

**THE PSYCHOLOGICAL CONTRACT OF FIRE BRIGADES IN THE
NORTH-WEST PROVINCE**

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INDEX

ACKNOWLEDGEMENT	I
INDEX	II
OPSOMMING	IV
ABSTRACT	V
CHAPTER 1:.....	1
INTRODUCTION AND PROBLEM STATEMENT	1
1.1 INTRODUCTION AND PROBLEM STATEMENT	1
1.2 RESEARCH OBJECTIVES	7
1.3 RESEARCH METHODOLOGY	7
1.3.1 LITERATURE STUDY.....	7
1.3.2 EMPIRICAL RESEARCH.....	8
1.4 ETHICAL ASPECTS	9
1.5 DATA ANALYSIS.....	10
1.6 CHAPTER LAYOUT	10
CHAPTER 2:.....	11
PSYCHOLOGICAL CONTRACT THEORY	11
2.1 INTRODUCTION	11
2.2 THE HISTORY AND DEVELOPMENT OF THE PSYCHOLOGICAL CONTRACT	12
2.2.1 INTRODUCTION	12
2.2.2 INFLUENCES OF OTHER STUDIES ON THE PSYCHOLOGICAL CONTRACT	13
2.2.3 THE HISTORY OF THE PSYCHOLOGICAL CONTRACT	15
PRE-ROUSSEAU AND POST-ROUSSEAU.....	19
2.2.4 VIOLATION AND BREACH OF PSYCHOLOGICAL CONTRACT.....	24
2.3 INFLUENCE OF THE SOCIAL EXCHANGE THEORY ON THE PSYCHOLOGICAL	29
CONTRACT.....	29
2.3.1 THEORETICAL ANALYSIS	29
2.3.2 CONCEPTS AND ASSUMPTIONS CONCERNING THE SOCIAL EXCHANGE	29
THEORY.....	29
2.4 CONCLUSION.....	32
CHAPTER 3:.....	35
EXPECTATIONS, OBLIGATIONS AND VIOLATION OF THE PSYCHOLOGICAL	35
CONTRACT	35
3.1 INTRODUCTION.....	35
3.2 THE RELATION BETWEEN EXPECTATIONS AND OBLIGATIONS	37
3.3 EXPECTATIONS.....	38
3.3.1 TYPES OF EXPECTATIONS.....	41
INTRINSIC VS EXTRINSIC EXPECTATIONS	43
3.4 OBLIGATIONS	44
3.4.1 NATURE OF OBLIGATIONS.....	44
3.4.2 TYPES OF OBLIGATIONS	45
3.5 VIOLATION OF THE PSYCHOLOGICAL CONTRACT	47
3.5.1 DEFINING PSYCHOLOGICAL CONTRACT VIOLATION.....	47
3.5.2 DIFFERENCE BETWEEN VIOLATION AND BREACH.....	48
3.5.3 FORMS OF VIOLATIONS	48
FORMS OF VIOLATION	48
3.5.4 CAUSES OF VIOLATION.....	49
3.5.5 PRACTICAL EXAMPLES OF VIOLATION.....	51
3.6 CONCLUSION.....	52
CHAPTER 4:.....	55
EMPIRICAL RESEARCH AND RESULTS	55
4.1 INTRODUCTION.....	55
4.2 RESEARCH METHOD	57
4.2.1 RESEARCH DESIGN.....	58
4.2.2 SAMPLE.....	58

CHARACTERISTICS OF THE FIREMEN AND FIREWOMEN	58
CHARACTERISTICS OF THE EMPLOYERS	60
4.2.3 MEASURING INSTRUMENTS	60
4.2.4 STATISTICAL ANALYSIS	62
Part 1: Employee Results	63
Factor Loadings of Emotions concerning the Psychological contract after Varimax Rotation	65
Factor Loadings of Employee Obligations after Varimax Rotation	65
Factor Loading of the Mood at the Fire stations	66
Descriptive Statistics, Inter-item Correlation and Alpha Coefficients of Factors... 67	
.....	67
Descriptive Statistics, Inter-item Correlations and Alpha Coefficients	67
Descriptive Statistics and Inter-item Correlations	67
Part 2: Employer Results	68
DESCRIPTIVE STATISTICS, INTER-ITEM CORRELATIONS AND ALPHA COEFFICIENTS OF THE EMPLOYER QUESTIONNAIRE	68
<i>These results indicated that the employers at the fire brigades do experience the psychological contract, and in the discussion the impact of