attitudinal and behavioural responses (Levinson et al., 1963; Schein, 1980; Rousseau, 1989, Kotter, 1973; Baker, 1985; Dunahee and Wangler, 1974; Robinson and Morrison, 1995; Lucerno and Allen, 1994; Mcfarlane Shore and Tetrick, 1994; Herriot and Pemberton, 1996; Robinson and Rousseau, 1994; Robinson, Kraatz and Rousseau, 1994; Morrison and Robinson, 1997; Rousseau and McLean Parks, 1993; McLean Parks and Kidder, 1994; Robinson, 1996; Ebadan and Winstanley, 1997). In terms of emotional responses, employer

violations to psychological contracts have been theorized to produce feelings of betrayal, moral outrage, resentment, injustice, anger and grief (Morrison and Robinson, 1997; Herriot and Pemberton, 1996, Rousseau, 1989). These feelings come from the relational and promissory nature of psychological contracts. Underlying all psychological contracts is a degree of trust that if one completes his or her part of the bargain the other party will do likewise. Violation of an employee's contract is a violation of the employee's trust. This leads to feelings of betrayal or mistreatment which in turn results in the negative emotions discussed above (Morrison and Robinson, 1997). These negative emotions can lead to congruent attitude and behaviour responses (Morrison and Robinson, 1997).

Researchers have found that the attitude of trust acts as a mediator between employer violations and employee behaviour (Robinson, 1996) and that employees' attitudes about their obligations reduce over time while their attitudes about employers' obligations increase (Robinson, Kraatz and Rousseau, 1994). In addition, Kotter (1973) found that job satisfaction was related to contract fulfillment and violation. Researchers have also theorized that attitudes such as trust, loyalty and commitment are directly related to the fulfillment or violation of psychological contracts (Herriot and Pemberton, 1996; Stiles, Gratton, Truss, Hope-Hailey and McGovern, 1997).

Mcfarlane Shore and Tetrick (1994) suggest that in the face of perceived employer violations of employees' psychological contracts, employees may respond through voice, silence, retreat, destruction or exit. McLean Parks and Kidder (1994) suggest that contract violations cause employee behaviour to change from pro-role to anti-role in nature. In addition, researchers have found that psychological contract violations by employers are negatively related to employee reports of their performance, civic virtue, and intentions to remain with their employers (Robinson, 1996; Robinson

and Morrison, 1995; Robinson and Rousseau, 1994; Kotter, 1973).

Violations of the contract by employers are important to the study of psychological contracts but are only part of the equation. I would propose that employees can also violate their obligations in their psychological contracts. As well, both employees and employers can fulfill contract terms. Employees can, and probably do, simultaneously experience both fulfillment and violation of their contract terms by their employer and by themselves. In order to understand employees' responses influenced by psychological contracts, one needs to look beyond employers' violations.

There appears to be three factors which influence the nature of the emotional, attitudinal and behaviour responses. First, the level of obligation would appear to be important. Violation or fulfillment of a contract term for which an employee believes there is a high obligation to fulfill is likely to engender a much stronger reaction than the violation or fulfillment of a low obligation term. Second, psychological contract terms may be fulfilled or violated. It is unlikely all contract terms are completely fulfilled or violated and employees may perceive a range of fulfillment or violation for each term. Third, it is the individual terms of the contract that are violated or fulfilled, rather than the contract as a whole. Perceptions of violation or fulfillment of employees' psychological contracts come from a summation of the violation or fulfillment of the individual terms in the contract.

Robinson (1996) attempted to capture these three factors by subtracting employees' reported fulfillment scores for employer obligations at time 2 from employees' reported employer obligation scores at time 1 for each contract term. This results in a high score when a high obligation is not fulfilled (a violation) or a low obligation is fulfilled (fulfillment) and a zero score when a high obligation is fulfilled or a low obligation not fulfilled. The sum of these scores was then related to

work outcomes. This approach appears to be a problem because it results in a high fulfillment score for employees whose organization fulfilled obligations for which employees do not hold the employer responsible for fulfilling. In addition, the employees may not even care about these employer obligations. Employees, who believed the organization had important obligations which the organization completely fulfilled, would have a lower fulfillment score. Robinson does not explain why fulfillment of unimportant obligations versus important obligations should lead to a higher sense of fulfillment in employees.

Psychological contracts involve an exchange of obligations. Fulfillment of an obligation for which an employee believes the employer has a high obligation to fulfill should lead the employee to feel obligated to fulfill his or her reciprocal obligation. The outcome variables used in most studies of psychological contracts (such as intentions to remain, civic virtue, performance) would likely be related to employees' obligations. Given the reciprocal nature of psychological contract obligations, there should be a positive relationship between fulfillment of important employer obligations versus unimportant obligations and employee outcome variables. Robinson's (1996) study would suggest the opposite. Kotter (1973) indicates there may be as many problems for employers in over fulfilling obligations as there are in under fulfilling them. This issue obviously needs clarification.

Emotional, attitudinal and behaviour responses are likely to be a complex function involving the level of obligation of the individual terms, the degree to which individual terms are fulfilled or violated, and the interaction between the outcomes of the summation of both employee and employer obligatory terms. I would propose a four-stage process which results in these responses. The first stage involves a work-related event. Weiss and Cropanzano (1996) indicate that positive or negative

work events impact on peoples' emotions, attitudes and behaviour. They state that people judge events on how those events touch on their desires, concerns and goals and whether the events are judged positive or negative. Events relevant to a person's well being generate positive or negative responses which are consistent with his or her judgement of the event. An event can be seen as a stimulus which causes an employee to access a psychological contract term in memory. The employee would appraise the stimuli in terms of its impact on the retrieved term. This appraisal may result in a judgement that the term is being fulfilled, neither fulfilled nor violated, or violated. The evaluative summary attached to the term would indicate the employee's attitude about the level of obligation that existed for the term. Some form of calculation involving the level of obligation for fulfillment of the term and the judgement on the obligation being fulfilled or violated would be made by an employee to determine the impact on that person's well being. This calculation may invoke a response in its own right.

The second stage of the process would likely involve a consideration of how this particular event and its assessment fit with an employee's beliefs about the involved parties ongoing fulfillment or violation of the psychological contract term. As part of an employee's knowledge structure related to psychological contract terms, there would likely be some history of past events on which an employee would have made assessments and judgements as to their implications for the fulfillment or violation of the contract term. These judgements would be contained in memory as an overall belief as to the likely outcome for the term. Introduction of this information may modify the initial response. Overall beliefs that were consistent with the judgement of the event may reinforce the responses, whereas, beliefs which were inconsistent may temper the responses. For example, an event that leads an employee to believe he or she will not receive the promotion that the

employer promised may be the final straw that causes the employee to quit if the event is consistent with previous judgements. On the other hand, if the event is inconsistent with previous judgements, the event may result in mild concern on the part of the employee.

All psychological contract terms are interconnected with other obligatory terms that result from the employee's perception of the exchange of promises between the employee and employer. The third stage in the process would likely involve consideration of the fulfillment or violation status of the terms that are interconnected to the term being assessed as a result of a work place event. The ensuing judgement of the fulfillment or violation of one term likely acts as a stimulus for the retrieval of interconnected terms from memory. Attached to these other terms, as part of each term's knowledge structure, would be an evaluation as to whether these terms were being fulfilled or violated and the degree of obligation the other party had for fulfilling the terms. Employees would then be expected to include information on the status of interconnected terms with the judgements related to the fulfillment or violation of the term made salient by the work event. For example, an event that triggered a judgement that the employee's employer was fulfilling an obligation to the employee, would cause the employee to retrieve and consider how well he or she has fulfilled or violated the employee's reciprocal obligation to the employer. Including this reciprocal term status information may modify the emotional, attitudinal and behavioural responses elicited in stages one and two.

The fourth and final stage of the process of assessing the fulfillment or violation of a person's psychological contract would be a review of the overall status of the contract. In employees' minds, both the organization and the employee have a set of contract obligations. From time to time, employees are likely to review whether they and their organizations are substantially fulfilling or

violating their total contract obligations and the implications that this has for them. This review is likely to come as a result of a work place event as discussed above. Of necessity this review would appear to involve two calculations to arrive at an overall assessment of whether the employee and the organization are fulfilling or violating their set of obligations and a consideration of the results of the assessment. The first calculation would involve individual contract terms within either the organization's or the employee's set of obligatory terms. An employee's overall judgement as to whether each specific term was being fulfilled, neither fulfilled nor violated, or violated would be combined with the employee's belief about the term's level of obligation for fulfillment. The exact nature of this calculation remains speculative at this point as there has been virtually no research done on this issue.

Robinson (1996) suggested one form of calculation by subtracting the degree of fulfillment from the level of obligation. As discussed earlier this calculation has the underlying assumptions that over fulfillment is judged positively and fulfillment of a high obligation term is judged neither positively nor negatively by employees. I would propose another calculation based on the following assumptions: fulfillment of a high obligation term on the part of either party is judged by employees as positive to their well being; violation of a high obligation term on the part of either party is judged by employees as negative to their well being; fulfillment or violation of a low obligation term by either party is judged by employees as neither positive nor negative to their well being; and, an obligatory term for either party which an employee believes has not been either fulfilled or violated is judged by employees as neither positive nor negative to their well being.

A representation of these assumptions on employee judgements of fulfillment or violation to their well being is as follows:

Figure 2-2 Assumptions Regarding Obligation Fulfillment

	High Obligation	Low Obligation
Fulfilled	Positive	Neither Positive nor Negative
Neither Fulfilled nor Violated	Neither Positive nor Negative	Neither Positive nor Negative
Violated	Negative	Neither Positive nor Negative

The second calculation would involve a summation of all the terms in each of the employee's and organization's obligation sets to form an overall assessment in the minds of employees as to whether they and their organization have fulfilled or violated their psychological contracts. Based on the assumptions discussed in the preceding paragraph, terms having higher obligations, which were being fulfilled or violated, would have a significant positive or negative impact on the assessment, whereas, terms which were judged as neither fulfilled nor violated or had a lower obligation to fulfill attached to them would have a more limited impact. Thus, those terms which employees would judge as most important to themselves and their organizations, and which they and their organizations are most likely to rely upon the other party to complete, would have the greatest relevance in judging the two components of the contract. One could expect, therefore, that employees who believe they, or their employer, have substantially fulfilled or will fulfill the overall contract will have more positive work outcomes than those who do not believe this.

As discussed earlier, researchers have suggested a number of negative emotional, attitudinal and behaviour responses that might be anticipated as a result of employers violating their portion of employees' psychological contracts. I have argued that employers can not only violate employees' psychological contracts but can fulfill them as well and that fulfillment would lead to positive

responses. I have also argued that employees can both fulfill or violate their portion of the contract. It would be anticipated that employees would experience both positive and negative affect depending on their assessment of the fulfillment or violation of their contracts by their employer or by themselves. This in turn would lead to positive or negative attitudes and behaviour. The attitudes that have been discussed in the literature are job satisfaction, trust in the employer and commitment to the employer. Commitment could take the form of affective or continuance commitment. It is likely that affective commitment would vary directly with fulfillment or violation of an employees psychological contract. Continuance commitment would more likely be unaffected by contract fulfillment or violation. Employees have higher or lower continuance commitment depending on their interpretation of their ability to find other work and not on the actions of themselves or their employer. Behaviours that are considered important to discussions of psychological contracts are performance, intentions to remain with the employer and civic virtue behaviour.

Hypothesis 4a. There will be a direct positive relationship between employees' beliefs that they have fulfilled, on an overall basis, their portion of the psychological contract and their work outcomes of positive affectivity, affective commitment, job satisfaction, performance, intentions to remain, civic virtue, and trust. There will be a negative relationship between these employees' beliefs and negative affectivity. There will be no relationship between these beliefs and continuance commitment.

Hypothesis 4b. There will be a direct relationship between employees' beliefs that their employers have fulfilled, on an overall basis, the employer's portion of the psychological contract and

employees' work outcomes of positive affectivity, affective commitment, job satisfaction, performance, intentions to remain, civic virtue, and trust. There will be a negative relationship between these employees' beliefs and negative affectivity. There will be no relationship between these beliefs and continuance commitment..

It is possible that interaction between employees' assessments of how well they and their employers have fulfilled obligations will obscure the above relationships. It is likely that these two assessments would be compared and the results of the comparison would influence work outcomes. The relationship between the comparison of the two assessments and the resulting outcomes can best be explained by considering the violation or fulfillment of employer and employee portions of the psychological contract as dichotomies. These dichotomies can be characterized as employees' beliefs that their employers have substantially fulfilled or violated their obligations to employees, and employees' beliefs that they have substantially fulfilled or violated their obligations to employers. The resulting two-by-two matrix is shown in Figure 2-3. Employees (group A), who believe that both they and their employer have substantially fulfilled their obligations to each other, will have positive affect, attitudes and behaviour toward their work as they will feel both parties have kept their side of the bargain. At the other extreme, employees (group B), who feel they have substantially fulfilled their obligations to their employers but believe their employers have substantially violated their obligations to them, will have negative affect, attitudes and behaviour. They will feel betrayed as they have kept their part of the bargain but their employers have not. Employees (group C), who believe both they and their employers have substantially violated their respective obligations, will have neither positive nor negative affect, attitudes and behaviour as

neither party has kept the bargain. Employees (group D), who believe their employer has substantially fulfilled their obligations but the employee has substantially violated his/her obligations, will have neither positive nor negative affect, attitudes and behaviour as the positive feelings about their employers actions will be offset by their negative feelings about not having kept their side of the bargain.

Figure 2-3 Grouping of Participants

	Employer Fulfilled Contract	Employer Violated Contract
Employee Fulfilled Contract	Group A	Group B
Employee Violated Contract	Group D	Group C

Hypothesis 5a. Group A employees will have significantly higher positive affectivity, trust, commitment, job satisfaction, performance, intentions to remain and civic virtue behaviour and lower negative affectivity than employees in groups B, C, and D.

Hypothesis 5b. Group C and D employees will have significantly higher positive affectivity, trust, commitment, job satisfaction, performance, intentions to remain and civic virtue behaviour and lower negative affectivity than employees in group B.

Hypothesis 5c. Group C employees' positive affectivity, negative affectivity, trust, commitment, job satisfaction, performance, intentions to remain and civic virtue behaviour will not be significantly different from those of Group D.

Chapter 3

Method

Introduction

In this chapter, I will provide information on the subjects used in the study. I will then discuss the methodology used in the study to test hypotheses. I will start with the variables being considered and the instrument used to measure the variables. I will distinguish between instruments developed by others and those developed for this study. In the case of instruments developed for this study, the instrument development process will be outlined in some detail. In some cases, the data was factor analysed to reduce the number of variables being used to test hypotheses. The results of the factor analyses is reviewed. Following the discussion of the variables and measurement instruments, I will discuss the methods and statistical procedures that were used to test each of the hypotheses.

Subjects

Subjects for this thesis were 123 new hires in ten organizations. The demographics of the subjects were as follows: 53% were women; 56% were 31 years of age or older; 25% belonged to a union; 57% were non-managerial, 23% were managers or supervisors, 20% were technical/professionals; 45% had worked less than 1 year in a full time job; and 25% held a university degree. The subjects had been hired by a food processor, three general retailers, a manufacturing company, a university, a utility, a marketing firm, a food retailer, and an engineering

firm. Employee' beliefs about work values, employee obligations and employer obligations were measured within two weeks of hiring. Approximately 63% of the employees participated in an orientation process and the questionnaires were completed after their orientation.

Senior Human Resource persons at each cooperating organization completed questionnaires on employers' attitudes about employee and employer obligations. Human Resource staff are in contact with all portions of the organization and normally are the authors of employment policies and procedures. They are likely to have a broad general view of the obligations the organization believes exist between the organization and its employees. These persons' attitudes are assumed to represent those of the organization. One Human Resources manager did not respond to the questionnaires after several requests, although six subjects did complete their questionnaires from this organization.

Employee' beliefs about fulfillment of employer and employee obligations and outcome variables were measured from two to six months after hiring. The differences in the length of time after hiring was a function of how long it took the employee to respond. In many cases, responses came after the third or fourth request. If an employee did not respond after the fourth request, it was assumed they were not going to respond. Sixty-three (63) subjects responded to the second set of questionnaires for a response rate of about 51%. The subjects remaining in the study for the second phase of data collection were as follows: 57% were female; 40% were 31 years of age or older; 19% were unionized; 46% were non-managerial, 25% were managers or supervisors, and 29% were technical/professional, 42% had less than 1 year of full time work experience; and 35% held a university degree. Drop outs occurred because the subject had left the organization, the subject's manager was not cooperative in passing on the questionnaires or the subject did not respond. It was

not possible to accurately identify how many subjects were in each category. Where the Human Resources contact person was willing to do so, questionnaires were forwarded to subjects who had left. However, very few of these people responded.

With the exception of those who had left, all subjects were provided with a set of questionnaires for their supervisors that measured their supervisors' beliefs about how well the employee and the organization had fulfilled their respective obligations. Only sixteen (16) supervisors' responses were received. Because of the small number, these responses were not used in the data analysis.

Variables and Measurement Instruments

Demographics

A questionnaire measuring demographics was developed for this thesis and included the person's sex, age, union membership, the classification of their position (non-managerial, manager/supervisor, technical/professional), length of full time work, and education level.

See Appendix I for a copy of this instrument.

Work Values

There are several scales that have been constructed to measure work values or preferred work outcomes. These are the Work Values Inventory (WVI) (Super, 1968), the Survey of Work Values (SWV) (Wollack, Goodale, Wijting and Smith, 1971), the Work Aspect Preference Scale (WAPS) (Prior, 1987) and the Minnesota Importance Questionnaire (MIQ) (Weiss, Dawis, England and

Lofquist, 1964). As can be seen from the following table, the various work value scales measure

Table 3-1 Comparison of Work Value Instruments

WVI	SWV	WAPS	MIQ
		Self-Development	Ability Utilization
Achievement	Involvement		Achievement
	Activity	Physical Activity	Activity
	Striving		Advancement
Management		Management	Authority
			Company Policies
Economic Returns		Money	Compensation
Associates		Co-Workers	Co-workers
Creativity		Creativity	Creativity
Independence		Independence	Independence
			Moral Values
		Prestige	Recognition
	Pride		Responsibility
Security		Security	Security
Altruism		Altruism	Social Service
Prestige	Status	Life-Style/Prestige	Social Status
Supervisory Relations			Supervision - HR
			Supervision - Tech
Variety			Variety
Surroundings		Surroundings	Working Conditions
Way of Life		Detachment	
Aesthetics			
Intellectual Stimulation			

similar values. The MIQ scale appears to measure a larger variety of outcomes than do the other scales. In addition, the MIQ scale seems to have been the most extensively used for research on work values. These work values describe what people expect a work position to allow them to achieve or provide for them. They are likely related to many of the obligations authors have theorized as important to employees.

The MIQ instrument was designed to measure vocational needs. Super (1995) states that this instrument is actually a measure of values when judged on its content and construct validation studies. Lofquist and Dawis (1978) suggest the scale can be transformed into value measures by creating a smaller number of factors from the 20 individual measures. Several studies have factor analysed this instrument and have been reported to consistently produce the same six factors (Keller, Bouchard, Arvey, Segal and Dawis, 1992). These factors are: 1. **Achievement** incorporating ability utilization (MIQ1) and achievement (MIQ2); 2. **Comfort** incorporating activity (MIQ3), compensation (MIQ7), independence (MIQ10), security (MIQ14), variety (MIQ19), and working conditions (MIQ20); 3. **Status** incorporating advancement (MIQ4), authority (MIQ5), recognition (MIQ12), and social status (MIQ16); 4. **Altruism** incorporating co-workers (MIQ8), moral values (MIQ11), and social service (MIQ15); 5. **Safety** incorporates company policies (MIQ6), supervision - human relations (MIQ17), and supervision - technical (MIQ18); 6. **Autonomy** incorporates creativity (MIQ9), and responsibility (MIQ13) (Keller, Bouchard, Arvey, Segal and Dawis).

After completing a comparison of the various work values scales, it was decided to use the Minnesota Importance Questionnaire developed by Weiss, Dawis, England and Lofquist (1964) to measure employees' work values. The instrument is well suited to this study as it measures peoples' preferred work outcomes based on their concept of an ideal job. This instrument measures twenty

(20) important work outcomes with five questions used to measure each item. It uses a five point Likert type of scale ranging from very important to very unimportant. Reliability studies indicate Hoyt reliability coefficients range from .77 to .94 using different groups (Weiss et al.). Cronbach's alpha reliability coefficient for these data ranged from .64 to .87. The variables below .70 were Supervision - Human Relations (.66), Moral Values (.64), Responsibility (.66), and Supervision - Technical (.65). Each of these variables had one question that had a low correlation to the other questions. Deleting that question raised the reliability somewhat (Supervision - Human Relations (.66 to .69), Moral Values (.64 to .70), Responsibility (.66 to .70), and Supervision - Technical (.65 to .67). The improvement in the reliability was not deemed sufficient to warrant changing the structure of the existing instrument and, therefore, the questions were not deleted.

For parsimony, exploratory factor analysis was used to create factors for use in testing the model. The factor analysis of these data produced four factors initially with an eigenvalue of greater than 1.0. Missing values were deleted pairwise. A six factor solution was examined. The loading of variables in this solution did not resemble those reported in the earlier studies. It is not known why the factor analysis of these data did not reproduce the six factors found in other studies. Plausible reasons are that it may be due to an artifact of the number or nature of the subjects in this study, or of the changing employment condition over the past fifteen years. The studies that produced the six factor structure were conducted in the 1970's.

Barlett's test of sphericity produced an approximate chi-square of 1212.1 with a significance of $p < .001$ indicating that the population correlation matrix is not an identity. The Kaiser-Meyer-Olkin measure of sampling adequacy was .858. Both these tests indicate that factor analysis is appropriate for these data (Norusis, 1988). The four factors are shown in Table 3-2:

Table 3-2 Factor Analysis of Employees' Work Values - Four Factor and Factor Loadings

	Factor 1	Factor 2	Factor 3	Factor 4
Responsibility for ones activities and work	.845	.147		
Variety of tasks in my work	.773		.242	-.124
Creativity and implement new ideas	.746	.305	.205	.118
Authority to direct others	.688		.191	.366
Independence and work by oneself	.643	.173		.228
Activity on the job is high	.584	.482		-.312
Achievement , a sense of	.554	.526	.280	.160
Ability Utilization and the use of my skills	.505	.276	.449	.173
Supervision - Technical , competent supervisor		.736	.167	
Company Policies are clear and fair	.223	.705	.251	
Co-worker relations are good		.694		.394
Supervision - Human Relations	.205	.684	.166	
Social Service and of service to others	.512	.576		.290
Working Conditions are good	.188	.559	.395	
Moral Values are preserved	.191	.493	.282	.152
Compensation is good	.108		.746	.119
Advancement opportunities are good	.186	.316	.705	
Security in the job is good		.485	.555	-.127
Recognition for the work I do	.436	.273	.492	.210
Social Status of the job is good	.278		.139	.799

The four factors contained 60.97% of the variance in these data. As can be observed in Table 3-2, not all variables loaded cleanly on one factor. After examination of the factor structure for work values and the factor structures for employee and employer obligations to be discussed later, three

rules of thumb were established for creating factors from these data. Firstly, a sufficiently high loading on a factor was needed to ensure the variable in question could be considered a defining characteristic of the factor. To this end, a cut-off of .450 was established for the factor loading of a variable on a factor for that variable to be used as part of the factor. This rule was informed by Comrey and Lee (1992) who indicated that a loading of .71 was excellent, .63 was very good, .55 was good, .45 was fair, and .30 poor. Comrey and Lee's guidelines were intended for those variables which were used to interpret a factor. As all factors had variables which loaded at .55 or greater which could be used for interpretation of the factor, it was deemed acceptable to include variables with a loading of .450. Secondly, in order to retain the relative independence of the factors, a requirement was established that there be at least .150 difference between the loading on the principle factor and other factors, for each variable for the variable to be retained in the factor. No reference could be found to inform this rule of thumb. Most studies found using factor analysis do not report the use of any rules for determining which variables to include or exclude. Finally, (Comrey and Lee) have indicated that factors with only one variable are considered poorly defined and should not be used.

As the fourth factor in the above factor analysis contained only the variable Status, it was decided to force a three factor solution. This was done and the loadings on the factors are shown in Table 3-3. The three factors contained 55.6% of the variance in these data. Using the variable selection criteria from above, the three factors were identified as Motivators, Environment and Career. The smallest difference between loadings on different factors was .186.

Table 3-3 Factor Analysis of Employees' Work Values - Three Factor and Factor Loadings

	Factor 1	Factor 2	Factor 3
Responsibility for ones activities and work	.827	.183	
Authority to direct others	.774		.155
Creativity and implement new ideas	.741	.329	.194
Variety of tasks in my work	.704		.223
Independence and work by oneself	.672	.204	
Achievement , a sense of	.565	.535	.286
Ability Utilization and the use of my skills	.540	.274	.442
Social Status of the job is good	.507		.109
Recognition for the work I do	.487	.264	.486
Supervision - Technical , competent supervisor		.727	.205
Company Policies are clear and fair	.180	.701	.285
Co-worker relations are good		.691	
Supervision - Human Relations	.150	.684	.200
Social Service and of service to others	.548	.599	
Working Conditions are good	.172	.546	.420
Activity on the job is high	.442	.514	
Moral Values are preserved	.218	.484	.298
Compensation is good	.169		.738
Advancement opportunities are good	.193	.285	.715
Security in the job is good		.452	.587

Note: Bold words under the variables column are the variables identified in the MIQ instrument. Bold values in the factor columns indicate the variables which were included in the factor

Factor 1 - **Motivators**, included the variables responsibility, authority, creativity, variety, independence and social status (achievement, ability utilization and recognition were dropped

because of the high loading on another factor). The items incorporated in this factor appear to be items that would be motivational in nature. Cronbach's coefficient alpha reliability for this factor was .83. Factor 2 - **Environment**, included supervision - technical, policies, co-workers, supervision-human relations and moral values (social service, working conditions and activity were dropped because of high loading on another factor). The items in this factor appear to be conditions of work and items that would influence general satisfaction on the job. Cronbach's coefficient alpha reliability for this factor was .76. Factor 3 - **Career**, included compensation and advancement (security was dropped because of high loading on another factor). These items focus on the immediate and longer term benefits of the job. Cronbach's coefficient alpha reliability for this factor was .51. The relationship between work values and employee attitudes towards obligations was examined using the three factor solution. It was noted that a number of variables were eliminated that loaded highly on two factors. These variables would appear to be important to these subjects. This will be considered in the discussion section.

The MIQ instrument was administered within two weeks of hire. See Appendix A for a copy of the MIQ instrument.

Employer Obligations

Employer obligations are those things or benefits the employees believe their employer must do, or owes to them, as the employer's part of the employment bargain. They may come from written documents, verbally from employer agents or other credible sources or from the employer's behaviour. Rousseau (1990) developed a survey form to capture employer obligations through interviews of human resources personnel from "over a dozen" firms. Her survey includes

promotions, high pay, performance-based pay, training, job security, career development and support for personal problems. These items appear to be job aspects that would be verbally discussed during the interview process. Employees are likely to search out information on facets of work which are important to them. As such, employee' beliefs about employer obligations should reflect work aspects employees find desirable and a broader range of obligations than proposed by Rousseau.

The instrument used to measure employee' attitudes about employer obligations was developed in stages using a focus group, current organizational employees, factor analysis, and reliability testing.

Focus Group: Nine volunteers with both diverse and extensive work experience were recruited to participate in a focus group to determine employer obligations. The volunteers included a university lecturer, a president of a small business, a marketing manager, a lawyer, a structural designer, a safety manager, a therapist, a consultant and an architect. They averaged 14.9 years of work experience.

A nominal group procedure was used. Prior to the meeting, the group members were given the following statement to read and consider:

“Thank you for agreeing to assist me in developing a measurement instrument on employer obligations.

I am doing a research project on Psychological Contracts. These contracts are beliefs employees have about the obligations they and their employers have to each other. The contracts are unwritten and exist in the mind of the employee. They define, for employees, the promises that employees believe they and their employer

have made to each other. Employer obligations are those things that employees believe their employer must do, or owes to them, as the employer's part of the employment bargain. These obligations may come from statements made to employees by managers, written documents such as policy manuals, commonly held beliefs of employees, employee needs and values, or actions of the employer. The purpose of this group is to develop a list of these obligations. A nominal group process will be used where each person in turn will suggest an item until no more items are forthcoming. A discussion of the items will be held where they will be clarified and modified. A vote will be held at the end to determine which items should be included in the list of employer obligations.

Please think about what employees, at different levels in an organization, may believe their employers are obligated to provide to them and write down as many as you can think of.”

The group was convened and each person proposed an obligation in turn until no further items were forthcoming. A list of ninety-nine (99) items were developed. Because of the length of the list of items, it was impractical to discuss each one individually. The group was asked if anyone felt any of the items should not form part of a list of obligations or required modification. The group was in agreement that all items should be included as presented.

A questionnaire was created from the list of above items for testing with employees in organizations. The preamble asks employees to respond to the following: “Regardless of what your employer may promise or commit to provide, you may feel they are duty bound or obligated to

provide certain things to you. Consider the following statements. **To what extent do you believe your employer is obligated to provide these things to you?** Following the preamble, the items developed from the above focus group were individually listed and scored using a five point Likert type scale anchored by 1. Not Obligated, to 5. Obligated.

Testing and Factor Analysis: As a single employer may have a fairly homogenous work force, the questionnaire developed in the focus group was administered to groups of people in five different cooperating organizations and a group of students who were currently working. In total, 99 people responded to the questionnaire. The demographics of these people were as follows: managers 24%, non-managers 57%, technical/professional 14%; female 46%; age, 31 or older 45%; unionized 31%; full time work experience of greater than five years 46%; holding a bachelor or higher degree, 38%. Means and standard deviations were calculated. Of the 99 questions, 45 had a mean value above 4.0 with an average standard deviation of less than 1.0. This result would suggest that there are a large number of employer obligations that are fairly universal across employees. This likely indicates that these obligations are influenced by societal obligations and may be specific to Canadian society. For parsimony, these obligations were grouped by like obligations into 12 groups. A single statement was developed to represent each of the groups. The balance of obligations were factor analysed using Varimax rotation and they loaded onto 14 factors having an eigenvalue of one or greater. A single statement was identified for each of the factors as representative of the factor. This resulted in 26 obligations for the employer obligations questionnaire. This questionnaire was used to measure employees' attitudes regarding employer obligations in this study and was administered to the subjects of this study.

For purposes of parsimony, the data collected from the study' subjects was factor analysed

using exploratory factor analysis. The factor analysis of these data produced seven factors initially with an eigenvalue of greater than 1.0. Missing values were deleted pairwise.

Barlett's test of sphericity produced an approximate chi-square of 1212.6 with a significance of $p < .001$ indicating that the population correlation matrix is not an identity. The Kaiser-Meyer-Olkin measure of sampling adequacy was .820. Both these tests indicate that factor analysis is appropriate for these data (Norusis, 1988).

The seven factors are shown in Table 3-4. The seven factors contained 63.68% of the variance in these data. As can be observed in the above table, not all variables clearly loaded on one factor. The same rules of thumb for the creation of factors as discussed under work values was used with this factor analysis. These were a minimum loading of .450 and at least a difference of .150 between factor loadings for inclusion.

The skree plot of eigenvalues versus components showed two distinct breaks in the direction of the plot line. The first break was after the second component and the second break after the fourth component. This indicates that either a two or four factor solution would be more appropriate for these data. A two factor solution would have captured only 38.5% of the variance whereas a four factor solution would include 50.3% of the variance. In addition to preserving as much of the variance as possible, it was felt that utilizing four factors would define the constructs more clearly. Therefore, a solution using four factors was extracted for these data. This is shown in Table 3-5.

Table 3-4 Factor Analysis Of Employees' Attitudes About Employer Obligations - Seven Factor Solution (note: the number before the statement is the instrument item number)

Employer Obligation variable	F1	F2	F3	F4	F5	F6	F7
21. Respect privacy and ensure safe	.711	.164				.290	.129
20. Encourage harmony	.671		.225	.223			
14. Adhere to legislation and policies	.665		.216	.161	.315	-.136	-.230
7. Nothing immoral or unethical	.511	.338	.155	-.181	.161		.121
12. Clear communications	.477	.466	.237		.114	-.196	.250
18. Provide training to do work	.468	.455			.338	.277	
11. Performance based rewards		.748	.140	.295			
8. Incentives for hard work	.163	.657	.451			.153	
10. Provide training to keep up in field	.147	.617	.175		.236	.268	.318
2. Treat fairly	.469	.521	.172		.122		.359
9. Competitive salaries and benefits	.229	.470	.372	.236		.103	-.130
6. Opportunity to influence decisions	.188	.191	.744	.116			
5. Represent & support to upper mgmt.	.133	.334	.646		.322		.175
3. Recognize stress of work		.181	.618			.237	.256
13. Keep promises and support actions		.169	.553	.312	.360	.188	.191
25. Cover cost of associations	.111		.303	.699			
23. Freedom to do things as you want		.132	.188	.677	-.178	.366	.140
22. Freedom to express views	.390			.635		.170	.354
24. Advise on maximum career potential		.161	-.332	.600	.413		
16. Have reasonable expectations	.311	.104	.271	-.109	.661	.214	
4. Comprehensive benefits	.156	.251	.283		.555		.348
17. Realistic career path		.287		.368	.456	.434	.157
15. Recognize family comes first			.107	.136	.204	.811	
26. Able to be honest	.416		.171	.160	-.131	.580	.209
1. Promote good social relations		.150	.189				.797
19. Respect right to join union	.146	-.110	.108	.191	.411		.507

Note: Bold variable names and values indicate which variables are included in the factors.

Table 3-5 Factor Analysis Of Employees' Attitudes About Employer Obligations - Four Factor Solution (note: the number before the statement is the instrument item number)

Employer Obligation variable	F1	F2	F3	F4
8. Incentives for hard work	.739	.228		.110
6. Opportunity to influence decisions	.667	.189		.123
5. Represent & support to upper mgmt.	.644	.173		.415
11. Performance based rewards	.638		.141	
9. Competitive salaries and benefits	.592	.269	.195	
3. Recognize stress of work	.540	.117	.201	.265
12. Clear communications	.499	.458		.240
13. Keep promises and support actions	.497		.368	.404
10. Provide training to keep up in field	.483	.231	.203	.473
21. Respect privacy and ensure safe		.747	.140	.114
14. Adhere to legislation and policies	.151	.654		
20. Encourage harmony	.172	.638	.234	
18. Provide training to do work	.215	.577		.336
7. Nothing immoral or unethical	.279	.550	-.158	.241
2. Treat fairly	.442	.486		.364
26. Able to be honest	.146	.459	.454	
23. Freedom to do things as you want	.310	-.116	.755	
22. Freedom to express views	.142	.333	.652	.187
25. Cover cost of associations	.389		.565	-.111
15. Recognize family comes first		.200	.553	.230
17. Realistic career path	.198		.542	.479
24. Advise on maximum career potential			.519	.226
4. Comprehensive benefits	.328	.180		.641
19. Respect right to join union		.126	.272	.577
1. Promote good social relations	.243		.179	.547
16. Have reasonable expectations	.138	.418		.541

Note: Bold variable names and values indicate which variables are included in the factors.

The factors were identified as **Rewards, Respect for Employees, Freedom, and Safety**. The smallest difference between loadings of a variable on different factors was .176. Factor 1 - **Rewards**, included the variables incentives for hard work, opportunity to influence decisions, representation and support, performance based rewards, competitive salaries and benefits, and the recognition of the stressful nature of the work. Factor 2 - **Respect for Employees** included obligations to respect employees' privacy and ensure their safety, adherence to legislation and policies, encouraging employee harmony, providing the training to do the work, and not asking employees to do anything illegal, immoral or unethical. Factor 3 - **Freedom** encompassed the obligations to allow employees to do things as they want and to express their views, to cover the costs of associations, to recognize an employee's family comes first, and to advise them on reaching their maximum career potential. Factor 4 - **Safety** included the variables to provide comprehensive benefits, respect employees' right to join a union, and to promote good social relations. Not included in the factors were the obligations to provide clear communications, to keep the organization's promises and support employee' actions, to provide training to keep up in their field, to treat employees fairly, to provide a job where employees can be honest, to provide a realistic career path, and to have reasonable expectations of employees. The elimination of these variables will be considered in the discussion section. Cronbach's coefficient alpha reliabilities were run for the factors. The results were Rewards .80, Respect for Employees .72, Freedom .66, and Safety .55. These factors were used to examine their relationship with other study variables.

Employer obligations were measured within two weeks of hiring. See Appendix B for a copy of the instrument.

Employee Obligations

Employees' contribution to the employment relationship revolves around how they behave on the job. Therefore, they will reflect behaviour that is desirable to employers. The same procedure for development of the Employer obligations instrument was used for the development of this instrument. As a starting point, a set of potential employer' expectations or employee obligations was obtained from the psychological contract and organizational behaviour literature and arbitration cases reported in the Canadian Industrial Relations and Personnel Development (CIRPD) newsletters.

The organizational behaviour literature suggests the following expectations: expenditure of extra time and energy in the job, assume responsibility for the work, and be committed to the success of the group (Dansereau, Graen and Scandura, 1975); contribute beyond job requirements (Liden and Graen, 1980) and collaborate (Graen and Scandura, 1986) to complete the work; be loyal to, support, and trust ones supervisor (Graen and Scandura, 1986), and by extension the organization; be innovative (Graen and Scandura, 1986); acceptance of the organizations' culture and ones organizational role (van Maanen and Schein, 1979); accept the organization's values (Chatman, 1991); attend organizational functions (Chatman, 1991).

Psychological contract literature suggests the following obligations: perform the job, will learn on the job, solve problems and innovate, communicate effectively, work productively with groups, make good presentations, supervise others effectively, make good decisions, plan and organize oneself and others' work, utilize one's time and energy for the organization's benefit, subjugate oneself to organizational demands, socialize with other organizational members off the job, conform to the organizational culture, further ones education, maintain a good public image of

the organization, accept organizational values and goals, initiate appropriate job action (Kotter, 1973); working extra hours, loyalty, volunteering to do non-required tasks, advance notice if taking a job elsewhere, willingness to accept a transfer, refusal to support the employer's competitors, protection of proprietary information, spending a minimum of two years in the organization (Rousseau, 1990; Robinson, Kraatz and Rousseau, 1994).

The CIRPD cases are being used because they involve situations where employees have been disciplined or had their employment terminated as a result of employee behaviour that was unacceptable to the employer. It can be assumed that this behaviour on the part of employees failed to meet minimum employer expectations. The cases from the past twelve years suggest the following issues fail to meet employer expectations (note the two digit number in brackets after each item is the year(s) in which the citations occurred, ie. (98) is 1998: poor attendance (98), lateness (87) and absenteeism (87), absent without leave (90), abusive behaviour towards supervisors and other employees (98, 89), lack of control of emotions (98), safety violations (96, 87), derogatory public statements about the organization (96, 90), refusal to submit to a medical exam (97), failure to maintain communication (96), deliberate mis-communication (97), deteriorating relationship with the organization (87), poor judgement (97), hiding evidence of a problem (94), falsification of records (91, 88), theft (90), drug trafficking (89), fraudulent acts (91), mishandling funds (88), possession of a dangerous weapon (87), possession of stolen goods (87), insubordination (93, 89, 87), refusal to work (89), refusing work assignment (87), refusal to accept alternate work (89), disregarding work instructions (88), failure to attend meetings (87), poor citizenship behaviour outside of work (93), unprofessional conduct (91), criticizing a client (87), failure to follow customer rules (87), adhering to proscribed grooming, appearance and dress codes (93), sexual harassment

(91), breach of trust (91), leaking information (89), working for a competitor (91), deficiency in decision making (91), incompetence (89), gross negligence (89), carelessness (88), poor performance (89, 87), refusal to work extra hours (91), work stoppage (88), failure to comply with security provisions (89), drinking on the job (88), alcoholism (88).

The psychological contract and organizational behaviour literature, and CIRPD cases from above suggest a number of employee obligations or expectations that employers may have of employees. Through a combination of items, a list of twenty (20) potential employee obligations was developed from the above information.

Focus Group: A focus group of ten people was convened to develop a list of employer expectations. As a group they averaged 18.3 years of work experience and included a CEO of a small business, a production worker, a councillor, a program coordinator, a marketing manager, a consultant, a scientist, an RN, an investment advisor and an office manager. They were given the following instructions prior to the meeting.

“Thank you for agreeing to assist me in developing a measurement instrument on employer’ expectations.

I am doing a research project on Psychological Contracts. These contracts are beliefs employees have about the obligations they and their employers have to each other. The contracts are unwritten and exist in the mind of the employee. They define, for employees, the promises that employees believe they and their employer have made to each other. These obligations may come from a number of sources. One source is employer’ expectations of employees. Employers may expect their

employees to do certain things or act in certain ways that are of benefit to the employer. These expectations may be conveyed to employees through statements made to employees, written documents such as policy manuals, commonly held beliefs of employees about employer' expectations or actions of the employer. The purpose of this group is to develop a list of these expectations. A nominal group process will be used where each person in turn will suggest an item until no more items are forthcoming. A discussion of the items will be held where they will be clarified and modified. A vote will be held at the end to determine which items should be included in the list of employer' expectations.

Please think about what employers might expect of employees at different levels in an organization and write down as many as you can think of."

The focus group agreed that if they were to develop a list of employee obligations, the same list would result. The list of expectations and obligations suggested by the literature in conjunction with the list of expectations identified by the focus group formed the basis for the questionnaire on employee obligations. Where the focus group suggested a similar obligation, the focus group suggestion was used in the questionnaire. The list contained 112 items that were considered to be potential obligations employees might believe they have to their employer. The employee obligation questionnaire was administered to the same employees as described under Employer obligations. Employees were asked to respond to the following: "Regardless of what your employer might expect, you may feel you are duty bound or obligated to your employer to do certain things. Consider the list below of potential obligations you might have to your employer and indicate the extent to

which you believe you are obligated to do these things as an employee.”. The obligations were scored on a Likert type five point scale ranging from (1) Not obligated to (5). Obligated.

Testing and Factor Analysis: Of the 112 questions, 37 had a mean value above 4.0 with an average standard deviation of less than 1.0. As with the employers’ obligation questionnaire, this result would suggest that there are a large number of employee obligations that are fairly universal across employees. This likely indicates that these obligations are influenced by societal obligations and may be specific to Canadian society. For parsimony, these obligations were grouped, by like obligations, into 14 groups. A single statement was derived to represent each of the groups. Twelve questions had a mean of less than 2.0 and an average standard deviation of less than 1.0. These questions were discarded as these results indicated that these were not obligations for employees. The balance of obligations were factor analysed using Varimax rotation and they loaded onto 19 factors having an eigenvalue of one or greater. A single statement was identified for each of the factors as representative of the factors. This resulted in 33 obligations for the employees’ obligation questionnaire. This questionnaire was administered to the subjects in this study.

In order to reduce the number of variables, the data collected from the subjects in this study was factor analysed using exploratory factor analysis. The factor analysis of these data produced eight factors initially with an eigenvalue of greater than 1.0. Missing values were deleted pairwise.

Barlett’s test of sphericity produced an approximate chi-square of 1666.7 with a significance of $p < .001$ indicating that the population correlation matrix is not an identity. The Kaiser-Meyer-Olkin measure of sampling adequacy was .796. Both these tests indicate that factor analysis is appropriate for these data (Norusis, 1988). The eight factors are shown in Table 3-6.

Table 3-6 Factor Analysis Of Employees' Attitudes About Employee Obligations - Eight Factor Solution (note: the number before the statement is the instrument item number)

Employee Obligation Variable	F1	F2	F3	F4	F5	F6	F7	F8
18. Do work thoroughly	.778		.212					-138
5. Respect/obey supervisor	.678			.218				.314
2. Be punctual	.678			-.134	.182			.280
21. Use time effectively	.653		.262			.123	.379	
17. Act professionally	.634	.106		.155	.183	.118	-.203	
16. Follow instructions	.563	-.143			.220		.486	
7. Control Emotions	.556	.236	.296		-.198	-.155	.198	-.330
33. Exercise good judgement	.545	.220	.277	-.237		.215	.375	
9. Be open & honest	.423	.334		.102	.226	.309	.113	-.277
4. Organize/attend events		.784	.201					
1. Work extra time		.724				.197	.113	
32. Go the extra mile		.704	.129		.153	.268	.268	.197
6. Give time regardless of cost	.299	.603		.342	-.177	.162		.277
19. Do work that is not your job		.526		.235	.269	.150	.279	.179
12. Adapt to culture		.507	.489		.324	.226		
15. Maintain confidentiality	.246		.747	-.131		.143	.141	
13. Represent org. favourably		.246	.666		.189	.100	.155	.302
14. Know the politics	.109	.300	.653	.186	.139	-.130		
30. Do not contradict org. position	.275	-.134	.627	.155	-.169	.397		.152
20. Conform to norms	.388	.127	.427	.219			.161	.257
24. Provide service	-.102	.170		.724	.208			
8. Conform to instructions	.221			.703				.104
27. Accept hazards		.142		.580	-.174	.383	.258	.154
31. Flatter management	-.131	.388	.163	.536	-.302	.200		-.105
10. Make supervisor's job easier	.249	.401	.164	.408	.388	.136	-.103	
25. Conform to preferences	.175	.121	.142	.229	.711			.156

Table 3-6 (continued) Factor Analysis Of Employees' Attitudes About Employee Obligations - Eight Factor Solution

Employee Obligation Variable	F1	F2	F3	F4	F5	F6	F7	F8
11. Constructively criticize	.346	.226	.352	-.163	.453	.237		
26. Work with groups	.195	.142	.355	-.195	.441	-.107	.231	.240
29. Maintain yourself physically		.209		.153		.779		.110
28. Continually upgrade skills	.134	.342	.199	.105	.246	.640		-.223
23. Be flexible		.305	.128	.122	.426	.249	.576	-.163
22. Make do with resources	.225	.273	.246	.172			.567	.112
3. Be loyal/ trust organization	.111	.240	.217		.157			.570

Note: The bold variable names and values indicate variables that are included in the factors.

The eight factor solution explained 62.7% of the variance in these data. As can be observed in the above table, not all variables clearly loaded on one factor. The same rules for the creation of factors as discussed under work values was used with this factor analysis.

Two of the above factors contained only one variable. An examination of the scree plot suggests that three or four factors might be appropriate as there is a distinct break in the plot line at the fourth factor. Three and four factor solutions were examined. Both produced definable factors. As there was a desire to preserve as much of the explained variance in the data as possible, it was decided to proceed with a four factor solution as shown in Table 3-7.

The four factor solution explained 48.1% of the variance in these data. The smallest difference in variable loading on the factors was .168. The factors were identified as **Extra-Role Behaviour, Conscientiousness, Conformity, and Confidentiality**.

Table 3-7 Factor Analysis of Employees' Attitudes About Employee Obligations to the Employer - Four Factor Solution

Employee Obligation Variable	F1	F2	F3	F4
32. Go the extra mile	.722		.275	.157
12. Adapt to culture	.705			.389
23. Be flexible	.640	.155	.126	
19. Do work that is not your job	.614	.107	.322	-.157
4. Organize/attend events	.609	-.127	.179	.173
1. Work extra time	.594		.303	.128
25. Conform to preferences	.584	.337		-.135
11. Constructively criticize	.531	.389	-.146	.277
26. Work with groups	.504	.306	-.336	.172
10. Make supervisor's job easier	.499	.246	.374	
28. Continually upgrade skills	.460	.116	.333	.271
3. Be loyal/ trust organization	.385	.153		.124
22. Make do with resources	.386	.323	.190	.217
18. Do work thoroughly		.726		.299
21. Use time effectively	.105	.719		.293
16. Follow instructions	.113	.711		
5. Respect/obey supervisor		.692	.224	
2. Be punctual		.668	-.157	
17. Act professionally	.112	.575	.173	
33. Exercise good judgement	.259	.539		.407
7. Control Emotions		.471	.135	.367
20. Conform to norms	.267	.438	.137	.335
9. Be open & honest	.352	.398	.256	
27. Accept hazards			.711	

Table 3-7 (continued) Factor Analysis of Employees' Attitudes About Employee Obligations to the Employer - Four Factor Solution

31. Flatter management	.120	-.209	.694	.238
6. Give time regardless of cost	.351	.195	.572	.169
24. Provide service	.257		.571	-.113
8. Conform to instructions		.301	.548	-.141
29. Maintain yourself physically	.277		.463	.257
15. Maintain confidentiality	.206	.270	-.159	.709
30. Do not contradict org. position		.267	.224	.696
13. Represent org. favourably	.518			.546
14. Know the politics	.382			.500

Notes: The bold variable names and values indicate variables that are included in the factors. The number before the statement is the instrument item number.

Factor 1, **Extra-Role Behaviour**, included going the extra mile, adapting to the organizations culture, being flexible, doing work that is not part of one's job, organizing and attending organizational events, working extra time, conforming to management preferences and working effectively in groups. Factor 2, **Conscientiousness**, included the variables doing one's work thoroughly, using one's time effectively, following instructions, respecting and obeying one's supervisor, being punctual, and acting professionally. Factor 3, **Conformity**, included accepting occupational hazards, flattering management, giving of one's time regardless of personal cost, providing service despite one's job, conforming to instructions, and maintaining oneself physically. Factor 4, **Confidentiality**, included maintaining confidential information and not providing information that contradicted the organization's stated position. The following variables did not load sufficiently on one factor to be considered: constructively criticize; making the supervisor's job easier; continually upgrading ones skills; being loyal and trusting the organization; making due with

existing resources; exercising good judgement; controlling one's emotions; conforming to organizational norms; being open and honest; representing the organization favourably to outsiders; and knowing the organizations politics. As indicated previously, eliminated variables will be considered in the discussion section. Cronbach's coefficient alpha reliabilities for the factors were: Extra-Role Behaviour .82, Conscientiousness .80, Conformity .74 and Confidentiality .64.

Employee obligations were measured within two weeks of hiring. See Appendix C for a copy of this instrument.

Employers' Attitudes about Employees' and Employers' Obligations

The same list of employer and employee obligations were used to measure employers' attitudes about employer obligations and employee obligations. Employers may believe obligations differ for different classes of employees. As a result, they were asked to complete separate measures for manager/supervisor, non-managerial and technical/professional employees. A senior person in the Human Resources department was asked to complete these instruments. The introductory paragraph was modified slightly to reflect that the questionnaires were directed at soliciting the organizations attitudes on obligations. Employer' responses for each employment class were related to employees based on the employee's report of their employment class. In other words, employer' obligation attitudes for manager/supervisor employees were attached to employees of that employer who reported their position as manager/supervisor.

These employer' data were grouped into factors that mirrored the factors created from the employees' data. In other words, the factors for employer or employee obligations created from the employees' data were replicated using the employers' data. The variables used in a given factor for

employees were also used for the employers' factors. Those variable which did not load adequately into employees' factors were excluded from employer' obligation factors. Thus sets of four factors were created for employers' attitudes about employee obligations and for employers' attitudes about employer obligations.

Employer' attitudes about employer and employee obligations were measured during the first phase of the study. See Appendix D for a copy of these instruments.

Fulfillment of Employer Obligations

Fulfillment of psychological contract terms can range from fulfilled to violated. The terms fulfilled or violated suggest an active behaviour on the part of the employer. The term violated has some serious normative connotations. It suggests behaviour which is unethical, immoral or criminal in nature. Both employers and employees may object to an instrument using this term. A more benign term which suggests wilful behaviour but does not have the same normative connotations as violate is "will not fulfill." If one assumes that employer behaviour can range from wilfully not fulfilling a contract term to fulfilling it, then a measurement scale can be anchored by terms that reflect these behaviours.

Employees were asked to indicate their belief as to the degree that their employers will fulfill or will not fulfill each of the employers' obligations to them. The same list of obligations used to assess employer obligations as discussed above was used to assess this variable. They were asked to respond to the following: "Employers are expected to fulfill certain obligations to their employees. For each potential obligation below, **indicate the extent to which you believe the employer will fulfill or will not fulfill this obligation to you.** Items which you believe are not obligations should

be marked as 1 (will not fulfill).

1 = Will Not Fulfill, means the employer will not or does not intend to fulfill this obligation

2 = Likely Not Fulfill, means it is likely that the employer will not fulfil this obligation

3 = Either, means the employer may fulfill or may not fulfill this obligation

4 = Likely Fulfill, means you expect the employer to fulfill this obligation

5 = Will Fulfill, means the employer has already or will definitely fulfill this obligation in the future”

These variables were measured from two to six months after hiring. See Appendix E for a copy of the Fulfillment of Employer Obligations instrument.

Fulfillment of Employee Obligations

Employees were asked to indicate their beliefs as to the degree that they have, or will, fulfill each of their obligations to their employer. The same list of obligations used to assess employee obligations as discussed above was used to assess this variable. They were asked to respond to the statements: “At the time you were hired, you completed a form on which you indicated the obligations you believed you owed your employer. Since that time, you may have done or intend to do things which lead you to believe you will fulfill or will not fulfill these obligations. For each potential obligation below, **indicate the extent to which you believe you will fulfill or will not fulfill this obligation to your employer.** Items which you believe are not obligations and you do not intend to fulfill should be marked as 1 (will not fulfill).

1 = Will Not Fulfill, means you will not or do not intend to fulfill this obligation

2 = Likely Not Fulfill, means it is likely that you will not fulfill this obligation

3 = Either, means you may fulfill or may not fulfill this obligation

4 = Likely Fulfill, means you expect to fulfill this obligation

5 = Will Fulfill, means you have already or are positive you will fulfill this obligation in the future”

These variables were measured from two to six months after hiring. See Appendix F for a copy of the Fulfillment of Employee Obligations instrument.

Employees’ Overall Beliefs About the Fulfillment of Employer and Employee Obligations

Employee’ beliefs about the fulfillment of obligations were measured on a single item or overall basis in the event that their fulfillment beliefs are in the form of a gestalt. They were asked to respond to the following statement: “Fundamental to the employment relationship are the obligations employers and employees owe to each other. Consider for a moment the obligations your employer owes you. **On an overall basis, is your employer fulfilling its obligations to you?** Circle the number that best represents how you feel.

Not At All				Not Sure				Completel y
1	2	3	4	5	6	7		

and

Now consider your obligations to your employer. **On an overall basis, are you fulfilling your obligations to your employer?** Circle the number that best describes how you feel.

Not At All				Not Sure				Completely
1	2	3	4	5	6	7		

They were then asked “Is there a specific incident or several incidents that cause you to feel this way? Please describe them.”

These variables were measured two to six months after hiring. See Appendix G for a copy of this instrument.

Supervisor’s Beliefs About the Fulfillment of Obligations

Supervisors of the subjects were asked to complete instruments measuring their beliefs about the extent to which the employer and the employee have fulfilled their respective obligations. With exception to a change in the preamble, the same instrument used by employees to indicate their beliefs about the fulfillment of obligations was used. As the information being collected involved employees, employees were given the supervisors’ questionnaires and asked to pass them on to their supervisor if they did not object to their supervisor providing this information. They were also asked to sign and return a document indicating whether or not they objected. Although most employees indicated they did not object to having their supervisor complete the questionnaires, only sixteen supervisor responses were received.

These variables were measured two to six months after hiring. See Appendix H for a copy of this instrument.

Outcome Variables

The following scales were used to measure employee outcomes. With the exception of the

affect, the variables from the scales were mixed in a single measurement instrument and measured two to six months after hiring. Affect was measured separately from the remainder of the outcome variables. See Appendix K for a copy of the outcome variables instrument.

Affect

The affective disposition measure used in this study was the Positive and Negative Affect Scale (PANAS) (Watson, Clark and Tellegen, 1988). This scale involves 10 adjectives that describe positive (PA), and 10 adjectives that describe negative (NA), feelings and emotions. These adjectives are considered to be pure markers of positive and negative affectivity (Watson, Clark and Tellegen). Internal consistency (Cronbach's correlation alpha) reliability coefficients for the general method of measurement have been found to be for PA .88 and for NA .87. The inter-correlation between scales was -.17. Test-retest reliability was found to be .68 and .71 for PA and NA respectively, with no significant differences (Watson, Clark and Tellegen). These scales have also been subjected to validity tests as reported in Watson, Clark and Tellegen.

As I was interested in the state or short term disposition of the subjects related to their work situation, they were asked to rate, on a five (5) point scale, the positive and negative adjectives based on how they felt in general about their job over the past month. Reliability for these data was .89 for positive affectivity and .76 for negative affectivity. The correlation between the two scales was -.275 which was significant at $p = .029$. This measure was administered two to six months after employees have been hired. See Appendix J for a copy of this instrument.

Job Satisfaction

Job satisfaction was measured in two ways. The first was with a single item statement: "Overall I am satisfied with my job." The second measurement was Hackman and Oldham's (1980) general satisfaction measure from their Job Diagnostic Survey. This measure involves five statements which measure general satisfaction. The reliability of this instrument has been reported to have a Cronbach's alpha reliability coefficient of .82 (Hogan and Martell, 1987). These variables were measured on a five point Likert type scale ranging from (1) Disagree to (5) Agree. Cronbach's alpha reliability coefficient for this study on the general satisfaction measure was .71.

The relationship between the single item measure of satisfaction and the general satisfaction scale was examined. It was found that there was a correlation between these two measures of .71 which was significant at $p < .001$. As a result, the single item measure was incorporated into the general satisfaction scale and one measure of job satisfaction used for this study. Cronbach's alpha reliability coefficient of this combined scale was .78.

Commitment

Allen and Meyer (1990) identified three components of organizational commitment, affective, normative and continuance commitment. Primarily the affective and continuance commitment measures have been used in research (Allen and Meyer) and were adopted for this study. Employees with a strong affective commitment are believed to remain with an organization because they want to. Employees with a strong continuance commitment remain because they have to. Hackett, Bycio and Hausdorf (1994) note that studies "have demonstrated acceptable internal consistency reliabilities" and "have supported the existence of at least three distinguishable facets

of this model.” They also noted that there has been some debate about a fourth component whereby the continuance commitment scale may break down into two distinguishable scales involving personal sacrifice and lack of job alternatives. On testing this proposition, they found that the three factor model was supported. Reliability for the two scales has been reported as: affective commitment .87 and continuance commitment .75 (Allen and Meyer, 1990). Cronbach’s alpha reliability coefficient in this study for these scales was affective commitment .80 and continuance commitment .74.

Affective and continuance commitment were measured using the instruments developed by Meyer and Allen (1990). Each scale involves eight (8) items and is scored on a five point Likert type scale ranging from (1) Disagree to (5) Agree.

Civic Virtue

Robinson and Morrison (1995) state that of the five organizational citizenship behaviours identified, civic virtue is the one most clearly directed at the organization. This study incorporated this variable as a measure of employee extra-role behaviour using an instrument developed by Mackenzie, Podsakoff and Fetter (1991). This instrument involves three statements: “Keeps up” with developments in the agency/company; Reads and keeps up with the agency/company announcements, messages, memos, etc.; Attends functions that are not required, but that help the agency/company image. These statements were modified slightly to fit an agree/disagree response format. Employees were asked to respond to these statements on a five point Likert type scale ranging from (1) Disagree to (5) Agree. Cronbach’s alpha reliability coefficient in this study for this scale was .57. The reason for the low reliability is not known.

Intention to Remain

Employees were asked to respond to the following four statements: 1) I would prefer a job other than the one I am in; 2) I have thought about changing firms since beginning to work for my firm; 3) If I have my way, I will be working for this firm 3 years from now; and 4) I intend to remain with this firm. These questions are an adaptation of questions developed by Chatman (1991) and used by Robinson (1996). Chatman did not report reliability information. Robinson reported a Cronbach's alpha reliability coefficient of .86. The statements were modified to fit an agree/disagree response format. Intentions to remain were measured on a five point Likert type scale ranging from (1) Disagree to (5) Agree. Cronbach's alpha reliability coefficient in this study for this scale was .80.

Trust in Employer

Employees' trust in their employer was measured using the seven item scale from Robinson (1996). This measure reflects the dimensions of trust identified by Gabarro and Athos (1976). Items include "I believe my employer has high integrity" and "I can expect my employer to treat me in a consistent and predictable fashion." Trust was measured on a five point Likert type scale ranging from (1) Disagree to (5) Agree. Robinson reports Cronbach's alpha reliability coefficients of .82 and, .87 in measurements at two different times. Cronbach's alpha reliability coefficient in this study for this scale was .62.

Performance

Mannheim, Yehuda and Tal (1997) note the difficulty in obtaining objective and reliable performance data and the concern about using self-rated information. They found in their study that

where they had supervisor performance ratings ($n = 338$), there was a .81 correlation with self-ratings. They asked subjects to rank their level of performance as a percentile of co-workers and as a self-performance rating. They reported a mean of 88.4, a standard deviation of 6.74 and a Cronbach's alpha reliability coefficient of .56. Robinson (1996) asked subjects how they would rate their work performance and how they thought their employer would rate their performance. She found the two measures to have a correlation of .84 and as a combined measure to have a mean of 4.45 on a five point scale with a standard deviation of .57. The high means (88.4% and 89% respectively) and relatively small standard deviations of these two studies indicate that people tend to rate themselves on average just under the top 10% of the scale. With this in mind, three statements on performance were utilized: 1) My performance would rank me in the top ten (10%) percent compared to my co-workers; 2) I would rate my performance to be excellent, on a scale ranging from poor to excellent; 3) My supervisor would rank my performance in the top ten (10%) percent of the people reporting to him or her. The subjects were asked to respond to these statements on a five point Likert type scale ranging from (1) Disagree to (5) Agree. Cronbach's alpha reliability coefficient for this study on this scale was .80.

Testing of Hypotheses

Hypothesis 1.

Hypothesis 1 states that there will be a set of obligations that will be shared by most employees across a variety of organizations. This hypothesis was tested by examining the means and standard deviations of employees' responses to each of the obligations in the two sets of questions.

Obligations will be considered to be shared by employees where the results indicate that (based on the mean minus 2 standard deviations) 95% of the population represented by this sample would score these obligations at a three (3) or higher. For example, an obligation, where the responses resulted in a mean of 4.0 with a standard deviation of .50, would be judged as shared by most employees as this would indicate that approximately 95% of the population represented by this sample would score this question as being from fairly obligated (3) to obligated (5).

Hypothesis 2.

Hypothesis 2 predicts that there will be a significant relationship between employers' attitudes about any given obligation and employees' attitudes about the corresponding obligation. This hypothesis comes from current theory which suggests employees' psychological contracts are "shaped by the organization" (Rousseau, 1995) and from belief theory which suggests beliefs are influenced by external authority. To test this hypothesis, each factor for employer and employee obligations created as a result of the exploratory factor analysis of employees' attitudes about obligations described above was compared to the corresponding factor for employers' attitudes about employer and employee obligations. For example, factor 1 created from the factor analysis of employees' attitudes about employer obligations will be compared with factor 1 from the employers' attitudes about employer obligations. This factor, created from the two sets of data from employees and employers, contain the same group of obligations. It reflects employees' and their employers' attitudes as to the level of obligation the employer has to fulfill this obligation factor. It is the relationship between employees' and employers' attitudes about the same factor that was examined. Correlation analysis was used to examine this relationship. The correlation between employee' and

employer' attitudes about each factor was examined separately.

Hypothesis 3.

Hypothesis 3 predicts that employees' work values will be significantly related to employees' attitudes about obligations beyond what can be accounted for by employers' attitudes about obligations. This hypothesis comes from the argument that work values capture a person's direct sensory experience, directly influence attitudes about obligations and influence a person's perceptions of the promises and expectations of the employer.

To reduce the number of relationships being examined, the factors for work values, employer obligations and employee obligations were used. The three work values factors were used with the four employee and employer obligation factors. In addition, as demographic characteristics may also influence employee' attitudes about obligations, they were also utilized in the analyses.

Regression analysis was used to determine the influence of work values on employees' attitudes about obligations. The analysis was run as a three step procedure. Each obligation factor was examined separately. The regression equation in step one was as follows:

$$\text{employee's attitude about factor } n \text{ (EEFn)} = a_n + b_n \text{ demographic variables (DVn)}$$

The second step was as follows:

$$\text{employee's attitude about factor } n \text{ (EEFn)} = a_n + b_n \text{ DVn} + b_n \text{ employer's attitude about factor } n \text{ (ERFn)}$$

In the third step, the complete set of work value factors were added to each of the equations. The regression equation in step three was as follows:

$$EEFn = a_n + b_n \text{ demographic variables} + b_n \text{ ERFn} + b_1 \text{ work value 1} \dots\dots\dots + b_k \text{ work value k}$$

If employees' work values influence their attitudes about obligations, work values should be significantly related to employees' attitudes about each of the obligation factors over what can be accounted for by demographics and employers' attitudes about the same obligation factor. The significance of work value(s) and the change in R^2 between step two and step three was used to determine the influence of work values on employees' attitudes about employee and employer obligations.

Hypotheses 4a and 4b.

It is a premise of this thesis that employees will judge the fulfillment of psychological contract terms, where there is a high level of obligation to fulfill the terms, as beneficial to their well being. Terms, carrying a high obligation to fulfill which will not be fulfilled, would be judged by employees as negative to their well being. Fulfillment or non-fulfillment of terms where there is a low level of obligation to fulfill will have lower or minimal impact of employees' sense of well being. This thesis further proposes that it is the overall fulfillment or violation of all of the terms in each half of the psychological contract (employers' obligations and employees' obligations) that determines employees' work outcome of emotions, attitudes and behaviour.

Hypothesis 4a proposes there will be a direct relationship between employees' beliefs that they have fulfilled their portion of the psychological contract and their work outcomes. Hypothesis 4b proposes there will be a direct relationship between employees' beliefs that their employers have fulfilled the employer's portion of the psychological contract and employees' work outcomes. The variables in these hypotheses are Overall Fulfillment of Employee Obligations (4a), Overall Fulfillment of Employer Obligations (4b) versus employees' work outcomes.

As we do not know how employees determine fulfillment or violation of their psychological contracts, these hypotheses will be tested using two different approaches for employees' beliefs about the fulfillment of their contracts. The first approach assumes that overall fulfillment is a gestalt in that employees do not think about the fulfillment of individual contract terms but rather determine fulfillment based on an integrated pattern of acts and experience. The second approach assumes employees do think about and distinguish between individual contract terms and create an overall summary in their minds of the fulfillment of those terms.

The first approach used the single item or overall question involving their beliefs about the fulfillment of obligations by themselves and their employer as the basis for testing the hypotheses. This single item question related to employer obligations was asked as follows: "Fundamental to the employment relationship are the obligations employers and employees owe to each other. Consider for a moment the obligations your employer owes you. **On an overall basis, is your employer fulfilling its obligations to you?"** Employees were asked a similar question related to employees' obligations to their employers. Employees' overall beliefs about how well their employers have fulfilled employer obligations to them was correlated with each work outcome. A second set of correlation analyses were run using employees' overall belief about how well they have fulfilled their

obligations to their employers and employees' work outcomes.

The second approach is based on the proposition that substantial fulfillment or violation of a person's psychological contract involves a function of the fulfillment or violation of individual contract terms and the level of obligation for each term. As previously suggested, this function is a summation of employees' beliefs about the level of obligation to fulfill as measured at time 1 multiplied by their beliefs in regards to the degree each obligation has been fulfilled as measured at time 2. This summation for employees' beliefs in regards to the extent employers have fulfilled the employers' portion of employees' psychological contract was made as follows:

$$\text{Fulfillment of Employer Obligations} = \text{SUM} (\text{ERO}_1 \times \text{ERF}_1 + \text{ERO}_2 \times \text{ERF}_2 + \dots + \text{ERO}_n \times \text{ERF}_n)$$

where: ERO = Employer Obligation Score at time 1

ERF = Employer Fulfillment Score at time 2

A similar calculation was made for employees' beliefs regarding the fulfillment of their portion of the psychological contract.

The basis for this summation is that psychological contract theory asserts that it is the overall fulfillment or violation of employees' psychological contracts that leads to their work outcomes rather than the fulfillment of specific individual terms in the contract.

The fulfillment of obligation instruments are scored on a scale ranging from 1 to 5. These scores were converted to range from -2 to +2 to create positive and negative values for the terms. The reason for these conversions is to ensure the resulting calculations are consistent with the

propositions that fulfillment of high obligations is positive for employees, violation of high obligations is negative, and that neither fulfillment nor violation of low obligations has minimal impact. The score for fulfillment of each employee' obligation term measured at time 2 (two to six months after hire) was multiplied by the level of obligation measured at time 1 (within two weeks of hire). This calculation resulted in fulfillment of high obligation terms receiving a calculated score of +10, violation of high obligation terms receiving a -10, neither fulfillment nor violation received 0, and fulfillment or violation of terms where there is no obligation to fulfill ranged from -2 to +2. Table 3-8 summarizes the possible results for each contract term.

Table 3-8 Calculated Contract Term Results

level of obligation						
5	-10	-5	0	5	10	
4	-8	-4	0	4	8	
3	-6	-3	0	3	6	
2	-4	-2	0	2	4	
1	-2	-1	0	1	2	
	-2	-1	0	1	2	will not/will fulfill

The results of these calculations for each contract term in the employee obligation set of terms was summed. The summations should result in a range of scores for overall fulfillment or violation of employee obligations. Employees, who are categorized with a negative summation, are employees who believe they have, or will, violate their contract obligations to their employers.

Employees, who are categorized with a positive summation, are employees who believe they have, or will, fulfill their contract obligations to their employer.

A similar calculation and summation was made for employer obligations. Employees, who are categorized with a negative summation, are employees who believe their employer has, or will, violate the employer's contract obligations to the employee. Employees, who are categorized with a positive summation, are employees who believe their employer has, or will, fulfill the employer's contract obligations to the employee. The summation of employees' beliefs about the fulfillment of their obligations and their employers' obligations were used as variables in separate correlation analyses with each of the outcome variables.

Hypothesis 5a, 5b and 5c

It is a proposition of this thesis that employees' beliefs about the overall fulfillment of both components (employee and employer obligations) of their psychological contracts interact with each other and influence employees' emotions, attitudes and behaviours. It is also proposed that this interaction is not a linear relationship. For example, employees who believe they have completely fulfilled their obligations may experience either positive or negative work outcomes depending on their beliefs about how well their employers have fulfilled their obligations. It is expected that an employee, who has not fulfilled his/her obligations but the employer either has or has not, will experience work outcomes somewhere between these two extremes. As both employees and employers can either fulfill or violate their portion of employees' psychological contracts, employees were categorized as falling into one of four groups.

Group A are employees who believe that both they and their employers have fulfilled their

obligations to each other. Group B are employees who feel that they have fulfilled their obligations to their employer but their employer has violated its obligations to them. Group C are employees who believe they and their employer have violated their obligations to each other. Group D are employees who believe their employer has fulfilled its obligations to them but they have violated their obligations to their employer.

Hypothesis 5a proposes that group A employees will have significantly higher positive affectivity, trust, affective commitment, job satisfaction, performance, intentions to remain and civic virtue behaviour, and lower negative affectivity than employees in groups B, C, and D. Hypothesis 5b proposes that group C and D employees will have significantly higher positive affectivity, trust, affective commitment, job satisfaction, performance, intentions to remain and civic virtue behaviour and lower negative affectivity than employees in group B. Hypothesis 5c proposes that group C employees' positive affectivity, negative affectivity, trust, affective commitment, job satisfaction, performance, intentions to remain and civic virtue behaviour will not be significantly different from those of group D. Note that positive and negative affectivity in this study were measured as a state in that subjects were asked how they felt in general about their job over the past month.

Employees' beliefs about how well the two components of their psychological contract has been fulfilled on an overall basis was measured in two ways as described under hypotheses 4a and 4b. This was done using the responses to the single item question and the scores resulting from the summation of individual terms. Only one employee reported having violated their employee obligations on the overall question. This lack of reported violations may be the result of self-serving bias, self-esteem or ego defence. No employees were found to have violated their obligations on the calculated measure. Few employees reported violations by their employer on either measure. As

a result the above analysis could not be conducted.

Although the analysis could not be conducted as proposed, it was decided that an examination of relationships between employees experiencing higher or lower levels of fulfillment might be fruitful. Employees were effectively assigned to groups by dichotomizing the results of the measures based on the mean values of employee scores for fulfillment of their obligations and their employers' obligations to them. This was done using the scores from the overall and calculated (summation) measures of fulfillment. Two-way analysis of variance was used to test the hypotheses for both sets of groups created through the overall and calculated measures of fulfillment and each work outcome variable. A full factorial model was used as the primary interest was in determining if there were interactions between the two independent variables which moderated the dependent variable. Where significant interactions occurred the participants were assigned to groups as discussed on pages 44 and 45 and shown in figure 2-3 on page 45. The contrasts procedure in one-way analysis of variance was used to test whether the interaction was as predicted.

Chapter 4

Analysis of Data and Hypotheses Testing

Introduction

This chapter presents the results of the analysis of the data and hypotheses testing as described in the preceding chapter. The chapter begins with an examination of relationships between the demographic variables. Each of the hypotheses developed in Chapter 3 are tested using data collected from the subjects of this study, concluding with the testing of hypotheses 5a, 5b, and 5c. Data and statistical results tables are presented throughout the chapter. Discussion of the results of the testing is presented in the following chapter.

Demographics

Information on sex, age, union membership, position, full time work experience, and education level was collected for the subjects in this study. These data were either nominal or ordinal in nature. The relationships between them were subsequently examined using the Crosstabs procedure in SPSS 10 and the results are shown in Table 4-1.

There were four significant relationships between these variables. Women in this study were more highly educated than men. Age was positively related to full time work experience and education level. Education level was positively related to holding a higher level position.

Table 4-1 Relationships Between Demographic Variables

Variables	N	df	Chi ²	Sig.a	Dep.	tau	Error	Sig.b
Sex/Age	123	4	5.094	.278	Sex	.041	.034	.284
Sex/Union	118	1	0.546	.460	Sex	.005	.012	.462
Sex/Position	122	2	2.948	.229	Sex	.024	.028	.232
Sex/Workexp.	121	4	2.569	.632	Sex	.021	.025	.636
Sex/Education	123	5	12.544	.028	Sex	.102	.046	.029
Age/Union	118	4	6.407	.171	Age	.012	.012	.220
Age/Position	122	8	14.079	.080	Age	.030	.015	.074
Age/Workexp.	121	16	84.229	<.001	Age	.210	.042	<.001
Age/Education	123	20	39.752	.005	Age	.086	.026	.003
Union/Position	117	2	5.613	.060	Union	.048	.032	.062
Union/Workexp.	116	4	4.804	.308	Union	.041	.032	.313
Union/Education	118	5	2.155	.827	Union	.018	.023	.830
Position/Workexp.	120	8	11.600	.170	Pos.	.047	.024	.187
Position/Education	122	10	25.548	.004	Pos.	.119	.035	.001
Workexp./Education	121	20	15.654	.738	Wrkex	.038	.018	.580

Note: Chi² = Pearson Chi-Square; Sig.a = asymptotic significance of Pearson Chi-Square; Dep. = dependent variable in Goodman & Kruskal's directional test; tau = Goodman & Kruskal tau; Error = asymptotic standard error; Sig.b = significance based on chi-square approximation

Hypothesis 1

Hypothesis 1 proposed that there would be a set of obligations shared by most employees across a variety of organizations. Tables 4-2 and 4-3 show the minimum recorded score, mean and standard deviation for employees' responses to employee and employer obligations. In all cases, the maximum recorded score was 5. As a result of missing data, the number of respondents for each variable ranged from 116 to 123.

Based on the development of the employee and employer obligations instrument, it was anticipated that up to fourteen employee obligation variables and up to twelve employer obligation variables would be regarded as important by most employees across employers. These data indicate that nine (9) employee obligations and three (3) employer obligations had means and standard deviations such that, based on the mean minus 2 standard deviations, 95% of the population (represented by this sample) would score these obligations at a three (3) or higher. These obligations are highlighted with bold font. The results provide moderate support for hypothesis 1. It would appear from the data that there are several obligations that employees believe are central to an employment relationship.

Table 4-2 Minimum Recorded Score, Mean, and Standard Deviation for Employee Obligations - Ranked by Mean

Employee Obligations	Min	Mean	Std. Dev.
Do your work thoroughly, completely and accurately	3	4.739	0.476
Be punctual and in attendance at work	3	4.691	0.514
Exercise good judgement and make good decisions	1	4.582	0.678
Use your work time effectively and work diligently during working hours	3	4.569	0.559
Follow the instructions or directives of your supervisor or other managers	2	4.552	0.603
Respect and obey your supervisor	3	4.479	0.618
Be open, honest and above board in all matters related to the organization	1	4.439	0.714
Control my emotions and respect organizational members and customers at all times	3	4.414	0.639
Work effectively with, contribute and commit to the success of groups and teams	2	4.388	0.687

Employee Obligations	Min	Mean	Std. Dev.
Maintain the confidentiality of information in all dealings inside and outside the organization	1	4.382	0.825
Be flexible, show initiative and anticipate what needs doing and do it	1	4.303	0.759
Act professionally inside and outside of work	2	4.300	0.756
Conform to organizational norms for dress, language and behaviour	1	4.262	0.934
Continually upgrade your skills and knowledge	1	4.252	0.864
Make do with the resources you have	1	4.057	0.865
Do not reveal information which is contradictory to the organizations stated position	1	4.016	1.112
Be loyal to, trust, support and promote the organization and refuse to support competitors	1	4.000	0.953
Maintain yourself physically	1	3.951	1.115
Conform to managements preferences for reporting and presentation styles	1	3.900	1.011
Represent the organization favourably to outsiders	1	3.878	1.090
“Go the extra mile” for the organization	1	3.752	1.058
Do things that make your supervisors job easier	1	3.739	1.054
Provide constructive criticism, be innovative, and collaborate on problems, work practices or changes	1	3.727	1.080
Work extra time, expend extra effort, learn new skills and contribute beyond the job requirements	1	3.672	0.982
Adapt to the organizations culture, instill organizational values in subordinates	1	3.655	1.010
Do work that is not part of your job and cover the work load of absent employees	1	3.447	1.181
Know the politics of the organization and customers and how politics affects your manager and group	1	3.405	1.122

Employee Obligations	Min	Mean	Std. Dev.
Conform to expectations or instructions even though they may not be made clear to you	1	3.264	1.153
Help organize social events, attend all organizational functions and socialize with organizational members	1	3.016	1.116
Accept all occupational hazards	1	2.900	1.439
Provide services to customers or clients even though you may not be qualified to do so	1	2.878	1.296
Give my time and energy to the benefit and needs of the organization regardless of my needs or personal cost	1	2.853	1.164
Flatter, captivate, fawn on, or curry favour with management	1	2.051	1.156

Note: Variables highlighted in bold font - 95% of the population would score these variables at 3 or higher on a 5 point scale

Table 4-3 Minimum Recorded Score, Mean, and Standard Deviation for Employer Obligations - Ranked by Mean

Employer Obligations	Min	Mean	Std. Dev.
Treat you fairly and equitably and ensure there is no favouritism or discrimination	2	4.520	0.716
Respect your privacy and ensure you are safe and can feel safe in the workplace	1	4.512	0.657
Not ask you to do anything that is unethical, immoral or illegal and punish employees who behave this way	1	4.462	0.957
Provide adequate training and resources to do the work	2	4.442	0.668
Provide training to help you keep up in your field and prepare you for other opportunities	1	4.365	0.781
Encourage harmony, resolve disputes and ensure managers are not oppressive, intimidating, dictatorial or manipulative	1	4.347	0.738
Provide you with a job in which you can be honest and maintain your integrity	1	4.319	0.964
Provide clear communication on organization goals, policies and changes	1	4.276	0.760

Employer Obligations	Min	Mean	Std. Dev.
Strictly adhere to employment legislation and its written policies and procedures	1	4.231	0.782
Ensure managers accurately represent and support you to upper management	2	4.225	0.793
Have reasonable expectations, job requirements, work load and hours of work for you	1	4.211	0.791
Provide a comprehensive benefit package	1	4.190	0.767
Ensure salaries and benefits are competitive with other employers	1	4.175	0.958
Provide the freedom to express one's views	2	4.105	0.827
Provide the opportunity to participate in and influence decisions which affect you	1	4.057	0.819
Provide incentives for hard or extra work	1	4.032	0.961
Provide rewards which are based on performance and determined through properly done performance evaluations	1	4.024	1.020
Promote good social relations among employees	1	3.983	1.055
Provide you with a realistic career path and involve you in determining your career path	1	3.950	0.994
Recognize the stressful nature of your work and provide relief	1	3.861	0.943
Recognize that your family comes first and be flexible with employee' needs to attend to family matters	1	3.813	0.952
Keep its promises and support your actions regardless of the circumstances	1	3.804	0.955
Respect your right to join a union	1	3.516	1.359
Cover the cost of belonging to associations related to your work	1	3.289	1.128
Tell employees when they have reached their maximum career potential	1	3.289	1.368
Allow you the freedom to do things as you want or see fit	1	3.223	1.143

Note: Variables highlighted in bold font - 95% of the population would score these variables at 3 or higher on a 5 point scale

Hypothesis 2

Hypothesis 2 proposed that there would be a significant relationship between employees' attitudes about any given obligation and employers' attitudes about the same obligation. Table 4-4 shows the correlations between employees' and employers' attitudes about employee obligations for the four (4) factor solution of employee obligations. The relationships of interest are the correlations between employees' and employers' attitudes for the same factors. These relationships are highlighted with bold fonts. None of these factors were significantly related to each other.

Table 4-4 Correlations Between Employees' and Employers' Attitudes About Employee Obligation Factors

Employees' Attitudes	1	2	3	4	5	6	7	8
1 Extra-Role Behaviour	(.82)							
2 Conscientious	.236*	(.80)						
3 Conform	.475**	.234*	(.74)					
4 Confidential	.202*	.418**	.310**	(.64)				
Employers' Attitudes								
5 Extra-Role Behaviour	-.058	.145	.052	.071	-			
6 Conscientious	-.393**	.033	-.038	-.121	.439**	-		
7 Conform	-.323**	-.011	.016	-.094	.619**	.894**	-	
8 Confidential	-.362**	-.032	-.024	-.104	.388**	.877**	.858**	-

* significant at $p < 0.05$, ** significant at $p < .01$, brackets in the diagonal indicates the reliability; bold font indicates the correlations of interest for hypothesis 2

Examination of the individual variable correlations indicates five variables are related at the $p < .05$ significance level. These relationships are shown in Table 4-5. It is noteworthy that two of the five relationships are negative. This is not consistent with hypothesis 2 which was that employees' and employers' attitudes about employee obligations have a positive significant relationship.

Table 4-5 Correlations Between Employees' and Employers' Attitudes About Employee Obligation Variables

Employee Obligation Variable	Corr.	Sig.
Be open, honest and above board in all matters related to the organization	.264	.004
Do things that make your supervisors job easier	-.208	.024
Provide constructive criticism, be innovative, and collaborate on problems, work practices or changes	.263	.005
Represent the organization favourably to outsiders	-.298	.001
Maintain yourself physically	.261	.005

Table 4-6 shows the correlations between employees' and employers' attitudes about employer obligations for the four (4) factor solution of employer obligations. Similar to the above, the relationships of interest are employees' and employers' attitudes about the same factor. These relationships are highlighted with bold fonts. Only one factor, Safety, was significantly related at the $p < 0.05$ level. Examination of the individual variable correlations indicates three variables are related at the $p < 0.05$ significance level. These relationships are shown in Table 4-7. It is noted that one of the three relationships is negative. As above, this is not consistent with hypothesis 2.

Table 4-6 Correlations Between Employees' and Employers' Attitudes About Employer Obligation Factors

Employees' Attitudes	1	2	3	4	5	6	7	8
1 Rewards	(.80)							
2 Respect Employees	.502**	(.72)						
3 Freedom	.390**	.240**	(.67)					
4 Safety	.437**	.304**	.364**	(.55)				
Employers' Attitudes								
5 Rewards	.020	.010	-.036	.108	-			
6 Respect Employees	-.126	.007	-.057	.170	.581**	-		
7 Freedom	-.088	-.074	-.040	.229*	.837**	.581**	-	
8 Safety	-.188	-.100	-.044	.192*	.718**	.783**	.789**	-

* significant at $p < .05$, ** significant at $p < .01$, the numbers in brackets are reliabilities; bold font indicates the correlations of interest for hypothesis 2

Table 4-7 Correlations Between Employees' and Employers' Attitudes About Employer Obligation Variables

Employer Obligation Variable	Corr.	Sig.
Provide you with a realistic career path and involve you in determining your career path	-.208	.025
Respect your right to join a union	.211	.024
Provide you with a job in which you can be honest and maintain your integrity	.187	.044

One concern with the above correlations was that the same employer's response was utilized numerous times for a given class of employees within any given employer's organization. This violates the assumptions that the employers' data is normally distributed and independent. This suggests a nonparametric statistical approach might be more appropriate.

Although there were no correlations between employees' and employers' obligation attitudes as measured in Table 4-4, it was possible that employees and employers might rank their attitude factors in a similar way. To check for this, each employee obligation attitude factor was divided by the number of variables comprising the factor. This procedure standardized the factor values. The factors were then ranked and Spearman's rank correlations run for the factors to compare employees' and employers' rankings. Table 4-8 shows these correlations. Employers all ranked employee obligation factor 3 as their lowest rank across all employees. Correlations could not be calculated for this variable as it was a constant in the employers' data. As can be seen in this table, there were no significant relationships between employees' and employers' rankings of the same obligation factor.

Table 4-8 Spearman's Rank Correlations Between Employee and Employer Attitudes About Employee Obligations

Employee Attitudes	1	2	3	4	5	6	7	8
1 Extra-Role Behaviour	-							
2 Conscientious	-.090	-						
3 Conform	-.311**	.118	-					
4 Confidential	-.440**	-.462**	-.200*	-				
Employer Attitudes								
5 Extra-Role Behaviour	.161	-.162	-.134	.099	-			
6 Conscientious	-.109	.055	.045	.025	.175	-		
7 Conform							-	
8 Confidential	-.218*	.026	.039	.026	-.535**	-.457**		-

* significant at $p < 0.05$, ** significant at $p < .01$, brackets in the diagonal indicates the reliability; bold font indicates the correlations of interest for hypothesis 2

As above, Spearman's rank correlations were run on the data for employees' and employers' attitudes about employer obligations. Table 4-9 shows these results. The results were similar to those achieved in the Pearson correlations analysis. Only the employees' and employers' attitude of safety was significantly related to each other.

Table 4-9 Spearman's Rank Correlations Between Employees' and Employers' Attitudes About Employer Obligation Factors

Employees' Attitudes	1	2	3	4	5	6	7	8
1 Rewards	-							
2 Respect Employees	-.123	-						
3 Freedom	-.285**	-.042	-					
4 Safety	-.131	-.231*	-.469**	-				
Employers' Attitudes								
5 Rewards	.108	-.095	-.148	.080	-			
6 Respect Employees	.117	.070	.147	-.304**	.591**	-		
7 Freedom	.187	.000	.009	-.143	.707**	-.105	-	
8 Safety	-.209*	-.044	-.071	.289**	.309**	-.526**	-.726**	-

* significant at $p < .05$, ** significant at $p < .01$, the numbers in brackets are reliabilities; bold font indicates the correlations of interest for hypothesis 2

Hypothesis 2 is minimally supported by these data. Of the eight correlations of corresponding employees' and employers' obligation attitude factors, only one factor, Safety, was significantly correlated with the other. This factor contained three variables; promote good social relations among employees, provide a comprehensive benefit package, and respect employees rights to join a union. Analysing the data on a continuous and ranked basis produced these results.

In addition, only eight of a potential fifty-nine employees' attitudes about individual

obligation variables were related to employers' attitudes about the same variable. Three of the eight relationships are in the opposite direction to that expected based on theory. It would appear that even on individual variables there is little agreement between employees and employers on what obligations are owed the other, at least in the very early stage of employment. Recent theory has held an underlying assumption that employers influence employees' attitudes about mutual obligations (Rousseau, 1995). These results would suggest that employers have minimal influence on the attitudes employees hold at the time of hiring.

The lack of support for the proposition that employers influenced employees' attitudes about obligations begged the question as to whether or not employees and employers were completely out of sync with each others' attitudes. In order to examine this question, standardized means of the attitudes of all employees and employers were calculated and ranked. Means were standardized by dividing the mean by the number of variables comprising each obligation attitude factor. Means, standardized means and ranks are shown in Table 4-10.

Although there is minimal congruence between employers and their specific employees, as can be seen in Table 4-10, employees and employers generally rank the importance of obligations in the same order.

Table 4-10 Means, Standardized Means and Ranks for Employee and Employer Obligations

Employee Obligations	Employee Mean	Employer Mean	Standardized Employee Mean	Standardized Employer Mean	Employee Rank	Employer rank
Extra-Role Behaviour	30.2	28.8	3.78	3.60	3	3
Conscientiousness	27.3	26.7	4.56	4.45	1	2
Conformity	18.4	14.1	3.07	2.35	4	4
Confidentiality	8.4	8.9	4.21	4.47	2	1
Employer Obligations						
Rewards	24.5	25.5	4.08	4.25	2	2
Respect for Employees	22.0	22.9	4.40	4.59	1	1
Freedom	17.7	17.8	3.54	3.57	4	4
Safety	11.7	12.4	3.89	4.13	3	3

Hypothesis 3

Hypothesis 3 proposed that employees' work values would be significantly related to employees' obligation attitudes beyond what could be accounted for by employers' attitudes. Regression analysis was used to test hypothesis 3. As I was interested in examining the influence of employees' work values on their attitudes about obligations, the eight employees' attitude factors about obligations (from the factor analysis of employee and employer obligations) were used as the dependent variables in separate regression analyses. The demographic variables, the employers' attitude factors which corresponded to that of the employees, and the three work value factors were used as the independent variables in each regression analysis. I was particularly interested in

whether or not employees' work values influenced their attitudes about obligations over what could be accounted for by the corresponding employers' attitudes about obligations. In addition, demographic variables may also explain employees' attitudes about obligations. To control for demographics and employers' attitudes, the demographic variables were entered as the first step, the related employers' attitude factor was entered as the second step and the three work value factors were entered as the third step in the regression analysis.

The results of the regression analyses for employees' attitudes about employee obligations are shown in Table 4-11. Neither the demographic variables nor employers' attitudes were significantly related to employees' attitudes about employee obligations. However, employees' work values were significantly related to the employees' attitude factors of Extra-Role Behaviour and Conscientious. The introduction of work values into the regression equations resulted in a significant change in the F statistic and explained 12.4% and 13.7% of the variance in these two factors. The change in R^2 from work values was significant at $p = .003$ and $p = .001$ for Extra-Role Behaviour and Conscientious respectively.

An examination of the employees' attitude factors and individual work value factors indicated that the work value factor of environment was positively related (standardized beta = .325, $t = 2.941$, $p = .004$) and the work value factor of career (standardized beta = -.283, $t = -2.520$, $p = .013$) was negatively related to the employees' obligation attitude of extra-role behaviour. In the case of conscientious, the work value of environment (standardized beta = .339, $t = 3.116$, $p = .002$) was positively related to this factor. These relationships are shown in Table 4-12.

Table 4-11 Regression Analysis of Employee Obligations

Employee Attitude	Independent Variables	Model F	Sig. of F	R ²	Adj. R ²	ΔR ²	F chng	df1	df2	Sig. of F chng
Extra-Role Behav	Demographics	.463	.803	.022	-.025	.022	.463	5	105	.803
	Extra-Role Behav	.469	.830	.026	-.030	.005	.511	1	104	.476
	Work Values	1.988	.048	.150	.075	.124	4.920	3	101	.003
Conscientious	Demographics	.284	.921	.013	-.032	.013	.284	5	109	.921
	Conscientious	.287	.942	.016	-.039	.003	.313	1	108	.577
	Work Values	2.110	.035	.153	.081	.137	5.681	3	105	.001
Conform	Demographics	1.095	.368	.050	.004	.050	1.095	5	103	.368
	Conform	.933	.475	.052	-.004	.002	.167	1	102	.684
	Work Values	.894	.533	.075	-.009	.023	.826	3	99	.483
Confidential	Demographics	.577	.717	.026	-.019	.026	.577	5	107	.717
	Confidential	.677	.668	.037	-.018	.011	1.170	1	106	.668
	Work Values	1.115	.359	.089	.009	.052	1.953	3	103	.359

Sig = significance, Adj. = adjusted, chng = change, df = degrees of freedom

Table 4-12 Relationships Between Employees' Attitudes About Employee Obligations and Individual Work Value Factors From the Regression Analysis

Employee Attitude	Work Values	Standardized Coefficient Beta	t	Significance of t
Extra-Role Behaviour	Environment	.325	2.941	.004
	Career	-.283	-2.520	.013
Conscientiousness	Environment	.339	3.116	.002

The same approach, as for employees' attitudes about employee obligations, was used to test the relationship of demographic variables, employers' attitudes and employees' work values on employees' attitudes about employer obligations. The results of the regression analyses are shown in Tables 4-13 for the four employer obligation factors.

Demographic variables were significantly related to the employees' attitude factor of safety. Work experience (standardized beta = $-.199$, $t = -1.961$, $p = .053$) and education (standardized beta = $-.182$, $t = -1.738$, $p = .085$) were negatively related to this factor. There were no significant relationships between employers' attitudes about employer obligations and those of employees.

The introduction of employees' work values into the regression analyses of employer obligations resulted in significant relationships with the four employee attitude factors. In all cases, work values resulted in a significant change in the F statistic. The amount of variance explained by work values ranged from 11.3% to 15.3%.

An examination of the individual work values factors indicated that the work value of environment had a significant positive relationship with the employer obligation factors of

Table 4-13 Regression Analysis of Employer Obligations

Employee Attitude	Independent Variables	Model F	Sig. of F	R ²	Adj. R ²	ΔR ²	F chng	df1	df2	Sig. of F chng
Rewards	Demographics	.847	.520	.039	-.007	.039	.847	5	103	.520
	Rewards	.719	.635	.041	-.016	.001	.115	1	102	.736
	Work Values	1.999	.047	.154	.077	.113	4.414	3	99	.006
Respect for Employees	Demographics	.499	.777	.023	-.023	.023	.499	5	106	.777
	Respect for Emp	.422	.863	.024	-.032	.001	.063	1	105	.803
	Work Values	2.437	.015	.177	.104	.153	6.338	3	102	.001
Freedom	Demographics	.748	.589	.033	-.011	.033	.748	5	109	.589
	Freedom	.640	.698	.034	-.019	.001	.129	1	108	.720
	Work Values	2.630	.009	.184	.114	.150	6.418	3	105	<.001
Safety	Demographics	2.651	.027	.110	.069	.110	2.651	5	107	.027
	Safety	2.522	.025	.125	.075	.015	1.783	1	106	.185
	Work Values	3.893	<.001	.254	.189	.129	5.931	3	103	.001

Sig = significance, Adj. = adjusted, chng = change, df = degrees of freedom

rewards (standardized beta = .232, t = 2.069, p = .041), respect for employees (standardized beta = .369, t = 3.384, p = .001), and safety (standardized beta = .333, t = 3.211, p = .002). These relationships are shown in Table 4-14. It would appear that employees' need for a supportive environment was highly influential of their attitudes that employers were obligated to provide good work rewards, respect employees and to provide a safe environment. In the case of the obligation factor freedom, the work value motivators (standardized beta = .293, t = 2.847, p = .005) was significantly related to this obligation factor. Employees who value aspects of their work that involve meeting their motivational needs believe employers are obligated to provide the freedom in their jobs to meet those needs.

Table 4-14 Relationships Between Employees' Attitudes About Employer Obligations and Individual Work Value Factors From the Regression Analysis

Employee Attitude	Work Values	Standardized Coefficient Beta	t	Significance of t
Rewards	Environment	.232	2.069	.041
Respect for Employees	Environment	.369	3.384	.001
Freedom	Motivators	.293	2.847	.005
Safety	Environment	.333	3.211	.002

These results support hypothesis 3. Work values would appear to be related to employees' psychological contracts as measured in this study. There were significant relationships between employees' work values and both employees' attitudes about their obligations to their employer and their employers' obligations to them. These relationships appeared even when the analysis controlled for demographic variables and employers' attitudes regarding obligations.

Hypotheses 4a and 4b

Hypotheses 4a and 4b proposed that there would be a relationship between employees' beliefs regarding the fulfillment of obligations and their work outcomes. Prior to examining these relationships, the relationships between demographic variables and outcome variables was considered. As shown on Table 4-15, there are few relationships. Sex is related to self-reports of performance. Men rated their performance higher than did women. Age was related to affective commitment. Education was negatively related to intent to remain.

Hypothesis 4 was tested using correlation analysis. Two sets of variables were used to indicate employees' and employers' fulfillment of their respective obligations. The first were two single item questions which asked employees, on an overall basis, whether their employer was fulfilling its obligations to them and whether they were fulfilling their obligations to their employer. The second set were variables for employees' and employers' fulfillment of obligations based on a summation of the fulfillment of individual obligations. This calculation involved the multiplication of the importance of each obligation as measured at the time of hiring by its reported fulfillment as measured several months after hiring and the results summed (see the methods section for a description of the calculation). These two sets of fulfillment variables were then related to outcome variables. The results appear in Table 4-16.

As can be seen in Table 4-16, the two measures of fulfillment are significantly correlated. The question measuring the overall fulfillment of employee obligations has a correlation of .306 ($p < .05$) with the calculated measure of employee obligation fulfillment. There is a stronger correlation ($r = .506, p < .01$) between the overall measure of the organization's fulfillment of its obligations and the calculated measure of this variable. The scores for employee and employer fulfillment within

Table 4-15 Correlations Between Demographic Variables and Outcome Variables

Outcomes	Demographics	Sex	Age	Union	Position	Work Experience	Education
Job Satisfaction		-.024	-.106	-.134	.210	-.107	.033
Affective Commitment		.091	.257*	-.118	.102	-.045	-.126
Continuance Commitment		.195	.028	.157	.021	-.038	-.176
Civic Virtue		.220	.007	-.112	.136	-.063	-.011
Performance		.320*	-.044	.014	.114	-.100	-.020
Intent to Remain		.043	.226	-.149	.201	-.096	-.265*
Trust		.025	.056	-.151	.019	-.149	.011
Positive Affectivity		.173	.116	.067	.065	-.113	-.027
Negative Affectivity		.025	-.068	-.058	.056	.149	.034

* significant at $p < .05$

a given measurement form were significantly correlated with each other at .296 ($p < .05$) for the overall measures and .561 ($p < .01$) for the calculated measures.

It would appear, for these subjects, that people who rated their employers' fulfillment of obligations as high or low also rated their own fulfillment of obligations high or low respectively. These latter correlations may reflect employees' actual beliefs as to how well each party has done in fulfilling their respective obligations. Psychological contract theory would suggest this relationship should occur as employees who believe their employers are fulfilling their obligations would be more inclined to fulfill their own. These results may also come from a tendency for some portion of the subjects to rate all variables at the higher end of the scales while others rate all variables at the lower end. There is no way of determining which has occurred.

Table 4-16 Correlations of Employers' and Employees' Fulfillment of Obligations and Outcome Variables

	eefg	erfg	empf	orgf	pa	na	satis	affco	contc	civic	perf	remn	trust
eefg	-												
erfg	.296*	-											
empf	.306*	.328*	-										
orgf	.221	.506**	.561**	-									
pa	.206	.412**	.409**	.527**	(.89)								
na	-.441**	-.274*	-.219	-.297*	-.275*	(.76)							
satis	.228	.454**	.313*	.543**	.542**	-.219	(.78)						
affco	.281*	.563**	.487**	.707**	.609**	-.330*	.603**	(.80)					
contc	-.078	.203	-.163	.080	.046	.194	.026	.139	(.74)				
civic	.023	.229	.377*	.242	.540**	-.101	.197	.390**	.061	(.57)			
perf	.317*	.052	.289*	.124	.405**	-.126	.041	.185	-.107	.586**	(.80)		
remn	.048	.293*	.182	.456**	.468**	-.191	.625**	.674**	.204	.284**	.097	(.80)	
trust	.214	.444**	.527**	.643**	.560**	-.275*	.601**	.710**	.091	.340**	.131	.399**	(.62)

*significant at p = .05, ** significant at p = .01, parentheses on diagonal indicate variable reliability

Legend: eefg - fulfillment of employee obligations - overall question; erfg - fulfillment of employer obligations - overall question; empf - fulfillment of employee obligations - calculated; orgf - fulfillment of employer obligations - calculated; pa - positive affectivity; na - negative affectivity; satis - job satisfaction; affco - affective commitment; contc - continuance commitment; civic - civic virtue; perf - performance; remn - intent to remain; trust - trust Note: n sizes for the correlations ranged between 58 and 63.

The overall measurement of employees' obligation fulfillment has a significant positive correlation to the outcome variables affective commitment and performance, and has a negative correlation to negative affectivity. The calculated measure of employees' obligation fulfillment is significantly and positively correlated to positive affectivity, job satisfaction, affective commitment, civic virtue, performance, and trust. The calculated measure produced stronger results than did the overall measure and, therefore, would appear to be a superior method of measuring employees' fulfillment of their obligations.

The overall measurement of employers' obligation fulfillment has significant positive correlations with the outcome variables positive affectivity, satisfaction, affective commitment, intent to remain, and trust. It was negatively correlated to negative affectivity. The calculated measure of employers' obligation fulfillment was also significantly correlated with these variables at the same levels of significance. There were higher correlations between outcome variables and the calculated measure compared to those with the overall measure. This would suggest that the calculated measure may be superior to the overall measure in measuring employees' beliefs about the fulfillment of employer obligations.

As there were significant correlations between several of the outcome variables, multivariate regression analyses were conducted using the measures for overall fulfillment and calculated fulfillment of employer and employee obligations as the independent variable and the nine outcome variables as the dependent variables. The four models were significant at the $p = .001$ level based on Pillai's Trace. The significance of the relationship between the individual outcome variables and the fulfillment variables were the same as those found in the correlation analyses. The results are shown in Table 4-17.

Table 4-17 Multivariate Regression Analyses of Fulfillment Variables and Outcome Variables

Fulfillment	Outcome Variable	Mean Sq.	R ² (Adj R ²)	F	Sig.
Overall	Positive Affectivity	131.65	.042 (.026)	2.610	.111
Employee	Negative Affectivity	270.76	.194 (.181)	14.479	<.001
Obligation	Job Satisfaction	65.37	.052 (.036)	3.288	.075
	Affective Commitment	136.37	.079 (.063)	5.119	.027
	Continuance Commitment	14.44	.006 (-.010)	.392	.533
	Civic Virtue	0.13	.001 (-.016)	.032	.858
	Performance	21.07	.101 (.086)	6.749	.012
	Intent to Remain	2.07	.002 (-.014)	.145	.705
	Trust	50.19	.046 (.030)	2.870	.095
Calculated	Positive Affectivity	500.64	.163 (.148)	10.880	.002
Employee	Negative Affectivity	62.74	.047 (.030)	2.773	.101
Obligation	Job Satisfaction	121.63	.099 (.083)	6.177	.016
	Affective Commitment	389.15	.236 (.222)	17.305	<.001
	Continuance Commitment	61.68	.030 (.012)	1.711	.196
	Civic Virtue	31.16	.144 (.128)	9.398	.003
	Performance	15.87	.085 (.069)	5.214	.026
	Intent to Remain	28.47	.035 (.018)	2.025	.160
	Trust	294.39	.278 (.265)	21.530	<.001
Overall	Positive Affectivity	529.73	.168 (.154)	12.092	.001
Employer	Negative Affectivity	103.94	.075 (.059)	4.839	.032
Obligation	Job Satisfaction	260.52	.207 (.194)	15.666	<.001
	Affective Commitment	547.81	.316 (.304)	27.693	<.001
	Continuance Commitment	89.19	.040 (.024)	2.507	.119
	Civic Virtue	13.06	.053 (.037)	3.352	.072
	Performance	0.58	.003 (-.014)	.170	.682
	Intent to Remain	75.69	.088 (.073)	5.774	.019
	Trust	217.08	.197 (.184)	14.760	<.001
Calculated	Positive Affectivity	742.79	.283 (.271)	23.274	<.001
Employer	Negative Affectivity	121.08	.089 (.073)	5.746	.020
Obligation	Job Satisfaction	365.59	.295 (.283)	24.675	<.001
	Affective Commitment	860.09	.501 (.493)	59.348	<.001
	Continuance Commitment	14.14	.007 (-.010)	.400	.530
	Civic Virtue	12.17	.058 (.042)	3.653	.061
	Performance	3.01	.015 (-.001)	.916	.342
	Intent to Remain	175.44	.208 (.195)	15.508	<.001
	Trust	425.64	.402 (.392)	39.657	<.001

Hypotheses 5a, 5b, and 5c

Hypothesis 5 proposed that there would be an interaction between the two components of an employee's psychological contract. Unfortunately, the data from the subjects in this study did not lend itself to this analysis. Ideally, I needed a number of employees to report scores below the mean of the scale. For the overall measure, this would be scores below the mid-point of four. For the calculated measure, this would be scores below zero. In the case of the overall measurements of fulfillment of employer and employee obligations, six people reported scores of 3 or less on the employer fulfillment measure and one person on the employee fulfillment measure. For the calculated measures of fulfillment, six people had calculated scores below zero for employer fulfillment and no one had calculated scores below zero on the employee fulfillment calculation. Part of the difficulty with obtaining adequate data was that almost all of the responders had remained with the employer. I may have received more negative reports on employer fulfillment if I had received data from more of those who had left. This may have solved the problem regarding employer fulfillment but not likely the problem with employee fulfillment. There is no reason to believe those who had left would report employee fulfillment scores which would be different from those who stayed. As a result, almost all employees were in the category of both parties fulfilling their obligations with few if any employees in the other categories. A reasonable number of employees had to be in each category to test hypothesis 5.

Although hypothesis 5 could not be tested as it was originally conceived, people who had higher scores on the overall or calculated fulfillment of their and their employers' obligations were compared to those who had lower scores. This was done in two ways. First, regression analysis was used to determine interaction effects of employer and employee fulfillment. Fulfillment by

employees and employers was treated as a continuous variable. Second, two-way analysis of variance was used to examine interaction effects. This was done by dichotomizing employees based on the fulfillment of their obligations and again based on fulfillment of their employers' obligations. They could then be categorized in groups as indicated in Figure 4-1 and relationships with work outcome variables examined:

Figure 4-1 Employee Groups

	Higher Employer Contract Fulfillment	Lower Employer Contract Fulfillment
Higher Employee Contract Fulfillment	Group A	Group B
Lower Employee Contract Fulfillment	Group D	Group C

This resulted in the following distribution of groups for the overall and calculated measures of contract fulfillment as shown in Tables 4-18 and 4-19.

Table 4-18 Groups Created from the Overall (single question) Fulfillment Measure

Overall Fulfillment Measure	Higher Employer Contract Fulfillment	Lower Employer Contract Fulfillment
Higher Employee Contract Fulfillment	29	16
Lower Employee Contract Fulfillment	8	10

Table 4-19 Groups Created from the Calculated Fulfillment Measure

Calculated fulfillment measure	Higher Employer Contract Fulfillment	Lower Employer Contract Fulfillment
Higher Employee Contract Fulfillment	21	9
Lower Employee Contract Fulfillment	7	21

As can be seen in Tables 4-18 and 4-19, the overall measure produced a somewhat better distribution of employees in the different categories. One difficulty with the overall measure was that most employees score their own fulfillment in the upper portion of the scale. As a result, an imbalance between the number of subjects in the higher employee contract fulfillment groups versus the lower employee contract fulfillment groups was produced when the employees were assigned to different groups based on their fulfillment score. The range of scores on this measure was from 3 to 7. Thirty-two of sixty-three participants scored this measure at 6. As a result, these people, plus those who scored the measure at 7, were placed into the higher fulfillment group leaving only eighteen people for the lower fulfillment group. The high concentration of groups in the Group A and Group C categories in the calculated fulfillment measure distribution may have occurred because of a tendency for some people to score all variables high or low. Although, if this was the case with these subjects, it should occur in the overall measurement results as well.

There was a concern that the relationship between the interaction term and the work outcome variables might not be linear. If this was the case, regression analysis would not be appropriate and results would have to be treated with caution. The regression analysis did not produce any significant interaction effects and, therefore, the above concern was moot.

Two-way analysis of variance was used to test for interactions between employees' and employers' fulfillment of their obligations and the individual work outcome variables. The SPSS 10 procedure of Univariate Analysis of Variance was used to determine if there were any interactions between the two independent variables that moderated the work outcome variables. The two-way analysis of variance results for the overall or single item fulfillment measure is shown in Table 4-20. The same analysis for the calculated fulfillment measure is shown in Table 4-21.

Table 4-20 Two-Way Analysis of Variance Between Employees' Overall Fulfillment, Employers' Overall Fulfillment and Work Outcome Variables

Work Outcome Variable	Intercept & Independent Variables	Type III Sum of Squares	df	Mean Square	F	Sig. of F
Positive Affectivity	Intercept	58839.38	1	58839.38	1306.1	<.001
	Employer Fulfillment	455.98	1	455.98	10.12	.002
	Employee Fulfillment	4.78	1	4.78	.11	.746
	ERF x EEF	6.83	1	6.83	.15	.698
	Error	2657.87	59	45.05		
Negative Affectivity	Intercept	14124.59	1	14124.59	809.82	<.001
	Employer Fulfillment	159.31	1	159.31	9.13	.004
	Employee Fulfillment	117.93	1	117.93	6.76	.012
	ERF x EEF	128.72	1	128.72	7.38	.009
	Error	1029.05	59	17.44		
Job Satisfaction	Intercept	21310.97	1	21310.97	1405.5	<.001
	Employer Fulfillment	269.24	1	269.24	17.75	<.001
	Employee Fulfillment	4.36	1	4.36	0.29	.594
	ERF x EEF	.65	1	.65	0.04	.836
	Error	894.58	59	15.16		
Affective Commitment	Intercept	30960.98	1	30960.98	1462.9	<.001
	Employer Fulfillment	433.86	1	433.86	20.50	<.001
	Employee Fulfillment	14.95	1	14.95	0.71	.404

Work Outcome Variable	Intercept & Independent Variables	Type III Sum of Squares	df	Mean Square	F	Sig. of F
Affective Commitment	ERF x EEF	78.59	1	78.59	3.71	.059
	Error	1248.67	59	21.16		
Continuance Commitment	Intercept	33918.99	1	33918.99	933.8	<.001
	Employer Fulfillment	87.41	1	87.41	2.41	.126
	Employee Fulfillment	14.96	1	14.96	0.41	.523
	ERF x EEF	3.07	1	3.07	0.09	.772
	Error	2142.95	59	36.32		
Civic Virtue	Intercept	5105.5	1	5105.5	1280.3	<.001
	Employer Fulfillment	11.15	1	11.15	2.80	.100
	Employee Fulfillment	1.13	1	1.13	0.28	.595
	ERF x EEF	.643	1	.643	0.16	.689
	Error	235.27	59	3.98		
Performance	Intercept	5197.31	1	5197.31	1527.7	<.001
	Employer Fulfillment	0.11	1	0.11	0.03	.855
	Employee Fulfillment	7.53	1	7.53	2.21	.142
	ERF x EEF	0.36	1	0.36	0.11	.745
	Error	200.72	59	3.40		
Intent to Remain	Intercept	8951.43	1	8951.43	707.4	<.001
	Employer Fulfillment	102.19	1	102.19	8.08	.006
	Employee Fulfillment	1.81	1	1.81	0.14	.706
	ERF x EEF	57.79	1	57.79	4.57	.037
	Error	746.55	59	12.65		
Trust	Intercept	33730.95	1	33730.95	2426.8	<.001
	Employer Fulfillment	262.30	1	262.30	18.87	<.001
	Employee Fulfillment	<.01	1	<.01	0.001	.976
	ERF x EEF	14.49	1	14.49	1.04	.311
	Error	820.05	59	13.90		

As shown in Table 4-20, the interaction between employees and employers fulfillment of their respective obligations, as measured as a single item, are related to two work outcome variables. These were negative affectivity and intent to remain. Table 4-21 indicates there were no significant interaction effects for the calculated fulfillment variables and work outcomes.

Table 4-21 Two-Way Analysis of Variance Between Employees' Calculated Fulfillment, Employers' Calculated Fulfillment and Work Outcome Variables

Work Outcome Variable	Intercept & Independent Variables	Type III Sum of Squares	df	Mean Square	F	Sig. of F
Positive Affectivity	Intercept	57703.64	1	57703.64	1551.4	<.001
	Employer Fulfillment	231.96	1	231.96	6.23	.016
	Employee Fulfillment	88.89	1	88.89	2.39	.128
	ERF x EEF	6.24	1	6.24	.168	.684
	Error	2008.47	54	37.19		
Negative Affectivity	Intercept	12063.43	1	12063.43	532.79	<.001
	Employer Fulfillment	19.64	1	19.64	0.86	.356
	Employee Fulfillment	24.162	1	24.162	1.07	.306
	ERF x EEF	1.097	1	1.097	0.05	.827
	Error	1222.67	54	22.64		
Job Satisfaction	Intercept	21210.74	1	21210.74	1373.3	<.001
	Employer Fulfillment	246.07	1	246.07	15.93	<.001
	Employee Fulfillment	8.10	1	8.10	.525	.472
	ERF x EEF	1.15	1	1.15	.075	.786
	Error	834.03	54	15.44		
Affective Commitment	Intercept	29497.28	1	29497.28	1708.8	<.001
	Employer Fulfillment	231.13	1	231.13	13.39	.001
	Employee Fulfillment	173.23	1	173.23	10.04	.003
	ERF x EEF	<.01	1	<.01	.004	.949
	Error	932.13	54	17.26		

Work Outcome Variable	Intercept & Independent Variables	Type III Sum of Squares	df	Mean Square	F	Sig. of F
Continuance Commitment	Intercept	31533.42	1	31533.42	895.39	<.001
	Employer Fulfillment	35.88	1	35.88	1.02	.317
	Employee Fulfillment	68.00	1	68.00	1.93	.170
	ERF x EEF	.382	1	.382	.011	.917
	Error	1901.74	54	35.22		
Civic Virtue	Intercept	4754.32	1	4754.32	1509.1	<.001
	Employer Fulfillment	.260	1	.260	.08	.775
	Employee Fulfillment	5.71	1	5.71	1.81	.184
	ERF x EEF	0.38	1	0.38	0.12	.729
	Error	170.12	54	3.15		
Performance	Intercept	5062.91	1	5062.91	1673.8	<.001
	Employer Fulfillment	.786	1	.786	0.26	.612
	Employee Fulfillment	4.734	1	4.734	1.56	.216
	ERF x EEF	6.24	1	6.24	2.06	.157
	Error	163.33	54	3.03		
Intent to Remain	Intercept	8360.18	1	8360.18	760.58	<.001
	Employer Fulfillment	164.85	1	164.85	14.99	<.001
	Employee Fulfillment	<0.01	1	<0.01	.007	.936
	ERF x EEF	<0.01	1	<0.01	.001	.974
	Error	593.55	54	10.99		
Trust	Intercept	31695.80	1	31695.80	2485.5	<.001
	Employer Fulfillment	76.68	1	76.68	6.01	.017
	Employee Fulfillment	105.28	1	105.28	8.25	.006
	ERF x EEF	.28	1	.28	.02	.881
	Error	688.60	54	12.75		

A test of hypotheses 5a, 5b and 5c was in order for the interactions found for negative affectivity and intent to remain using the overall fulfillment measure. Participants were placed into

groups as indicated in figure 4-1 on page 115 and the groups distinguished in a single variable. One-way analysis of variance was run individually for the outcome variables with the group variable as the factor variable. Three contrasts were asked for: (1) comparing group A to groups B, C and D; (2) comparing group B to groups C and D; and (3) comparing group C to D. The contrast matrix is shown in figure 4-2. The contrast tests are shown in Table 4-22.

Figure 4-2 Contrasts for the One-Way Analysis of Variance

Contrast	Overall	Fulfillment	Groups	
	A	B	C	D
1	1	-.33	-.33	-.34
2	0	-1	.5	.5
3	0	0	1	-1

Table 4-22 Contrast Tests for Negative Affectivity and Intent To Remain

Variable	Contrast	Value of Contrast	Std. Error	t	df	Sig. (2-tailed)
Negative Affectivity	1	-2.271	1.078	-2.107	59	.039
	2	2.900	1.439	2.015	59	.048
	3	6.800	1.981	3.433	59	.001
Intent To Remain	1	.19	.92	.209	59	.835
	2	.74	1.23	.609	59	.550
	3	-5.03	1.69	-2.978	59	.004

Based on the contrast test results for negative affectivity, it appears that hypothesis 5a is supported. Whereas hypotheses 5b and 5c are not supported. It would appear from these results that,

for negative affectivity, Group A has significantly lower negative affectivity than do the other groups. In the case of contrast 2 related to hypothesis 5b, it would appear that group B has lower negative affectivity than do groups C and D. This is contrary to what was proposed. Group C would appear to be significantly different than group D with a higher level of negative affectivity. This is also contrary to what was proposed. The contrast results for intent to remain do not support any of the hypotheses. Groups A and B do not appear to be significantly different from the other groups to which they were contrasted. Group C appears to have a significantly lower intent to remain than does group D.

In order to explore the interactions more fully, group means were examined and post hoc tests were run on the two outcome variables and the grouping variable. Bonferroni's multiple comparison test was used to examine the differences in the groups. Group means are shown in Tables 4-23 and 4-24 and the post hoc tests in Tables 4-25 and 4-26 for negative affectivity and intent to remain respectively.

Table 4-23 Group Designation and Cell Means for the Work Outcome Variable Negative Affectivity

Overall Measure of fulfillment	Higher Employer Contract Fulfillment	Lower Employer Contract Fulfillment
Higher Employee Contract Fulfillment	Group A 15.14	Group B 15.50
Lower Employee Contract Fulfillment	Group D 15.00	Group C 21.80

Table 4-24 Group Designation and Cell Means for the Work Outcome Variable Intent to Remain

Overall Measure of fulfillment	Higher Employer Contract Fulfillment	Lower Employer Contract Fulfillment
Higher Employee Contract Fulfillment	Group A 13.59	Group B 12.88
Lower Employee Contract Fulfillment	Group D 16.13	Group C 11.10

Table 4-25 Post Hoc Test for Negative Affectivity (Bonferroni's Multiple Comparison)

Group I	Group J	Mean Difference (I-J)	Std. Error	Significance
A	B	-0.362	1.300	1.00
	C	-6.662	1.531	<.001
	D	0.137	1.667	1.00
B	A	0.362	1.300	1.00
	C	-6.300	1.683	.002
	D	0.500	1.808	1.00
C	A	6.662	1.531	<.001
	B	6.300	1.683	.002
	D	6.800	1.981	.007
D	A	-0.137	1.667	1.00
	B	-0.500	1.808	1.00
	C	-6.800	1.981	.007

Table 4-26 Post Hoc Test for Intent To Remain (Bonferroni's Multiple Comparison)

Group I	Group J	Mean Difference (I-J)	Std. Error	Significance
A	B	0.71	1.110	1.00
	C	2.49	1.300	.369
	D	-2.54	1.420	.474
B	A	-0.71	1.110	1.00
	C	1.78	1.430	1.00
	D	-3.25	1.540	.235
C	A	-2.49	1.300	.369
	B	-1.78	1.430	1.00
	D	-5.03	1.690	.025
D	A	2.54	1.420	.474
	B	3.25	1.540	.235
	C	5.03	1.690	.025

These data do not support hypotheses 5a, 5b, and 5c. It was anticipated that there would be an interaction between employees' and employers' fulfillment which would moderate work outcome results. Interactions occurred in only two cases involving the single variable measure and those two interactions were not as proposed. It was proposed in hypothesis 5a that employees' and employers' fulfillment would interact in such a way that, where both parties were seen as fulfilling their respective obligations (group A), employees would experience work outcomes which were significantly better than the outcomes of the other three groups (group B, employee fulfills-employer violates; group C, both violate; and group D, employer fulfills- employee violates). Although it appeared that was the case in the one-way analysis of variance with the contrasts procedure for negative affectivity, further analysis indicated that this did not occur in either of the two cases where interactions were prevalent. In the case of negative affectivity, group A had outcomes that were

superior to those of employees in group C. Group A's outcomes were not different than those of the other two groups, however, including the group where employees believed they had fulfilled their obligations but their employer had not. In the case of the outcome variable intention to remain, employees in group A had outcomes that were not significantly different than those of groups B, C, and D. It was also proposed in hypothesis 5b that group B employees would experience significantly poorer work outcomes than groups C and D. This did not occur in the two cases where interactions occurred. Hypothesis 5c proposed that the outcomes of groups C and D would not be significantly different. In both cases, these two groups were significantly different.

These results indicate that employees, who experience violation or at least a lower level of fulfillment of obligations by both themselves and their employers, experience significantly higher levels of negative affectivity than do other employees with different experiences. In addition, it is the employees, who report that their employers are fulfilling employers' obligations while they are not fulfilling their obligation, that have significantly higher intentions to remain than do employees where both parties are not fulfilling their respective obligations.

Chapter 5

Discussion

Introduction

This study extends the psychological contract literature in a number of areas. First, it takes a step forward in providing a comprehensive instrument for measuring psychological contracts. Second, it increases our understanding of the source of psychological contracts. I will discuss the influence of societal obligations, demographic variables, employer obligation attitudes and employee work values on the development of an employee's psychological contract. Third, the study examines the role of fulfillment of obligations by both employees and employers on work outcomes. Fourth, it examines the extent to which employer and employee fulfillment or violation of their respective obligations interact to predict employees' work outcomes. Finally, the study suggests some interesting avenues for future research.

Sources of Psychological Contracts

Measurement Instrument

Past empirical research has tended to rely upon an instrument developed by Rousseau, (1990). The instrument was developed utilizing the input of Human Resources Managers. I have

argued that this instrument has two primary weaknesses. Firstly, there are relatively few variables in the instrument. The number of obligations that may exist between an employer and an employee would appear to be much greater than the number contained in that instrument. Secondly, these variables are relatively explicit in nature in that they would appear to be the issues discussed in the employment interview. These weaknesses likely occurred as a result of the perspective of the people used in the instrument development and the author's view of psychological contracts as an exchange of promises. The instrument items would appear to be primary concerns of human resource managers.

The discussions of Levinson et al. (1963) and Schein, (1965 & 1980) suggest that the obligations which employees' believe exist between themselves and their employers may be more extensive, diverse and, in some cases, more subtle in nature than proposed by Rousseau. The idiosyncratic nature of these contracts would also suggest a diversity of potential contract terms. An instrument that reflects a broad range of employees' attitudes regarding their employment relationship would appear to be needed to capture the scope of employees' psychological contracts.

In the design of this study, it was deemed important to go beyond the few explicit obligations researchers have considered in the past and attempt to identify a broader range of potential obligations. The development of the instruments used to measure the two components of employees' psychological contracts in this study involved employees and managers in the initial questionnaire development, and employees in their refinement. The two lists of obligations developed for this study include items which may be discussed during the employment process as well as items which are not likely discussed but are, nonetheless, important to employees. As a result, the instruments should better reflect the issues that are important to employees than do currently available alternative

instruments.

The content of Rousseau's instrument, may have also led to the development of the transactional/ relational dichotomy of employees' psychological contracts. Because of the explicit nature of the items and their relatively small number, they may have naturally clustered into what would appear to be short term monetary items and longer term socio-emotional items. Although not part of this study, a two factor solution was examined for these data. For employee obligations, the first factor appeared to represent the extra-role behaviours of going beyond the job requirements. It was defined by variables such as 'going the extra mile', 'working extra time/expending extra effort', 'adapting to the organization's culture', and 'doing work that was not part of the person job'. The second factor was related to being conscientious and conforming to the job requirements, of doing the job well. It included variables such as 'using one's time effectively', 'doing one's work thoroughly, completely, and accurately', 'exercising good judgement/making good decisions', and 'following the instructions of one's supervisor'.

In the case of employer obligations, the first factor reflected the organization's treatment of its employees. This included the employer's obligations to 'treat employees fairly and equitably', 'providing clear communication', 'not asking employees to do anything unethical, illegal or immoral', and 'ensuring managers accurately represent and support subordinates'. The second related to employees' needs on the job. It included obligations for the employer to 'allow employees the freedom to do things as they see fit', 'provide employees with realistic career paths', 'provide the freedom to employees to express their views', and 'cover the costs of belonging to associations'. In the cases of both employee and employer obligations in this study, there did not appear to be a short / long term nor an instrumental / socio-emotional dichotomy to the factors.

There are some limitations to the two instruments developed for this study which will be discussed later in the paper. Despite limitations, however, the instruments do appear to capture a broad range of employee concerns. These instruments represent a good step towards a more comprehensive measurement instrument of psychological contracts but they need additional development.

Sources Introduction

The sources of employees' psychological contracts proposed in this study were societal obligations, the employers' obligation attitudes and employees' work values. In addition, demographics were controlled in the analysis as factors such as gender or age might explain some of the relationships. Of the potential sources identified in this study, only one set of variables were clearly related to employees' psychological contracts. This was employees' work values. Significant relationships were found between employees' work values and their attitudes regarding both their obligations and their employers' obligations. The relationships between societal obligations, employee demographics and employer obligations, and employees' psychological contracts was minimal. Based on this study and these data, it appears that employees' work values influence the development of employees' psychological contracts whereas employers' attitudes, societal obligations and demographics have minimal influence on this development.

Societal Obligations

Consistent with hypothesis 1 and suggested by Rousseau (1995), societal obligations appear to influence employees' attitudes about obligations. Based on the criteria that societal obligations

would be deemed to influence employees' psychological contracts, if ninety-five percent of the population represented by this sample would score the importance of an obligation at three or higher on a five point scale, nine employee obligations and three employer obligations would fit this criteria. Using a more stringent criteria, based on the percent of the population represented by this sample who would score these variables at a four or five, it would appear that only six employee obligations and two employer obligations would be scored at these levels by more than 50% of the population. These results would suggest that societal obligations have an influence on employees' psychological contracts but that this influence may not be particularly strong.

Employer Attitudes

There was virtually no support for hypothesis 2 which proposes that employers' attitudes about obligations will influence employees' attitudes. This study found only one significant correlation between employers' and employees' attitudes factors. This was the safety factor. This result was consistent across the two methods of data treatment, continuous and rank. The factor safety consisted of the obligations to provide comprehensive benefits, to respect employees right to join a union, and to promote good social relations. Considering the relatively low reliability of this factor and the relatively high variability of employees' responses for each of the component variables, the relationship is surprising. These data would indicate that employers and employees seem to have congruent attitudes about these issues. However, the relationship between the employers' attitude and that of the employees for this factor was not significant in the regression analysis. Demographic variables were significantly related to employees' attitudes about their employers' obligation to provide a safe environment and accounted for most of the explained

variance in the regression model that included demographics and the employer's attitude. The correlation between employees' and employers' attitudes on safety would appear to be a function of the nature of the people that the employer hired rather than the influence of the employer on employee attitude formation.

As it was possible that there may be a number of core obligations that are generally agreed to and accepted by all parties within a given organization, correlations were run on the individual obligation variables. The results of this analysis indicates that there is minimal agreement between the organizational agent's view of individual contract terms and the view of the employees being hired. There were only eight significant relationships and three of them were in the opposite direction to that which was predicted. This would suggest some of the positive relations might be spurious. Based on this study, employers' attitudes regarding employer and employee obligations do not appear to be a source of employees' psychological contracts.

Considering the theoretical position of many psychological contract scholars that employers' promises and expectations influence employees' psychological contract attitudes, the lack of support for this proposition is surprising. These findings bring into question the explicitly stated assumption underlying much of the psychological contract literature that employees' attitudes about mutual obligations result from some form of understanding or negotiation with the employer during hiring. It also brings into question the prescriptions for management derived from that assumption. It has been suggested that if managers want to change the employment arrangement, they can do so by negotiating a new deal with employees (for examples see Rousseau, 1995, 1996; Harriot and Pemberton, 1996; Hendry and Jenkins, 1997). This may not be the case. All employees in this study completed their questionnaires after starting with the organization, and in many cases, went through

an orientation with the organization. Organizational agents had ample opportunity to reject applicants whose attitudes did not conform to those of the organization. They also should have had ample opportunity to align the attitudes of those they did hire with the organization's attitudes. The fact that this study indicates there is minimal congruence between the organizations' and new hires' obligation attitudes, casts serious doubt on whether the organization has much, if any, influence on employees' psychological contracts, at least in the short term.

One weakness in the measurement of employers' attitudes towards obligations was that the questionnaire was completed by only one person in each organization. These people may have conveyed their own biases on obligations rather than a representation of the organizations' attitudes. However, these people were senior people in their organization's Human Resource department. As such, they interact with managers in all functional areas, establish human resources policies, and are involved in the recruiting, hiring, and employee orientation processes. Consequently, one would expect them to have a fairly representative view of their organization's attitudes. They should also exert influence on who is attracted to the organization and ultimately hired. On the other hand, the responses of these managers to obligation questions would cover a broad spectrum of employees. Their views may represent an average organizational attitude that covers a quite diverse group of employees and departments. An attempt was made to control for this problem by asking the managers to complete questionnaires for three different classes of employees. This may not have been adequate.

The combined responses from a broader range of managers might have resulted in a truer representation of the organization's attitudes towards obligations. However, if the organization is going to be seen as the other party to the contract, and not organizational agents, the organization's

attitude about any given obligation term or factor would have to be a single response. If the organization's attitudes are a prime determinant of employee' attitudes, the responses of all or most employees should correspond to the organization's attitude. One possible reason there is minimal significant relations between organizational and employees' attitudes is that the responses from employees in any given organization in this study are quite variable. A survey instrument that exactly captured the organization's attitude about obligations would not likely result in a greater number of significant relationships between organizations' and employees' attitudes due to the variability in employees' attitudes. This appeared to be the case for both obligation factors and individual variables.

Although there was minimal agreement between employers and employees within organizations, the ranking of obligation factors by all employers and employees was virtually the same. Employers and employees ranking of conscientiousness and confidentiality were reversed. However, the employers' mean of these two factors were almost identical and with more employer data could easily be reversed. This would bring them in line with employee rankings. These results would indicate that on an overall basis employers and employees have the same attitudes about the importance of different types of obligations. Employers and employees would appear to be in sync with each other and are not operating in different worlds.

Demographics

Although not proposed in the body of this paper, another potential source of psychological contracts relates to an individual's demographic background. It was found, in this study, that only two demographic variables were significantly related to employees' attitudes about obligations.

Work experience and education level were negatively related to the employer's obligation to provide a safe environment. Increased work experience and education may result in higher levels of self-efficacy. This may lead to less need for protection from the organization, other employees or life's contingencies. Employees with greater work experience or education may view their work from the perspective of a career. They may be better paid or may believe they have better prospects of advancement and higher pay. Promotion of good social relations or unions may be seen as a barrier to their ability to advance in their career.

Work Values

Consistent with hypothesis 3, employees' work values were a source of psychological contracts. Employees' work values were significantly related to their attitudes regarding all employer obligations in this study. Work values were also significantly related to two of the four attitude factors regarding employee obligations to their employer. These significant relationships occurred despite controlling for demographics and employers' influences and the fact that employees' obligation attitudes were measured after they started working for their employer.

The work values instrument used in this study involved desired work outcomes or what one gains from one's work. In this context, it is not surprising that there is a significant relationship between employees' work values and their attitudes regarding employer obligations. Fulfillment of obligations by the employer would be expected to produce those desired outcomes. The nature of the work values instrument may also account for why there is not as strong a relationship between employees' work values and their attitudes towards their own obligations. Employee obligations are

what employees' contribute to their employer. Psychological contract theory suggests a reciprocal relationship between employee and employer obligations. It may be that employee obligations and the work values used in this study are related through employer obligations. In other words, employer obligations operate as intervening variables between employee obligations and employees' work values. Although these results indicate there is a connection between employee obligations and employees' desired work outcomes, it appears to be less direct than in the case of employer obligations.

Of the relationships between individual work value factors and employees' obligation attitude factors, the work value factor of environment was found to be very important. The value employees placed on a supportive environment, involving the favourable work aspects of supervision, policies, coworkers and moral values, was related to most of their obligation attitudes. Employees' attitudes about their obligations to go beyond the job requirements and to do their job well were directly influenced by their need for a supportive environment. These results would suggest that employers who wanted employees to feel a strong obligation to do their job well and go beyond the job requirements need to pay particular attention to creating a positive work environment for employees.

The work value factor of environment was also significantly related to employers' obligations to provide rewards, respect for employees and safety in the work place. These results indicate there is a relationship between what employees want in terms of a job environment and what aspects they believe their employers are obligated to provide within that environment.

The negative relationship between the career work value factor and employees' attitudes about their obligations to go beyond the job requirements was surprising. This result is counter intuitive. One would expect that employees who wanted higher pay and advancement opportunities

would feel obligated to perform extra-role behaviours. A possible explanation is that employees high in the career work value are internally focussed. They may be primarily interested in their own welfare. Employees low on this work value may be more externally focussed. They may be interested in how they can contribute. Another possibility is that employees high on this work value may intend to provide extra-role behaviours in exchange for higher pay and advancement but do not feel they are obligated to do so. Employees were asked to report on their attitudes about obligations and not on their work intentions. Further analysis is needed to understand the stability of these findings and their explanation.

The final relationship of note was between the work value of motivators and the employer obligation to provide some freedom on the job. These results indicate that people who are looking for work that they find motivational expect employers to provide them with some level of freedom in the job.

Work values would appear to strongly influence employees' psychological contracts. What is not clear from these results is whether one set of beliefs, work values or psychological contract attitudes, precedes the other. Both work values and psychological contracts were measured at the same point in time. Levinson et al. (1963) and Schein (1965, 1980) suggest that psychological contracts change over time as a person's needs change. Belief theory suggests that values are, or may, be the premises from which attitudes are derived (Bem, 1970). This would suggest that work values precede psychological contracts. On the other hand, although work values explain a reasonable amount of the variance in employees' psychological contracts, the selected variables failed to capture a large portion of the variance in these data. Therefore, a number of variables critical to the development of employees' psychological contracts were not identified in the study.

Other variables may influence psychological contracts in ways that cause people to change their work values to conform to their obligation attitudes. Additional work is required to find other variables that are related to employees' psychological contracts and work values. A study which utilized more related variables and tracked employees over a number of years would likely clarify the cause and effect relationship between work values and obligations. Other potential variables will be considered later under future research.

Summary of Sources

The results of this study indicate that employees' psychological contracts come from within themselves and are based on each employees' individual needs or values. Employer and societal influences appear to have minimal effects on the development of newly hired employees' psychological contracts. This would appear to be consistent with Martin, Staines and Pate's (1998) examination of the employability thesis versus an employee-driven demand thesis to explain why an employer provided training. Their observations were that training was expected by employees. Where it was not provided, employees considered the employer to have violated their psychological contracts. In other words, it was what employees expected from their employer that was important and not what the employer was inclined to offer.

The results from this study also suggest an explanation to Robinson and Rousseau's (1994) findings that, after two years of employment, most employees believe their employer had violated their psychological contract. They had suggested the results indicated that, in order to attract employees, employers may have knowingly made promises to employees that they could not keep. This may have been the case in their study as it involved recent MBA graduates. It is equally likely

that employers had completed what they believed were their obligations to their employees. These fulfilled obligations just may not have been the ones that employees believed existed. Psychological contracts are theorized to be idiosyncratic. The results from this study indicate that this is the case. Employers who, in good faith, endeavour to fulfill the obligations they believe exist between themselves and their employees are still likely to have a large number of employees who believe the organization has violated their contracts.

It was interesting that employees would seem to believe that they have a greater number of required obligations to their employers than do employers to them. This may be a function of the newness of the employment relationship. New employees may feel a need to complete their side of the employment bargain before they can hold the organization responsible for completing its side. Research by Robinson, Kraatz and Rousseau (1994) would suggest that over a period of time employees feel less obligated to their employer and the employer more obligated to them. A second explanation may relate to employees' perception of the power relationship between themselves and their employer. New employees may regard their employer as having a greater level of power in the relationship resulting in employees believing that they have a larger number of required obligations to their employer than does their employer to them.

An issue not addressed in this study is the extent to which employers hire employees, or employees enter an organization, with a clear understanding of the incongruence in their attitudes. It may be that in order to fulfill immediate needs, employers hire employees, and employees accept offers from employers, knowing that their attitudes regarding obligations are not aligned. It may be sufficiently difficult for employers to find employees and employees to find employers where there is congruence between obligation attitudes that both parties accept the misalignment and the

potential turnover that results.

In addition, an area not examined in this study was whether, despite the disagreement on obligations, employees and employers understood each others views of obligations. Although obligations were reported for three different classes of employees, the employer' representatives who responded to the questionnaires on obligations would be representing views that covered a broad range of employees and functions. Employees only needed to report on their personal attitudes. Levinson et al (1963) suggest that, on entering an employment relationship, employees and employers tacitly accept the others expectations. It may be that, although there is not an explicit agreement between employers and employees on obligations, there is an understanding by the parties of the others' perspective.

The socialization literature suggests a converse explanation. Employees enter organizations only to find that a number of their expectations are not met by the organization (Louis, 1980). They go through a surprise and sense-making process in coming to grips with the reality of the organization (Louis, 1980). An extensive literature exists that is intended to help us understand the concept of met expectations and its effects on attitudes and behaviours (Wanous, Poland, Premack and Davis, 1992). Orientation of new employees to the organization is considered an important part of newcomer adjustment to organizational life and most organizations now use formal orientation training as part of the process of socializing newcomers (Saks and Ashforth, 1997). The socialization literature clearly indicates that employees enter organizations with beliefs about the organization, what they can expect from the organization, and what the organization expects from them. A central theme of this literature is that, in most cases, both parties may not be aware that their expectations and attitudes are incongruent. Similar to the socialization literature, these findings indicate that

organizational agents and employees may not be aware that employees' psychological contracts are not congruent with the attitudes of the organization.

Variables Not Considered

As was noted in the results section of this thesis, there were a number of variables which loaded strongly on two factors. This occurred in the factoring of work values as well as in the factoring of employee and employer obligations. These variables were not included in the factors as there was a desire to retain some level of independence between the factors. These variables are clearly important to employees and need to be retained in future research. A larger subject base may have resulted in data that differentiated these variables sufficiently that they would have been included in specific factors.

Fulfillment and Outcomes

Fulfillment Measurement Instruments

Two methods were employed to measure the fulfillment of employees' psychological contracts. These two methods were consistent with what has been used in the past. The first was a single item question or overall question which asked employees, on an overall basis, if they and their employer had fulfilled their respective obligations (see Robinson and Rousseau, 1994). The second method involved asking employees to indicate the level of fulfillment of each obligation, multiplying that response with the level of obligation and summing the results (see Turnley and Feldman, 1999). The two measures were moderately correlated with each other. This would appear

to indicate that to some degree they measured the same construct. It also indicates that the calculation method of measuring obligation fulfillment is a valid method of measurement and it does provide a measure of overall contract fulfillment.

The calculation method did result in more and stronger significant relationships between the fulfillment of each portion of employees' psychological contracts and the outcome variables. When the subjects were placed in groups to examine the effects of employer and employees fulfillment in combination, the results were similar but not identical. In some cases, the significant relationships were with different outcome variable or between different groups. This suggests the two methods measure psychological contract fulfillment somewhat differently.

Both methods of measurement appear to be satisfactory. Nevertheless, I would judge the single or overall question method of measurement as superior to the calculated measure. First, it is simpler for both the subjects and researchers. Second, it may be a more conservative method of measurement owing to the fact that the associations it produced with other variables were fewer and weaker than associations resulting from the calculated measure. It is less likely, therefore, to result in type I errors (false positives) but may produce type II errors (false negatives). Third, the single question measure appeared to produce a somewhat better distribution of subjects into groups and may be less prone to the problem of subject response bias. One weakness of a single item measure is that reliability of the measure can only be determined through a test-retest comparison. Further work is required to determine if this measure of a person's psychological contract is reliable.

Demographics and Outcomes

There were very few relationships between demographic variables and the outcomes

experienced by these subjects. Sex was positively related to self-reports on performance. Apparently men are more inclined to rate their performance high versus the ratings provided by women. Age was positively related to affective commitment. Older employees appeared to have a positive sense of commitment to their employer. Intent to remain was negatively related to education. People with lower education likely do not see themselves as being as mobile as those with higher levels of education.

Employer Fulfillment

Consistent with the psychological contract literature, hypothesis 4a proposes that employer fulfillment of employees' psychological contracts will be related to employees' work outcomes. The two methods of measuring employees' beliefs regarding fulfillment, as indicated above, were employed in this study.

The findings of this study indicates that higher levels of employees' beliefs that the organization was fulfilling or would fulfill its obligations to employees results in greater positive affectivity, job satisfaction, affective commitment, intentions to remain and trust in the organizations, and lower negative affectivity. No significant relationship was found between employees' beliefs regarding organizational fulfillment and continuance commitment, civic virtue and performance. With the exception of civic virtue and performance, these results support hypothesis 4a and previous theoretical and empirical work (Turnley and Feldman, 1999; Cavanaugh and Noe, 1999; Larwood, Wright, Desrochers and Dahir, 1998; Robinson and Morrison, 1995; Robinson, 1996). Employees who believe their organization is fulfilling its part of the employment relationship are happier, more satisfied, trusting and committed to the organization.

Civic virtue and performance are the two behaviour measures in this study. They were highly correlated ($r = .59, p < .001$). Considering that Mannheim, Yehuda and Tal (1997) found a high correlation between employees self-ratings of performance and those of their supervisors, employee self-reports of their civic virtue and performance likely represent their actual behaviour. The lack of a significant relationship with civic virtue and performance indicates that fulfillment of employer obligations does not appear to induce employees to go beyond the requirements of the job. In the case of civic virtue, this conclusion needs to be tempered by the fact that the reliability of the instrument used in this study was quite low. The failure to find a significant relationship may have come as a result of this low reliability. In addition, the result for civic virtue is contradictory to the results found by Robinson and Morrison (1995). They found a direct relationship between employers' fulfillment of employer obligations and civic virtue. The different results may well come from the use of different measurements for both civic virtue and fulfillment of employer obligations in the two studies. If this is the case, it points to the need to standardize the measurement of these constructs.

It was expected that employers' fulfillment of its obligations would not be related to employees' continuance commitment. This was confirmed. These results indicate that employees' beliefs about this form of commitment are not affected by the degree to which organizations fulfill their obligations. Employees with high continuance commitment apparently feel they have to remain in the organization regardless of what the employer does.

Employee Fulfillment

Hypothesis 4b proposed employees' outcomes would be related to employees' fulfillment

of their portion of their psychological contracts. As above, fulfillment was measured using a single item and a calculated measure. The two measures produced somewhat different results. The single item measure was significantly related to affective commitment and performance and negatively related to negative affectivity. The calculated measure was significantly related to positive affectivity, job satisfaction, affective commitment, civic virtue, performance and trust. Not related in either case was employees' continuance commitment and intent to remain. These results would suggest that people who are happy in their job also believe they are fulfilling their side of the employment bargain. It was noteworthy that those people who believe they are doing a better job of fulfilling their obligations also report higher scores for civic virtue and performance. This result was particularly strong for performance as both measures picked up this relationship. These results suggest that employees who believe they are fulfilling their obligations may also tend to go beyond the job requirements. Whatever factor drives employees to be better organizational citizens and higher performers may also drive them to be better employees overall. One might expect that employees who felt they had no other employment alternatives would be more inclined to fulfill their obligations to their employer to help ensure their continued employment. As expected, however, this was not the case. Whether or not people believe they have alternative employment options does not appear to affect their fulfillment of obligations. It was interesting that employees who believe they are doing better at fulfilling their obligations are no more inclined to remain with their employer than are those who are doing less well.

Fulfillment Interactions

It was disappointing that hypotheses 5a, 5b and 5c could not be tested. This study asked

subjects to rate their own performance in terms of how well they had done or would do in fulfilling their obligations. As researchers studying self-ratings of job performance have discovered in the past, people tend to rate their performance well above average. With the exception of one brave soul, no one in this study rated their fulfillment of obligations on either the single item question or through the calculated measure as being below the midpoint of the scale. The one person who did rate his/her performance below the midpoint of the single item scale indicated, in the space allowed for a written comment, that the organization was not allowing him to fulfill his obligations. The low response rate in the second phase undoubtedly exacerbated the problem. However, based on the results I received, it is unlikely that even if I had received a one hundred percent response rate that I would have been able to test these hypotheses as proposed. In retrospect, it is probably not possible to find a group of people who would report violating their obligations. In addition, few employees reported violations by their employer. This may have been a function of; (A) employees not being employed for a sufficient period of time to have developed a strong opinion about employer violations, or (B) all the unhappy people had left and I was unable to get their responses, or (C) the employers in this study had not severely violated employees contracts. Monitoring employees over a longer follow-up period and obtaining questionnaires from employees who had left the organization may have helped achieve a greater diversity of responses on employers' fulfillment.

Although very few people reported violations either by themselves or their employer, I was able to examine the differences in outcomes for people who experienced higher or lower levels of fulfillment. It was expected that there would be a direct relationship between employees' reports of their employers fulfillment of their obligations and employees positive work outcomes. This was the case in these data. It was also expected that there would be some level of moderation of these

relationships by employees' beliefs as to how well they had fulfilled their obligations. Only two interactions between employees' and employers' fulfillment, as measured by the single item question, were significantly related to employees' work outcome variables. There were no significant interactions using the calculated fulfillment measure. This would indicate, at least for these participants, that interactions between the fulfillment of the two components of their psychological contracts are not a major influence on their affect, attitudes or behaviours.

One interaction found was with employees' negative affect towards their job. Employees, who believed both they and their employer were fulfilling their respective obligations at a lower level, reported significantly higher negative affect than did other employees. This result was a bit surprising. Psychological theory would suggest that employees would experience negative affect where they believed that their employer was violating its' portion of the contract. I have argued that the people who would experience the greatest negative affect would be those who believed they had fulfilled their portion of the contract while their employers had violated the employers' portion. I further argued that employees negative affect would be moderated by employees' beliefs that they were also not fulfilling their portion of the contract. These results are the opposite of what was expected.

One possible explanation for this result comes from Shore and Barkdale (1998). They found that employees could be categorized into four groups based on their perceptions of the level of obligations for employees and employers. The majority of employees saw their employment relationship as being in balance. Employees believed the relationship was in balance as both parties had either a high or low level of obligation to each other. Relationships where there was an imbalance such that one party had a high level of obligations while the other party had lower levels

of obligations was considered to be transitory. Shore and Barkdale theorized that these relationships would evolve to a balanced relationship over time. The results for negative affectivity may be explained in a similar way. Employees who report that both they and their employers are fulfilling obligations at a lower level may see themselves in a balanced situation. They may not see the likelihood that the situation will change in the future. Those employees who report that one of the parties is fulfilling obligations at a higher level while the other party is fulfilling obligations at a lower level, may see the situation as temporary and changeable in the future. If employees believed that low levels of fulfillment was to be the long term norm, they may develop higher negative affective emotions towards their work than would employees who believed the situation was transitory.

Another explanation may revolve around employees' negative affective disposition. Employees who have a high general negative affective disposition are more likely to experience ongoing uneasiness even in the absence of overt stressors, are more introspective and are inclined to dwell on the negative side of themselves and their situation (Watson & Clark, 1984). They also tend to be distressed, agitated, pessimistic and dissatisfied (Levin & Stokes, 1989). Employees general affective disposition was not measured. It may be that persons having a high negative affective disposition would report lower contract fulfillment by both themselves and their employers because of their general tendency to view their world from a negative perspective. This explanation requires further exploration.

The second interaction found was with employees' intentions to remain. In this case, employer fulfillment appeared to moderate the relationship for employees who were reporting lower fulfillment of their obligations. Employees who believed their employer was fulfilling its obligations

had a significantly higher intention to remain than were employees whose employer was reported to be fulfilling its obligations at a lower level. Employees who reported that they were fulfilling their obligations also reported their intentions to remain to be at levels between those of the previous two groups regardless of their beliefs about their employers' fulfillment levels. Intent to remain was significantly and positively correlated to positive affectivity, job satisfaction, affective commitment, civic virtue and trust (see Table 4-13). It would appear that employees who report lower fulfillment of their obligations, while believing their organization is fulfilling its obligations, recognize they are in a good situation and intend to remain in that situation. All other employees are equally likely to leave.

A limitation to the above is the fact that there were few people who reported that their employer had violated their contracts. There also was only one person who reported violating his contract. Whether or not the relations reported here would hold under conditions of violation rather than varying degrees of fulfillment is not known.

Limitations and Future Research

Measurement of Psychological Contracts

As indicated earlier there were some limitations to the instruments used to measure employees' psychological contracts. The list of variables in the questionnaires is likely not exhaustive. Firstly, there may be a number of variables that should be in the instruments but were absent. For example, in the employer obligation instrument, there is no variable related to job security. Further exploration of additional employer obligations is needed. Secondly, there may be

variables that are not appropriate, are poorly worded or cover more than one concept. Most of the wording of the variables was as presented in the focus groups. More careful evaluation of these issues should be addressed in future studies. In addition, in attempting to reduce the focus group ideas to a manageable set, some variables may have ended up too broad in scope. Further refinement of the questionnaires should attempt to develop items more sensitive to differences in attitudes. Thirdly, the people in the focus groups were Canadians of primarily European decent. People with different cultural backgrounds may have different attitudes about employee and employer obligations. Future work on instrument development would benefit from a more diverse group. Fourthly, there was a small sample size during the refinement stage. Thus, restriction of range in organizational levels, backgrounds, industries and geographical regions may have prevented identifying the attitudes of various groups. Applicability of the instruments to more diverse groups needs to be addressed in future.

Further development of a comprehensive instrument to measure employees' psychological contracts is needed. Rousseau (1990) identified 7 employer obligations and 8 employee obligations from interviews with Human Resources Managers. Harriot, Manning and Kidd (1997) identified 12 employer obligations and 7 employee obligations using a critical incident technique. Turnley and Feldman (1999) developed a 16 item employer obligation instrument developed from a survey of employment relations research literature. This study used a 33 item employee obligation instrument and a 26 item employer obligation instrument developed using focus groups. Although it is not unusual for several instruments to be developed to measure a given construct, the instruments developed to-date do not appear to be sufficiently comprehensive to fully capture employees' psychological contracts. Development of a comprehensive instrument that is applicable to all types

of employees in a diversity of organizations and locations is needed to unify the research on psychological contracts.

One potential problem with a more comprehensive instrument might be its length. Psychological contracts are idiosyncratic. This may mean there are an unlimited number of potential terms. This may be of particular concern as more international studies are conducted. It would appear from this study that the two sets of obligations, employee and employer, factor into a smaller sub set. It is likely that a set of variables based on broad general categories may serve equally well for research purposes as do individual, specific variables. Development of this form of an instrument may prove most useful.

Individually Based Variables

A limitation of the study was the relatively low R square values found between the psychological contract source variables and employees' psychological contracts. The selected variables failed to capture a large portion of the variance and, therefore, a number of variables critical to the development of employees' psychological contracts were not identified in the study. This study indicates that individual variables are related to and influence the development of employees' psychological contracts. Further study of the relationship between employees' psychological contracts and individually based variables would likely be fruitful.

Demographics measured in this study were the common items such as age and sex. Other individual life experiences or demographic variables more closely aligned with a person's psychological contract, beliefs about relationships or work attitudes are likely worth investigating. Although work values are derived from direct experience, they do not capture all of a person's direct

experience beliefs. Work values relate to a person's beliefs about an ideal job. It is likely that new employees approach work pragmatically, and, that other factors related to their past experience have an influence on their attitudes towards obligations. An examination of a person's family background or experience, peer group attitudes or previous work experience may lead to variables that have a significant impact on beliefs regarding obligations. These might be items such as marital history and family status, work history including lay-offs, terminations or restructuring, dependence on their income, and the centrality of work to the individual.

This study indicates that factors internal to the person are likely to be important in the formation of a person's psychological contract. This suggests that the relationship between employees' psychological contracts and other personal characteristics such as personality might be worth exploring. Up to this point, personality has not been considered in relationship to a person's psychological contract. It is likely that a number of aspects of a persons' personality would relate to their contracts. Personality characteristics which influence peoples' relationships, work habits or work attitudes such as the "Big Five" personality characteristics, Machiavellianism, locus of control or people with type A or B personalities should be considered in future studies.

The work values chosen for this study measured employees' preferred work outcomes. As was found in this study and by the nature of the instrument, these variables more closely relate to employer obligations than they do employee obligations. A set of work values that may better relate to employee obligations are employees' Protestant work ethic. Protestant work ethic measures those aspects that deal with the meaning that an individual attaches to his or her role at work (Wollack et al., 1971). There is likely a strong relationship between an employees' Protestant work ethic beliefs and their attitudes about their obligations.

These results support Levinson et al.'s (1963) and Schein's (1980) proposition that many psychological contract terms relate to a person's needs. Levinson et al. (1963) also indicated that many psychological contract obligations predate employment with the organization to which the obligations are ultimately connected. This would appear to be the case in this study. Each employee reported his or her unique sets of attitudes about the parties respective obligations to the other at the time they entered the employment relationship. As employees' attitudes were different from those of the employer and other employees, one would have to conclude their attitudes had developed prior to their being hired. This study was not designed to determine the extent to which, and how far prior to employment, employees formed their attitudes about obligations. This would be an interesting question for future research.

External Influences

The fact that employers' attitudes do not appear to influence employees' psychological contracts at the time of hiring does not mean there are no external influences. External factors such as national, ethnic or organizational culture may play a role in influencing the development or change of employee contracts. It is fairly clear from the socialization literature that employees' abilities to obtain good information about an organization and their jobs are limited. An examination of sources of information and employees' beliefs about the reliability and credibility of sources may lead to other variables of interest. Employees may also receive information from their direct supervisor that is different from the information received by other employees or from other organizational agents. Employees' and their supervisors' attitudes about obligations may be closely aligned as employees may have more in common with their supervisor than they would with the general management

population in the organization. An examination of the relationship between the attitudes of employees and their direct supervisors would be interesting. If there were strong relationships, it would change our perceptions of the other party in the relationship. Similarly, Thomas and Anderson (1998) found that newcomers' expectations changed over time to more closely resemble those of experienced soldiers in the British Army. Co-workers are likely to have a significant influence on employees' psychological contracts over time. How this process evolves and the extent to which co-workers influence the evolution of employees' psychological contracts needs to be studied.

Over time employees' psychological contracts can be expected to change. Several academics have predicted a change in employees' psychological contracts due to violations by the employer (Robinson, Kraatz and Rousseau, 1994; Shore and Tetrick, 1994). There would appear to be other factors that may cause change to employees' contracts. Employees appear to enter an employer's organization with disparate attitudes to those of the employer and other employees. Belief theory would indicate that information from external authority sources will cause employees to change their beliefs and attitudes over time. For employees, the most likely external authority sources would seem to be the organization's managers and co-workers. Schein (1965, 1980) suggests employees' psychological contracts change over time as their needs, their managers' needs and the organizations' needs change. The questions are whether or not employees' psychological contracts change over time, in what manner and under what conditions do their contracts change, or do employees, whose contracts are incongruent with the attitudes of the organization and other employees, leave the employment relationship.

Employee Fulfillment and Violation

This study indicates employees' beliefs regarding their level of fulfillment of their obligations has an impact on their work outcomes. Virtually all employees in this study reported fulfilling their obligations. As a result, I could only examine the differences between employees who fulfilled their obligations at higher or lower levels. Whether it is possible to find employees who will admit to violating their obligations is not known. A laboratory experiment could probably be set up to create conditions whereby subjects violated obligations, but ethical considerations may be a problem. Despite the limitations, exploring employee fulfillment of obligations rates consideration by researchers.

Common Method Variance

One limitation with the results for both employer and employee fulfillment of obligations versus employees' outcomes is common method variance. Employees reported on both their own and their employers level of fulfillment as well as their work outcomes. The significant results may be partially explained by the fact that people who are happier and more satisfied with their situation may be inclined to report higher levels of fulfillment by themselves and their employer, and better outcomes. This is a problem that plagues research on subjectively based emotion or attitude variables. It was intended that a more objective view of employee and employer obligation fulfillment might come from their supervisors. Substitution of employees' supervisors beliefs for those of employees may have changed the relationships and ameliorated the common method variance problem. However, because of the low response rate from supervisors, this was not possible. There was no incentive for supervisors to respond to my questionnaires. My day to day

contact was typically with a fairly junior member of the Human Resources department who had no influence with other department supervisors. For future research, either some form of incentive is needed to elicit responses from supervisors or the commitment from the employer to assist in the study needs to come from a fairly high level in the organization.

Performance Variables

In a desire to avoid the problem of employees rating their performance in the top quintile of the performance scale, the scale items were worded in a way that may invoke only a yes or no answer. Despite this problem, this scale was used in the analysis but the results must be interpreted with caution.

Drop-Out Rate

A fairly serious problem in this study was the high drop out rate between the first and second phase of data collection. As a result, t-tests were run comparing the demographic variables of those who responded to the second phase of data collection to those who did not respond. For purposes of the t-test, the variable position was recoded to combine the technical/professional category with that of manager/supervisor. These tests indicated that there were no significant differences between the groups on the variables of sex ($p = .332$), age ($p = .458$), union status ($p = .464$) and work experience ($p = .306$). However, there were significant differences on the variables position ($p = .015$) and education ($p = .006$). The subjects who responded to the second phase had, on average, higher level positions and were better educated. This was not surprising as the drop-outs were primarily lower rank plant personnel, many who had left the organization. Although the subjects

remaining in the study did not differ markedly from those who dropped out, the loss of half of the subjects may bring the findings related to fulfillment and outcomes into question. One problem I had in contacting subjects for the second phase of data collection was that the contact was through the Human Resources Department. In some cases, my contact person became less than enthusiastic about distributing questionnaires for the third or fourth time and sending questionnaires to those who had left. It is fairly clear that, if I had gotten home addresses from subjects during the first phase of data collection allowing me to follow-up with them directly, the response rate may have been better. Part of my problem with the drop out rate was that the first set of questionnaires was being done as part of the sign-up procedure. The second set was being forwarded through the persons department and the person was on his or her own to complete and return them. In addition to contacting subjects directly, having some form of monetary incentive for people who responded would likely have helped significantly in increasing the response rate in the second phase.

Cause and Effect

Another limitation with this study is that, because of the cross sectional nature of these data, it can not be determined if there is a cause and effect relationship between employees' beliefs regarding fulfillment and their beliefs about outcomes and, if there is, the direction of the relationship. Employees may believe their outcomes are better because they are experiencing positive fulfillment or their fulfillment is better because they are experiencing positive outcomes. The cause and effect relationship between fulfillment or violation of employees' psychological contracts and employees' outcomes or contributions to the employer is an area that requires further exploration.

Robinson found that breach or violation of the contract by employers at one measurement period was negatively related to the employees' contributions of performance, civic virtue and intentions to remain several months later. However, as discussed earlier, the measure of contract breach used in this study may not have adequately captured the relationships. Turnley and Feldman (1999) reported relationships between exit, voice, neglect and loyalty and violations of employer obligations. This study was cross sectional and, therefore, a cause and effect relationship cannot be made. A similar problem exists for the current study. Although longitudinal data was used to calculate fulfillment, outcomes were measured at the same time as employees reported on fulfillment. It is assumed in the psychological contract literature that fulfillment or violations of employees psychological contracts cause positive or negative outcomes but no study has adequately demonstrated this relationship.

Conclusions

In many respects the study of psychological contracts is still in its infancy. On the surface the construct seems relatively straight forward and self-evident. Intuitively, people understand that obligations exist between employers and employees. They also understand that, if employers violate their obligations, employees are likely to be upset. To date there has been minimal testing of the theories generated by these understandings of the employment relationship. Thus to a large extent we have theories rather than knowledge. If psychological contract theory remains in this relatively elementary state, it is likely to be dismissed as a minor organizational behaviour construct. Guest (1998) has already attempted to do so.

The purpose of this study was to contribute to our understanding of psychological contracts and to broaden our view of this construct. This study makes several important contributions to the psychological contract literature. First, it indicates that employees' psychological contracts likely involve a much broader set of variables than have been considered in the past. This study takes a step towards the development of a comprehensive measurement instrument. Second, this is the first empirical study, of which the author is aware, to explore the question of the source of employees' psychological contracts. It provides some interesting insights into the factors which affect the development of employees' psychological contracts. The study results bring into question the extent to which the organization actually influences the formation of these contracts. This implies that the validity of the extensive body of literature based on the above underlying assumption needs to be addressed. The observations indicate that work values, and potentially other personal dispositions or characteristics, significantly impact the formation of psychological contracts. Third, this study indicates that employees' beliefs about the fulfillment of their obligations to their employer have an impact on their work outcomes. Finally, this study indicates that employees' psychological contracts may be much more complex than previously believed and suggests a number of streams of research which may help us understand more fully the behaviour of people at work.

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Appendix A

Important Aspects of Your Ideal Job

The purpose of this questionnaire is to find out what you consider important or unimportant to have in your **ideal job**. Please answer the following statements in terms of **how important or unimportant it is to you in determining an ideal job**. Circle the number next to each statement that best describes how important or unimportant it is to you.

1 = Very Unimportant, not at all essential to an ideal job, you can easily do without it.

2 = Not Important, not essential to an ideal job

3 = Neither Important nor unimportant to an ideal job

4 = Important, it is essential to an ideal job

5 = Very Important, absolutely essential to an ideal job, you cannot do without it.

On my ideal job, how important is it that

	Very Unimpt.	Not Impt.	Neither	Impt.	Very Impt.
1. The job would have good physical working conditions.	1	2	3	4	5
2. My pay would be fair for the amount of work I do.	1	2	3	4	5
3. I could feel secure about the job.	1	2	3	4	5
4. I could have variety in my work.	1	2	3	4	5
5. I could have other employees look to me for direction.	1	2	3	4	5
6. I could do work that is well suited to my abilities.	1	2	3	4	5
7. The job would carry high social position with it.	1	2	3	4	5
8. The company would have definite policies towards its employees.	1	2	3	4	5
9. My supervisor and I would understand each other.	1	2	3	4	5
10. I could be active much of the time.	1	2	3	4	5
11. I could do things that don't go against my religious beliefs.	1	2	3	4	5
12. I could be responsible for planning my own work.	1	2	3	4	5
13. I would be noticed when I do a good job.	1	2	3	4	5
14. I could see the results of the work I do.	1	2	3	4	5
15. I could advance on the job.	1	2	3	4	5

On my ideal job, how important is it that

	Very Unimpt.	Not Impt.	Neither	Impt.	Very Impt.
16. My supervisor would have a lot of technical “know-how.”	1	2	3	4	5
17. The people I work with would have a good spirit of cooperation.	1	2	3	4	5
18. I could be of service to others.	1	2	3	4	5
19. I could do new and original things on my own.	1	2	3	4	5
20. I could work by myself.	1	2	3	4	5
21. The job would have good working conditions.	1	2	3	4	5
22. I could make as much money as my friends.	1	2	3	4	5
23. The job would provide for a secure future.	1	2	3	4	5
24. I could do different things from time to time.	1	2	3	4	5
25. I could tell other employees how to do things.	1	2	3	4	5
26. I could do the kind of work I do best.	1	2	3	4	5
27. I could be “somebody” in the community.	1	2	3	4	5
28. The company would administer its policies fairly.	1	2	3	4	5
29. My supervisor would handle his subordinates well.	1	2	3	4	5
30. I could be “on the go” all the time.	1	2	3	4	5
31. I could do things that don’t go against my conscience.	1	2	3	4	5
32. I could make decisions on my own.	1	2	3	4	5
33. I would get full credit for the work I do.	1	2	3	4	5
34. I could take pride in a job well done.	1	2	3	4	5
35. I could get ahead on the job.	1	2	3	4	5
36. My supervisor would make good decisions.	1	2	3	4	5
37. I could develop close friendships with my co-workers.	1	2	3	4	5
38. I could be of service to other people.	1	2	3	4	5
39. I could try something different on my own.	1	2	3	4	5
40. I could work alone on the job.	1	2	3	4	5

On my ideal job, how important is it that

	Very Unimpt.	Not Impt.	Neither	Impt.	Very Impt.
41. Working conditions would be pleasant.	1	2	3	4	5
42. My pay would compare with that for similar jobs in other companies.	1	2	3	4	5
43. The job would provide for steady employment.	1	2	3	4	5
44. My work would not be routine or repetitive.	1	2	3	4	5
45. I could supervise other people.	1	2	3	4	5
46. I could do something that makes use of my abilities.	1	2	3	4	5
47. I could "rub elbows" with important people.	1	2	3	4	5
48. The company would keep its employees informed about company policies.	1	2	3	4	5
49. My supervisor would back up his/her subordinates (with top management).	1	2	3	4	5
50. I could be busy all the time.	1	2	3	4	5
51. I could do things that don't harm other people.	1	2	3	4	5
52. I could be responsible for the work of others.	1	2	3	4	5
53. They would tell me when I do my job well.	1	2	3	4	5
54. I could do something worthwhile.	1	2	3	4	5
55. Promotions would be given out fairly on the job.	1	2	3	4	5
56. My supervisor would delegate work to others.	1	2	3	4	5
57. My co-workers would be friendly.	1	2	3	4	5
58. I could help people.	1	2	3	4	5
59. I could develop new and better ways to do the job.	1	2	3	4	5
60. I could be alone on the job.	1	2	3	4	5
61. The job would have good physical surroundings.	1	2	3	4	5
62. The amount of work I do would be reflected in my pay.	1	2	3	4	5
63. It would be a steady job.	1	2	3	4	5
64. I could do something different every day.	1	2	3	4	5
65. I could tell people what to do.	1	2	3	4	5

On my ideal job, how important is it that	Very Unimpt.	Not Impt.	Neither	Impt.	Very Impt.
66. I could make use of my abilities and skills.	1	2	3	4	5
67. I could have a definite place in the community.	1	2	3	4	5
68. The company would put its policies into practice fairly.	1	2	3	4	5
69. My supervisor would take care of complaints brought to him/her by subordinates.	1	2	3	4	5
70. I could be doing something much of the time.	1	2	3	4	5
71. I could do the job without feeling I am cheating anyone.	1	2	3	4	5
72. I could be free to use my own judgment.	1	2	3	4	5
73. I could get recognition for the work I do.	1	2	3	4	5
74. I could do my best at all times.	1	2	3	4	5
75. The job would provide an opportunity for advancement.	1	2	3	4	5
76. My supervisor would provide help on hard problems.	1	2	3	4	5
77. My co-workers would be easy to make friends with.	1	2	3	4	5
78. I could do things for other people.	1	2	3	4	5
79. I could try my own methods of doing the job.	1	2	3	4	5
80. I could work independently of other people.	1	2	3	4	5
81. The working conditions (heating, lighting, ventilation, etc.) on the job would be good.	1	2	3	4	5
82. My pay would compare well with that of other employees.	1	2	3	4	5
83. The job would avoid layoffs and transfers.	1	2	3	4	5
84. I could do many different things on the job.	1	2	3	4	5
85. I could tell others what to do.	1	2	3	4	5
86. I could use my best abilities.	1	2	3	4	5
87. The job would give me importance in the eyes of others.	1	2	3	4	5
88. The company would treat its employees fairly.	1	2	3	4	5
89. My supervisor and his/her subordinates would have a good personal relationship.	1	2	3	4	5
90. I could stay busy.	1	2	3	4	5

On my ideal job, how important is it that

	Very Unimpt.	Not Impt.	Neither	Impt.	Very Impt.
91. I could do the work without feeling that it is morally wrong.	1	2	3	4	5
92. I could have a very responsible job.	1	2	3	4	5
93. I could get praise for doing a good job.	1	2	3	4	5
94. The job could give me a feeling of accomplishment.	1	2	3	4	5
95. There would be chances for advancement.	1	2	3	4	5
96. My supervisor would train his/her subordinates well.	1	2	3	4	5
97. My co-workers would get along with each other.	1	2	3	4	5
98. I could be of some small service to other people.	1	2	3	4	5
99. I could try out some of my own ideas.	1	2	3	4	5
100. I could be away from other employees.	1	2	3	4	5

Appendix B

Employer Obligations

Regardless of what your employer may promise or commit to provide, you may feel they are duty bound or obligated to provide certain things to you. Consider the following statements. **To what extent do you believe your employer is obligated to provide these things to you?** Please circle the number which applies next to the statement.

- 1 = Not Obligated, your employer has no obligation to do this at all
- 2 = Slightly Obligated, your employer should do this from time to time
- 3 = Fairly Obligated, your employer should do this about half the time
- 4 = Very Obligated, your employer should do this most of the time
- 5 = Obligated, your employer should do this, without fail, all of the time

How obligated is your employer to	Not Oblig.	Slight Oblig.	Fairly Oblig.	Very Oblig.	Oblig.
1. Promote good social relations among employees	1	2	3	4	5
2. Treat you fairly and equitably and ensure there is no favouritism or discrimination	1	2	3	4	5
3. Recognize the stressful nature of your work and provide relief	1	2	3	4	5
4. Provide a comprehensive benefit package	1	2	3	4	5
5. Ensure managers accurately represent and support you to upper management	1	2	3	4	5
6. Provide the opportunity to participate in and influence decisions which affect you	1	2	3	4	5
7. Not ask you to do anything that is unethical, immoral or illegal and punish employees who behave this way	1	2	3	4	5
8. Provide incentives for hard or extra work	1	2	3	4	5
9. Ensure salaries and benefits are competitive with other employers	1	2	3	4	5
10. Provide training to help you keep up in your field and prepare you for other opportunities	1	2	3	4	5

How obligated is your employer to

	Not Oblig.	Slight Oblig.	Fairly Oblig.	Very Oblig.	Oblig.
11. Provide rewards which are based on performance and determined through properly done performance evaluations	1	2	3	4	5
12. Provide clear communication on organization goals, policies and changes	1	2	3	4	5
13. Keep it's promises and support your actions regardless of the circumstances	1	2	3	4	5
14. Strictly adhere to employment legislation and it's written policies and procedures	1	2	3	4	5
15. Recognize that your family comes first and be flexible with employee' needs to attend to family matters	1	2	3	4	5
16. Have reasonable expectations, job requirements, work load and hours of work for you	1	2	3	4	5
17. Provide you with a realistic career path and involve you in determining your career path	1	2	3	4	5
18. Provide adequate training and resources to do the work	1	2	3	4	5
19. Respect your right to join a union	1	2	3	4	5
20. Encourage harmony, resolve disputes and ensure managers are not oppressive, intimidating, dictatorial or manipulative	1	2	3	4	5
21. Respect your privacy and ensure you are safe and can feel safe in the workplace	1	2	3	4	5
22. Provide the freedom to express one's views	1	2	3	4	5
23. Allow you the freedom to do things as you want or see fit	1	2	3	4	5
24. Tell employees when they have reached their maximum career potential	1	2	3	4	5
25. Cover the cost of belonging to associations related to your work	1	2	3	4	5
26. Provide you with a job in which you can be honest and maintain your integrity	1	2	3	4	5

Appendix C

Employee Obligations

Regardless of what your employer might expect, you may feel you are duty bound or obligated to your employer to do certain things. Consider the list below of potential obligations you might have to your employer and indicate **the extent to which you believe you are obligated to do these things as an employee**. Please circle the number which applies next to the statement.

- 1 = Not Obligated, you have no obligation to do this at all
- 2 = Slightly Obligated, you should do this from time to time
- 3 = Fairly Obligated, you should do this about half the time
- 4 = Very Obligated, you should do this most of the time
- 5 = Obligated, you should do this, without fail, all of the time

How obligated are you to	Not Oblig.	Slight Oblig.	Fairly Oblig.	Very Oblig.	Oblig.
1. Work extra time, expend extra effort, learn new skills and contribute beyond the job requirements	1	2	3	4	5
2. Be punctual and in attendance at work	1	2	3	4	5
3. Be loyal to, trust, support and promote the organization and refuse to support competitors	1	2	3	4	5
4. Help organize social events, attend all organizational functions and socialize with organizational members	1	2	3	4	5
5. Respect and obey your supervisor	1	2	3	4	5
6. Give my time and energy to the benefit and needs of the organization regardless of my needs or personal cost	1	2	3	4	5
7. Control my emotions and respect organizational members and customers at all times	1	2	3	4	5
8. Conform to expectations or instructions even though they may not be made clear to you	1	2	3	4	5
9. Be open, honest and above board in all matters related to the organization	1	2	3	4	5
10. Do things that make your supervisors job easier	1	2	3	4	5

How obligated are you to	Not Oblig.	Slight Oblig.	Fairly Oblig.	Very Oblig.	Oblig.
11. Provide constructive criticism, be innovative, and collaborate on problems, work practices or changes	1	2	3	4	5
12. Adapt to the organizations culture, instill organizational values in subordinates	1	2	3	4	5
13. Represent the organization favourably to outsiders	1	2	3	4	5
14. Know the politics of the organization and customers and how politics affects your manager and group	1	2	3	4	5
15. Maintain the confidentiality of information in all dealings inside and outside the organization	1	2	3	4	5
16. Follow the instructions or directives of your supervisor or other managers	1	2	3	4	5
17. Act professionally inside and outside of work	1	2	3	4	5
18. Do your work thoroughly, completely and accurately	1	2	3	4	5
19. Do work that is not part of your job and cover the work load of absent employees	1	2	3	4	5
20. Conform to organizational norms for dress, language and behaviour	1	2	3	4	5
21. Use your work time effectively and work diligently during working hours	1	2	3	4	5
22. Make due with the resources you have	1	2	3	4	5
23. Be flexible, show initiative and anticipate what needs doing and do it	1	2	3	4	5
24. Provide services to customers or clients even though you may not be qualified to do so	1	2	3	4	5
25. Conform to managements preferences for reporting and presentation styles	1	2	3	4	5

How obligated are you to	Not Oblig.	Slight Oblig.	Fairly Oblig.	Very Oblig.	Oblig.
26. Work effectively with, contribute and commit to the success of groups and teams	1	2	3	4	5
27. Accept all occupational hazards	1	2	3	4	5
28. Continually upgrade your skills and knowledge	1	2	3	4	5
29. Maintain yourself physically	1	2	3	4	5
30. Do not reveal information which is contradictory to the organizations stated position	1	2	3	4	5
31. Flatter, captivate, fawn on, or curry favour with management	1	2	3	4	5
32. "Go the extra mile" for the organization	1	2	3	4	5
33. Exercise good judgement and make good decisions	1	2	3	4	5

Appendix D

Employee Obligations - manager/supervisor employees

As part of the employment relationship, organizations may feel employees are duty bound or obligated to the organization to do certain things. Consider the list below of potential obligations employees might have to the organization and indicate **the extent to which you believe they are obligated to do these things as a manager/supervisor employee**. Please circle the number which applies next to the statement.

- 1 = Not Obligated, employees have no obligation to do this at all
- 2 = Slightly Obligated, employees should do this from time to time
- 3 = Fairly Obligated, employees should do this about half the time
- 4 = Very Obligated, employees should do this most of the time
- 5 = Obligated, employees should do this, without fail, all of the time

How obligated are employees to	Not Oblig.	Slight Oblig.	Fairly Oblig.	Very Oblig.	Oblig.
1. Work extra time, expend extra effort, learn new skills and contribute beyond the job requirements	1	2	3	4	5
2. Be punctual and in attendance at work	1	2	3	4	5
3. Be loyal to, trust, support and promote the organization and refuse to support competitors	1	2	3	4	5
4. Help organize social events, attend all organizational functions and socialize with organizational members	1	2	3	4	5
5. Respect and obey their supervisor	1	2	3	4	5
6. Give their time and energy to the benefit and needs of the organization regardless of their needs or personal cost	1	2	3	4	5
7. Control their emotions and respect organizational members and customers at all times	1	2	3	4	5
8. Conform to expectations or instructions even though they may not be made clear to employees	1	2	3	4	5
9. Be open, honest and above board in all matters related to the organization	1	2	3	4	5
10. Do things that make their supervisors job easier	1	2	3	4	5
11. Provide constructive criticism, be innovative, and collaborate on problems, work practices or changes	1	2	3	4	5

How obligated are employees to	Not Oblig.	Slight Oblig.	Fairly Oblig.	Very Oblig.	Oblig.
12. Adapt to the organizations culture, instill organizational values in subordinates	1	2	3	4	5
13. Represent the organization favourably to outsiders	1	2	3	4	5
14. Know the politics of the organization and customers and how politics affects their manager and group	1	2	3	4	5
15. Maintain the confidentiality of information in all dealings inside and outside the organization	1	2	3	4	5
16. Follow the instructions or directives of their supervisor or other managers	1	2	3	4	5
17. Act professionally inside and outside of work	1	2	3	4	5
18. Do their work thoroughly, completely and accurately	1	2	3	4	5
19. Do work that is not part of their job and cover the work load of absent employees	1	2	3	4	5
20. Conform to organizational norms for dress, language and behaviour	1	2	3	4	5
21. Use their work time effectively and work diligently during working hours	1	2	3	4	5
22. Make due with the resources they have	1	2	3	4	5
23. Be flexible, show initiative and anticipate what needs doing and do it	1	2	3	4	5
24. Provide services to customers or clients even though they may not be qualified to do so	1	2	3	4	5
25. Conform to managements preferences for reporting and presentation styles	1	2	3	4	5
26. Work effectively with, contribute and commit to the success of groups and teams	1	2	3	4	5
27. Accept all occupational hazards	1	2	3	4	5

How obligated are employees to	Not Oblig.	Slight Oblig.	Fairly Oblig.	Very Oblig.	Oblig.
28. Continually upgrade their skills and knowledge	1	2	3	4	5
29. Maintain themselves physically	1	2	3	4	5
30. Do not reveal information which is contradictory to the organizations stated position	1	2	3	4	5
31. Flatter, captivate, fawn on, or curry favour with management	1	2	3	4	5
32. "Go the extra mile" for the organization	1	2	3	4	5
33. Exercise good judgement and make good decisions	1	2	3	4	5

Appendix D

Employee Obligations - technical/professional employees

As part of the employment relationship, organizations may feel employees are duty bound or obligated to the organization to do certain things. Consider the list below of potential obligations employees might have to the organization and indicate **the extent to which you believe they are obligated to do these things as a technical/professional employee**. Please circle the number which applies next to the statement.

- 1 = Not Obligated, employees have no obligation to do this at all
- 2 = Slightly Obligated, employees should do this from time to time
- 3 = Fairly Obligated, employees should do this about half the time
- 4 = Very Obligated, employees should do this most of the time
- 5 = Obligated, employees should do this, without fail, all of the time

How obligated are employees to	Not Oblig.	Slight Oblig.	Fairly Oblig.	Very Oblig.	Oblig.
1. Work extra time, expend extra effort, learn new skills and contribute beyond the job requirements	1	2	3	4	5
2. Be punctual and in attendance at work	1	2	3	4	5
3. Be loyal to, trust, support and promote the organization and refuse to support competitors	1	2	3	4	5
4. Help organize social events, attend all organizational functions and socialize with organizational members	1	2	3	4	5
5. Respect and obey their supervisor	1	2	3	4	5
6. Give my time and energy to the benefit and needs of the organization regardless of my needs or personal cost	1	2	3	4	5
7. Control my emotions and respect organizational members and customers at all times	1	2	3	4	5
8. Conform to expectations or instructions even though they may not be made clear to you	1	2	3	4	5
9. Be open, honest and above board in all matters related to the organization	1	2	3	4	5
10. Do things that make their supervisor's job easier	1	2	3	4	5
11. Provide constructive criticism, be innovative, and collaborate on problems, work practices or changes	1	2	3	4	5

How obligated are employees to	Not Oblig.	Slight Oblig.	Fairly Oblig.	Very Oblig.	Oblig.
12. Adapt to the organizations culture, instill organizational values in subordinates	1	2	3	4	5
13. Represent the organization favourably to outsiders	1	2	3	4	5
14. Know the politics of the organization and customers and how politics affects their manager and group	1	2	3	4	5
15. Maintain the confidentiality of information in all dealings inside and outside the organization	1	2	3	4	5
16. Follow the instructions or directives of their supervisor or other managers	1	2	3	4	5
17. Act professionally inside and outside of work	1	2	3	4	5
18. Do their work thoroughly, completely and accurately	1	2	3	4	5
19. Do work that is not part of their job and cover the work load of absent employees	1	2	3	4	5
20. Conform to organizational norms for dress, language and behaviour	1	2	3	4	5
21. Use their work time effectively and work diligently during working hours	1	2	3	4	5
22. Make due with the resources they have	1	2	3	4	5
23. Be flexible, show initiative and anticipate what needs doing and do it	1	2	3	4	5
24. Provide services to customers or clients even though they may not be qualified to do so	1	2	3	4	5
25. Conform to managements preferences for reporting and presentation styles	1	2	3	4	5
26. Work effectively with, contribute and commit to the success of groups and teams	1	2	3	4	5
27. Accept all occupational hazards	1	2	3	4	5

How obligated are employees to	Not Oblig.	Slight Oblig.	Fairly Oblig.	Very Oblig.	Oblig.
28. Continually upgrade their skills and knowledge	1	2	3	4	5
29. Maintain themselves physically	1	2	3	4	5
30. Do not reveal information which is contradictory to the organizations stated position	1	2	3	4	5
31. Flatter, captivate, fawn on, or curry favour with management	1	2	3	4	5
32. "Go the extra mile" for the organization	1	2	3	4	5
33. Exercise good judgement and make good decisions	1	2	3	4	5

Appendix D

Employee Obligations - non-managerial employees

As part of the employment relationship, organizations may feel employees are duty bound or obligated to the organization to do certain things. Consider the list below of potential obligations employees might have to the organization and indicate **the extent to which you believe they are obligated to do these things as a non-managerial employee**. Please circle the number which applies next to the statement.

- 1 = Not Obligated, employees have no obligation to do this at all
- 2 = Slightly Obligated, employees should do this from time to time
- 3 = Fairly Obligated, employees should do this about half the time
- 4 = Very Obligated, employees should do this most of the time
- 5 = Obligated, employees should do this, without fail, all of the time

How obligated are employees to	Not Oblig.	Slight Oblig.	Fairly Oblig.	Very Oblig.	Oblig.
1. Work extra time, expend extra effort, learn new skills and contribute beyond the job requirements	1	2	3	4	5
2. Be punctual and in attendance at work	1	2	3	4	5
3. Be loyal to, trust, support and promote the organization and refuse to support competitors	1	2	3	4	5
4. Help organize social events, attend all organizational functions and socialize with organizational members	1	2	3	4	5
5. Respect and obey their supervisor	1	2	3	4	5
6. Give their time and energy to the benefit and needs of the organization regardless of their needs or personal cost	1	2	3	4	5
7. Control their emotions and respect organizational members and customers at all times	1	2	3	4	5
8. Conform to expectations or instructions even though they may not be made clear to employees	1	2	3	4	5
9. Be open, honest and above board in all matters related to the organization	1	2	3	4	5
10. Do things that make their supervisor's job easier	1	2	3	4	5
11. Provide constructive criticism, be innovative, and collaborate on problems, work practices or changes	1	2	3	4	5

How obligated are employees to	Not Oblig.	Slight Oblig.	Fairly Oblig.	Very Oblig.	Oblig.
12. Adapt to the organizations culture and/or instill organizational values in subordinates	1	2	3	4	5
13. Represent the organization favourably to outsiders	1	2	3	4	5
14. Know the politics of the organization and customers and how politics affects the manager and group	1	2	3	4	5
15. Maintain the confidentiality of information in all dealings inside and outside the organization	1	2	3	4	5
16. Follow the instructions or directives of their supervisor or other managers	1	2	3	4	5
17. Act professionally inside and outside of work	1	2	3	4	5
18. Do their work thoroughly, completely and accurately	1	2	3	4	5
19. Do work that is not part of their job and cover the work load of absent employees	1	2	3	4	5
20. Conform to organizational norms for dress, language and behaviour	1	2	3	4	5
21. Use their work time effectively and work diligently during working hours	1	2	3	4	5
22. Make due with the resources they have	1	2	3	4	5
23. Be flexible, show initiative and anticipate what needs doing and do it	1	2	3	4	5
24. Provide services to customers or clients even though they may not be qualified to do so	1	2	3	4	5
25. Conform to managements preferences for reporting and presentation styles	1	2	3	4	5
26. Work effectively with, contribute and commit to the success of groups and teams	1	2	3	4	5
27. Accept all occupational hazards	1	2	3	4	5

How obligated are employees to	Not Oblig.	Slight Oblig.	Fairly Oblig.	Very Oblig.	Oblig.
28. Continually upgrade their skills and knowledge	1	2	3	4	5
29. Maintain themselves physically	1	2	3	4	5
30. Do not reveal information which is contradictory to the organizations stated position	1	2	3	4	5
31. Flatter, captivate, fawn on, or curry favour with management	1	2	3	4	5
32. "Go the extra mile" for the organization	1	2	3	4	5
33. Exercise good judgement and make good decisions	1	2	3	4	5

Appendix D

Employer Obligations - manager/supervisor employees

As part of the employment relationship, an employer may feel it is duty bound or obligated to provide certain things to employees. Consider the following statements. **To what extent do you believe the employer is obligated to provide these things to manager/supervisor employees?** Please circle the number which applies next to the statement.

1 = Not Obligated, the employer has no obligation to do this at all

2 = Slightly Obligated, the employer should do this from time to time

3 = Fairly Obligated, the employer should do this about half the time

4 = Very Obligated, the employer should do this most of the time

5 = Obligated, the employer should do this, without fail, all of the time

How obligated is the employer to	Not Oblig.	Slight Oblig.	Fairly Oblig.	Very Oblig.	Oblig.
1. Promote good social relations among employees	1	2	3	4	5
2. Treat employees fairly and equitably and ensure there is no favouritism or discrimination	1	2	3	4	5
3. Recognize the stressful nature of their work and provide relief	1	2	3	4	5
4. Provide a comprehensive benefit package	1	2	3	4	5
5. Ensure managers accurately represent and support employees to upper management	1	2	3	4	5
6. Provide the opportunity to participate in and influence decisions which affect employees	1	2	3	4	5
7. Not ask employees to do anything that is unethical, immoral or illegal and punish employees who behave this way	1	2	3	4	5
8. Provide incentives for hard or extra work	1	2	3	4	5
9. Ensure salaries and benefits are competitive with other employers	1	2	3	4	5
10. Provide training to help employees keep up in their field and prepare them for other opportunities	1	2	3	4	5
11. Provide rewards which are based on performance and determined through properly done performance evaluations	1	2	3	4	5

How obligated is the employer to	Not Oblig.	Slight Oblig.	Fairly Oblig.	Very Oblig.	Oblig.
12. Provide clear communication on organization goals, policies and changes	1	2	3	4	5
13. Keep it's promises and support their actions regardless of the circumstances	1	2	3	4	5
14. Strictly adhere to employment legislation and it's written policies and procedures	1	2	3	4	5
15. Recognize that their family comes first and be flexible with employee' needs to attend to family matters	1	2	3	4	5
16. Have reasonable expectations, job requirements, work load and hours of work for employees	1	2	3	4	5
17. Provide employees with a realistic career path and involve them in determining their career path	1	2	3	4	5
18. Provide adequate training and resources to do the work	1	2	3	4	5
19. Respect their right to join a union	1	2	3	4	5
20. Encourage harmony, resolve disputes and ensure managers are not oppressive, intimidating, dictatorial or manipulative	1	2	3	4	5
21. Respect their privacy and ensure employees are safe and can feel safe in the workplace	1	2	3	4	5
22. Provide the freedom to express one's views	1	2	3	4	5
23. Allow employees the freedom to do things as they want or see fit	1	2	3	4	5
24. Tell employees when they have reached their maximum career potential	1	2	3	4	5
25. Cover the cost of belonging to associations related to their work	1	2	3	4	5
26. Provide employees with a job in which they can be honest and maintain their integrity	1	2	3	4	5

Appendix D

Employer Obligations - technical/professional employees

As part of the employment relationship, an employer may feel it is duty bound or obligated to provide certain things to employees. Consider the following statements. **To what extent do you believe the employer is obligated to provide these things to technical/professional employees?** Please circle the number which applies next to the statement.

- 1 = Not Obligated, the employer has no obligation to do this at all
- 2 = Slightly Obligated, the employer should do this from time to time
- 3 = Fairly Obligated, the employer should do this about half the time
- 4 = Very Obligated, the employer should do this most of the time
- 5 = Obligated, the employer should do this, without fail, all of the time

How obligated is the employer to	Not Oblig.	Slight Oblig.	Fairly Oblig.	Very Oblig.	Oblig.
1. Promote good social relations among employees	1	2	3	4	5
2. Treat employees fairly and equitably and ensure there is no favouritism or discrimination	1	2	3	4	5
3. Recognize the stressful nature of their work and provide relief	1	2	3	4	5
4. Provide a comprehensive benefit package	1	2	3	4	5
5. Ensure managers accurately represent and support employees to upper management	1	2	3	4	5
6. Provide the opportunity to participate in and influence decisions which affect employees	1	2	3	4	5
7. Not ask employees to do anything that is unethical, immoral or illegal and punish employees who behave this way	1	2	3	4	5
8. Provide incentives for hard or extra work	1	2	3	4	5
9. Ensure salaries and benefits are competitive with other employers	1	2	3	4	5
10. Provide training to help employees keep up in their field and prepare them for other opportunities	1	2	3	4	5
11. Provide rewards which are based on performance and determined through properly done performance evaluations	1	2	3	4	5

How obligated is the employer to

	Not Oblig.	Slight Oblig.	Fairly Oblig.	Very Oblig.	Oblig.
12. Provide clear communication on organization goals, policies and changes	1	2	3	4	5
13. Keep it's promises and support their actions regardless of the circumstances	1	2	3	4	5
14. Strictly adhere to employment legislation and it's written policies and procedures	1	2	3	4	5
15. Recognize that their family comes first and be flexible with employee' needs to attend to family matters	1	2	3	4	5
16. Have reasonable expectations, job requirements, work load and hours of work for employees	1	2	3	4	5
17. Provide employees with a realistic career path and involve them in determining their career path	1	2	3	4	5
18. Provide adequate training and resources to do the work	1	2	3	4	5
19. Respect their right to join a union	1	2	3	4	5
20. Encourage harmony, resolve disputes and ensure managers are not oppressive, intimidating, dictatorial or manipulative	1	2	3	4	5
21. Respect their privacy and ensure employees are safe and can feel safe in the workplace	1	2	3	4	5
22. Provide the freedom to express one's views	1	2	3	4	5
23. Allow employees the freedom to do things as they want or see fit	1	2	3	4	5
24. Tell employees when they have reached their maximum career potential	1	2	3	4	5
25. Cover the cost of belonging to associations related to their work	1	2	3	4	5
26. Provide employees with a job in which they can be honest and maintain their integrity	1	2	3	4	5

Appendix D

Employer Obligations - non-managerial employees

As part of the employment relationship, an employer may feel it is duty bound or obligated to provide certain things to employees. Consider the following statements. **To what extent do you believe the employer is obligated to provide these things to non-managerial employees?**

Please circle the number which applies next to the statement.

1 = Not Obligated, the employer has no obligation to do this at all

2 = Slightly Obligated, the employer should do this from time to time

3 = Fairly Obligated, the employer should do this about half the time

4 = Very Obligated, the employer should do this most of the time

5 = Obligated, the employer should do this, without fail, all of the time

How obligated is the employer to	Not Oblig.	Slight Oblig.	Fairly Oblig.	Very Oblig.	Oblig.
1. Promote good social relations among employees	1	2	3	4	5
2. Treat employees fairly and equitably and ensure there is no favouritism or discrimination	1	2	3	4	5
3. Recognize the stressful nature of employees' work and provide relief	1	2	3	4	5
4. Provide a comprehensive benefit package	1	2	3	4	5
5. Ensure managers accurately represent and support employees	1	2	3	4	5
6. Provide the opportunity to participate in and influence decisions which affect employees	1	2	3	4	5
7. Not ask employees to do anything that is unethical, immoral or illegal and punish employees who behave this way	1	2	3	4	5
8. Provide incentives for hard or extra work	1	2	3	4	5
9. Ensure salaries and benefits are competitive with other employers	1	2	3	4	5
10. Provide training to help employees keep up in their field and prepare employees for other opportunities	1	2	3	4	5
11. Provide rewards which are based on performance and determined through properly done performance evaluations	1	2	3	4	5

How obligated is the employer to	Not Oblig.	Slight Oblig.	Fairly Oblig.	Very Oblig.	Oblig.
12. Provide clear communication on organization goals, policies and changes	1	2	3	4	5
13. Keep it's promises and support employees' actions regardless of the circumstances	1	2	3	4	5
14. Strictly adhere to employment legislation and it's written policies and procedures	1	2	3	4	5
15. Recognize that employees' family comes first and be flexible with employee' needs to attend to family matters	1	2	3	4	5
16. Have reasonable expectations, job requirements, work load and hours of work for employees	1	2	3	4	5
17. Provide employees with a realistic career path and involve employees in determining their career path	1	2	3	4	5
18. Provide adequate training and resources to do the work	1	2	3	4	5
19. Respect employees' right to join a union	1	2	3	4	5
20. Encourage harmony, resolve disputes and ensure managers are not oppressive, intimidating, dictatorial or manipulative	1	2	3	4	5
21. Respect employees' privacy and ensure employees are safe and can feel safe in the workplace	1	2	3	4	5
22. Provide the freedom to express one's views	1	2	3	4	5
23. Allow employees the freedom to do things as they want or see fit	1	2	3	4	5
24. Tell employees when they have reached their maximum career potential	1	2	3	4	5
25. Cover the cost of belonging to associations related to employees' work	1	2	3	4	5
26. Provide employees with a job in which they can be honest and maintain their integrity	1	2	3	4	5

Appendix E

Fulfilment of Employer Obligations

Your Name _____

Employers are expected to fulfill certain obligations to their employees. For each potential obligation below, **indicate the extent to which you believe the employer will fulfill or will not fulfill this obligation to you.** Items which you believe are not obligations should be marked as 1 (will not fulfill).

1 = Will Not Fulfill, means the employer will not or does not intend to fulfill this obligation

2 = Likely Not Fulfill, means it is likely that the employer will not fulfil this obligation

3 = Either, means the employer may fulfill or may not fulfill this obligation

4 = Likely Fulfill, means you expect the employer to fulfill this obligation

5 = Will Fulfill, means the employer has already or will definitely fulfill this obligation in the future

Will the employer fulfill its obligation to

	Will Not fulfill	Likely not fulfill	Either	Likely fulfill	Will Fulfill
1. Promote good social relations among employees	1	2	3	4	5
2. Treat you fairly and equitably and ensure there is no	1	2	3	4	5
3. Recognize the stressful nature of your work and provide relief	1	2	3	4	5
4. Provide a comprehensive benefit package	1	2	3	4	5
5. Ensure managers accurately represent and support you to	1	2	3	4	5
6. Provide the opportunity to participate in and influence	1	2	3	4	5
7. Not ask you to do anything that is unethical, immoral or	1	2	3	4	5
8. Provide incentives for hard or extra work	1	2	3	4	5
9. Ensure salaries and benefits are competitive with other	1	2	3	4	5
10. Provide training to help you keep up in his/her field and	1	2	3	4	5
11. Provide rewards which are based on performance and	1	2	3	4	5

Will the employer fulfill its obligation to	Will Not fulfill	Likely not fulfill	Either	Likely fulfill	Will Fulfill
12. Provide clear communication on organization goals, policies and changes	1	2	3	4	5
13. Keep it's promises and support your actions regardless of the circumstances	1	2	3	4	5
14. Strictly adhere to employment legislation and it's written policies and procedures	1	2	3	4	5
15. Recognize that your family comes first and be flexible with your needs to attend to family matters	1	2	3	4	5
16. Have reasonable expectations, job requirements, work load and hours of work for you	1	2	3	4	5
17. Provide you with a realistic career path and involve you in determining your career path	1	2	3	4	5
18. Provide adequate training and resources to do the work	1	2	3	4	5
19. Respect your right to join a union	1	2	3	4	5
20. Encourage harmony, resolve disputes and ensure managers are not oppressive, intimidating, dictatorial or manipulative	1	2	3	4	5
21. Respect your privacy and ensure you are safe and can feel safe in the workplace	1	2	3	4	5
22. Provide the freedom to express one's views	1	2	3	4	5
23. Allow you the freedom to do things as you want or see fit	1	2	3	4	5
24. Tell employees when they have reached their maximum career potential	1	2	3	4	5
25. Cover the cost of belonging to associations related to your work	1	2	3	4	5
26. Provide you with a job in which you can be honest and maintain your integrity	1	2	3	4	5

Appendix F

Fulfilment of Employee Obligations

Your Name _____

At the time you were hired, you completed a form on which you indicated the obligations you believed you owed your employer. Since that time, you may have done or intend to do things which lead you to believe you will fulfill or will not fulfill these obligations. For each potential obligation below, **indicate the extent to which you believe you will fulfill or will not fulfill this obligation to your employer.** Items which you believe are not obligations and you do not intend to fulfill should be marked as 1 (will not fulfill).

1 = Will Not Fulfill, means you will not or do not intend to fulfill this obligation

2 = Likely Not Fulfill, means it is likely that you will not fulfil this obligation

3 = Either, means you may fulfill or may not fulfill this obligation

4 = Likely Fulfill, means you expect to fulfill this obligation

5 = Will Fulfill, means you have already or are positive you will fulfill this obligation in the future

Will you fulfill your obligation to	Will Not Fulfill	Likely Not Fulfill	Either	Likely Fulfill	Will Fulfill
1. Work extra time, expend extra effort, learn new skills and contribute beyond the job requirements	1	2	3	4	5
2. Be punctual and in attendance at work	1	2	3	4	5
3. Be loyal to, trust, support and promote the organization and refuse to support competitors	1	2	3	4	5
4. Help organize social events, attend all organizational functions and socialize with organizational members	1	2	3	4	5
5. Respect and obey your supervisor	1	2	3	4	5
6. Give my time and energy to the benefit and needs of the organization regardless of my needs or personal cost	1	2	3	4	5
7. Control my emotions and respect organizational members and customers at all times	1	2	3	4	5

	Will Not Fulfill	Likely Not Fulfill	Either	Likely Fulfill	Will Fulfill
Will you fulfill your obligation to					
8. Conform to expectations or instructions even though they may not be made clear to you	1	2	3	4	5
9. Be open, honest and above board in all matters related to the organization	1	2	3	4	5
10. Do things that make your supervisors job easier	1	2	3	4	5
11. Provide constructive criticism, be innovative, and collaborate on problems, work practices or changes	1	2	3	4	5
12. Adapt to the organizations culture and/or instill organizational values in subordinates	1	2	3	4	5
13. Represent the organization favourably to outsiders	1	2	3	4	5
14. Know the politics of the organization and customers and how politics affects your manager and group	1	2	3	4	5
15. Maintain the confidentiality of information in all dealings inside and outside the organization	1	2	3	4	5
16. Follow the instructions or directives of your supervisor or other managers	1	2	3	4	5
17. Act professionally inside and outside of work	1	2	3	4	5
18. Do your work thoroughly, completely and accurately	1	2	3	4	5
19. Do work that is not part of your job and cover the work load of absent employees	1	2	3	4	5
20. Conform to organizational norms for dress, language and behaviour	1	2	3	4	5
21. Use your work time effectively and work diligently during working hours	1	2	3	4	5
22. Make due with the resources you have	1	2	3	4	5

Will you fulfill your obligation to	Will Not Fulfill	Likely Not Fulfill	Either	Likely Fulfill	Will Fulfill
23. Be flexible, show initiative and anticipate what needs doing and do it	1	2	3	4	5
24. Provide services to customers or clients even though you may not be qualified to do so	1	2	3	4	5
25. Conform to managements preferences for reporting and presentation styles	1	2	3	4	5
26. Work effectively with, contribute and commit to the success of groups and teams	1	2	3	4	5
27. Accept all occupational hazards	1	2	3	4	5
28. Continually upgrade your skills and knowledge	1	2	3	4	5
29. Maintain yourself physically	1	2	3	4	5
30. Do not reveal information which is contradictory to the organizations stated position	1	2	3	4	5
31. Flatter, captivate, fawn on, or curry favour with management	1	2	3	4	5
32. "Go the extra mile" for the organization	1	2	3	4	5
33. Exercise good judgement and make good decisions	1	2	3	4	5

Appendix G

Your Name _____

Fundamental to the employment relationship are the obligations employers and employees owe to each other. Consider for a moment the obligations your employer owes you. **On an overall basis, is your employer fulfilling its obligations to you?** Circle the number that best represents how you feel.

Not At All			Not Sure			Completely
1	2	3	4	5	6	7

Is there a specific incident or several incidents that cause you to feel this way? Please describe them. Use a separate sheet of paper if necessary.

Now consider your obligations to your employer. **On an overall basis, are you fulfilling your obligations to your employer?** Circle the number that best describes how you feel.

Not At All			Not Sure			Completely
1	2	3	4	5	6	7

Is there a specific incident or several incidents that cause you to feel this way? Please describe them. Use a separate sheet of paper if necessary.

Appendix H

Fulfilment of Employer Obligations - Supervisors beliefs

Name of employee _____

Employers are expected to fulfill certain obligations to their employees. For each potential obligation below, **indicate the extent to which you believe the employer will fulfill or will not fulfill this obligation to the above employee.** Items which you believe are not obligations should be marked as 1 (will not fulfill).

1 = Will Not Fulfill, means the employer will not or does not intend to fulfill this obligation

2 = Likely Not Fulfill, means it is likely that the employer will not fulfil this obligation

3 = Either, means the employer may fulfill or may not fulfill this obligation

4 = Likely Fulfill, means you expect the employer to fulfill this obligation

5 = Will Fulfill, means the employer has already or will fulfill this obligation in the future

Will the employer fulfill its obligation to	Will Not fulfill	Likely not fulfill	Either	Likely fulfill	Will Fulfill
1. Promote good social relations among employees	1	2	3	4	5
2. Treat this employee fairly and equitably and ensure there is no favouritism or discrimination	1	2	3	4	5
3. Recognize the stressful nature of this employee's work and provide relief	1	2	3	4	5
4. Provide a comprehensive benefit package	1	2	3	4	5
5. Ensure managers accurately represent and support this employee to upper management	1	2	3	4	5
6. Provide the opportunity to participate in and influence decisions which affect this employee	1	2	3	4	5
7. Not ask this employee to do anything that is unethical, immoral or illegal and punish employees who behave this way	1	2	3	4	5
8. Provide incentives for hard or extra work	1	2	3	4	5
9. Ensure salaries and benefits are competitive with other employers	1	2	3	4	5
10. Provide training to help this employee keep up in his/her field and prepare this employee for other opportunities	1	2	3	4	5

Will the employer fulfill its obligation to

	Will Not fulfill	Likely not fulfill	Either	Likely fulfill	Will Fulfill
11. Provide rewards which are based on performance and determined through properly done performance evaluations	1	2	3	4	5
12. Provide clear communication on organization goals, policies and changes	1	2	3	4	5
13. Keep it's promises and support this employee's actions regardless of the circumstances	1	2	3	4	5
14. Strictly adhere to employment legislation and it's written policies and procedures	1	2	3	4	5
15. Recognize that this employee's family comes first and be flexible with employee' needs to attend to family matters	1	2	3	4	5
16. Have reasonable expectations, job requirements, work load and hours of work for this employee	1	2	3	4	5
17. Provide this employee with a realistic career path and involve this employee in determining this employee's career path	1	2	3	4	5
18. Provide adequate training and resources to do the work	1	2	3	4	5
19. Respect this employee's right to join a union	1	2	3	4	5
20. Encourage harmony, resolve disputes and ensure managers are not oppressive, intimidating, dictatorial or manipulative	1	2	3	4	5
21. Respect this employee's privacy and ensure this employee is safe and can feel safe in the workplace	1	2	3	4	5
22. Provide the freedom to express one's views	1	2	3	4	5
23. Allow this employee the freedom to do things as he/she wants or sees fit	1	2	3	4	5
24. Tell this employee when he/she has reached his/her maximum career potential	1	2	3	4	5
25. Cover the cost of belonging to associations related to this employee's work	1	2	3	4	5
26. Provide this employee with a job in which he/she can be honest and maintain his/her integrity	1	2	3	4	5

Appendix H

Fulfilment of Employee Obligations - Supervisors beliefs

Name of employee _____

Employees are expected to fulfill certain obligations to their organization. For each potential obligation below, **indicate the extent to which you believe the above employee will fulfill or will not fulfill this obligation to the organization.** Items which you believe are not obligations should be marked as 1 (will not fulfill).

1 = Will Not Fulfill, means the employee will not or does not intend to fulfill this obligation

2 = Likely Not Fulfill, means it is likely that the employee will not fulfil this obligation

3 = Either, means the employee may fulfill or may not fulfill this obligation

4 = Likely Fulfill, means you expect the employee to fulfill this obligation

5 = Will Fulfill, means the employee has already or will fulfill this obligation in the future

Will the employee fulfill the obligation to	Will Not Fulfill	Likely Not Fulfill	Either	Likely Fulfill	Will Fulfill
1. Work extra time, expend extra effort, learn new skills and contribute beyond the job requirements	1	2	3	4	5
2. Be punctual and in attendance at work	1	2	3	4	5
3. Be loyal to, trust, support and promote the organization and refuse to support competitors	1	2	3	4	5
4. Help organize social events, attend all organizational functions and socialize with organizational members	1	2	3	4	5
5. Respect and obey you	1	2	3	4	5
6. Give his/her time and energy to the benefit and needs of the organization regardless of his/her needs or personal cost	1	2	3	4	5
7. Control his/her emotions and respect organizational members and customers at all times	1	2	3	4	5
8. Conform to expectations or instructions even though they may not be made clear to him/her	1	2	3	4	5
9. Be open, honest and above board in all matters related to the organization	1	2	3	4	5
10. Do things that make your job easier	1	2	3	4	5

Will the employee fulfill the obligation to	Will Not Fulfill	Likely Not Fulfill	Either	Likely Fulfill	Will Fulfill
11. Provide constructive criticism, be innovative, and collaborate on problems, work practices or changes	1	2	3	4	5
12. Adapt to the organizations culture and/or instill organizational values in subordinates	1	2	3	4	5
13. Represent the organization favourably to outsiders	1	2	3	4	5
14. Know the politics of the organization and customers and how politics affects his/her manager and group	1	2	3	4	5
15. Maintain the confidentiality of information in all dealings inside and outside the organization	1	2	3	4	5
16. Follow the instructions or directives of you or other managers	1	2	3	4	5
17. Act professionally inside and outside of work	1	2	3	4	5
18. Do his/her work thoroughly, completely and accurately	1	2	3	4	5
19. Do work that is not part of his/her job and cover the work load of absent employees	1	2	3	4	5
20. Conform to organizational norms for dress, language and behaviour	1	2	3	4	5
21. Use his/her work time effectively and work diligently during working hours	1	2	3	4	5
22. Make due with the resources he/she have	1	2	3	4	5
23. Be flexible, show initiative and anticipate what needs doing and do it	1	2	3	4	5
24. Provide services to customers or clients even though he/she may not be qualified to do so	1	2	3	4	5
25. Conform to managements preferences for reporting and presentation styles	1	2	3	4	5
26. Work effectively with, contribute and commit to the success of groups and teams	1	2	3	4	5

Will the employee fulfill the obligation to	Will Not Fulfill	Likely Not Fulfill	Either	Likely Fulfill	Will Fulfill
27. Accept all occupational hazards	1	2	3	4	5
28. Continually upgrade his/her skills and knowledge	1	2	3	4	5
29. Maintain him/herself physically	1	2	3	4	5
30. Do not reveal information which is contradictory to the organizations stated position	1	2	3	4	5
31. Flatter, captivate, fawn on, or curry favour with management	1	2	3	4	5
32. "Go the extra mile" for the organization	1	2	3	4	5
33. Exercise good judgement and make good decisions	1	2	3	4	5

Appendix I

Faculty of Management The University of Manitoba

Thank you for agreeing to complete the following questionnaires. Please tell me something about yourself. This will provide me with information on the people who have completed the questionnaires and any difference that may appear in the responses. It will not be used to identify you as an individual to your employer, managers or co-workers.

Date: _____

Name: _____

Please note, I need your name in order to match this set of questionnaires with a set to be completed later. Your employer will never see or be aware of your individual answers.

Organization: _____

Please mark the following with a check in the appropriate slot.

What is your sex? Female: _____, Male: _____

What is your present age? Under 20 years _____, 21 to 30 years _____, 31 to 40 years _____, 41 to 50 years _____, 51 to 60 years _____, greater than 61 years _____

Union membership: yes _____, no _____

How would you classify your position? Non-managerial _____, Manager/Supervisor _____, Technical/Professional _____

How long have you been employed in full time work? less than 1 year _____, 1 to 5 years _____, 6 to 10 years _____, 11 to 20 years _____, greater than 20 years _____

What is the highest level of education you have achieved? Less than high school diploma _____, high school diploma _____, some college _____, college diploma _____, bachelors degree _____, graduate degree _____

Appendix J

Your Name _____

This scale consists of a number of words that describe different feelings and emotions. Read each item and then mark the appropriate answer in the space next to that word. Indicate to what extent you have felt this way on average over the past month about your job and organization. Use the following scale to record your answers.

1	2	3	4	5
very slightly or not at all	a little	moderately	quite a bit	extremely

_____ interested

_____ irritable

_____ distressed

_____ alert

_____ excited

_____ ashamed

_____ upset

_____ inspired

_____ strong

_____ nervous

_____ guilty

_____ determined

_____ scared

_____ attentive

_____ hostile

_____ jittery

_____ enthusiastic

_____ active

_____ proud

_____ afraid

Appendix K

Job and Organization Beliefs

We are interested in how you personally feel about your job. Each of the statements below is something that a person might say about his or her job. You are to indicate your own personal feelings about your job by marking how much you agree with each of the statements. Circle the number which best describes your feelings.

1. - Strongly Disagree
2. - Disagree
3. - Neither Disagree nor Agree
4. - Agree
5. - Strongly Agree

	SD	D	N	A	SA
Overall, I am satisfied with my job	1	2	3	4	5
I would be very happy to spend the rest of my career with this organization	1	2	3	4	5
I don't think my organization treats me fairly	1	2	3	4	5
I am not afraid of what might happen if I quit my job without having another one lined up	1	2	3	4	5
I would prefer a job other than the one I am in	1	2	3	4	5
I keep up with developments in the organization	1	2	3	4	5
It would be very hard for me to leave my organization right now, even if I wanted to	1	2	3	4	5
I intend to remain with this organization	1	2	3	4	5
Generally speaking I am very satisfied with this job	1	2	3	4	5
I enjoy discussing my organization with people outside it	1	2	3	4	5
I believe my organization has high integrity	1	2	3	4	5

	SD	D	N	A	SA
I feel that I have too few options to consider leaving this organization	1	2	3	4	5
I do not feel like part of the family at this organization	1	2	3	4	5
It wouldn't be too costly for me to leave my organization now	1	2	3	4	5
My supervisor would rank my performance as being in the top ten percent (10%) of the people reporting to him or her	1	2	3	4	5
I do not feel a strong sense of belonging to my organization	1	2	3	4	5
I frequently think of quitting this job	1	2	3	4	5
I really feel as if this organization's problems are my own	1	2	3	4	5
One of the few serious consequences of leaving this organization would be the scarcity of available alternatives	1	2	3	4	5
I read and keep up with the organization's announcements, messages, memos, etc.	1	2	3	4	5
I would rate my performance to be excellent, on a scale ranging from poor to excellent	1	2	3	4	5
Right now, staying with my organization is a matter of necessity as much as desire	1	2	3	4	5
This organization has a great deal of personal meaning for me	1	2	3	4	5
I am not sure I trust my organization	1	2	3	4	5
I am generally satisfied with the kind of work I do on this job	1	2	3	4	5
I think I could easily become as attached to another organization as I am to this one	1	2	3	4	5
One of the major reasons I continue to work for this organization is that leaving would require considerable personal sacrifice - another organization may not match the overall benefits I have here	1	2	3	4	5

	SD	D	N	A	SA
I attend functions that are not required, but that help the organization's image	1	2	3	4	5
My organization is open and up-front with me	1	2	3	4	5
My performance would rank me in the top ten percent (10%) compared to my co-workers	1	2	3	4	5
Most people on this job are very satisfied with the job	1	2	3	4	5
I have thought about changing organizations since beginning to work for this organization	1	2	3	4	5
My organization is not always honest and truthful	1	2	3	4	5
One of the few serious consequences of leaving this organization would be the scarcity of available alternatives	1	2	3	4	5
If I have my way, I will be working for this organization 3 years from now	1	2	3	4	5
Too much in my life would be disrupted if I decided I wanted to leave my organization now	1	2	3	4	5
I can expect my organization to treat me in a consistent and predictable fashion	1	2	3	4	5
People on this job often think about quitting	1	2	3	4	5
I do not feel emotionally attached to this organization	1	2	3	4	5
In general, I believe my organization's motives and intentions are good	1	2	3	4	5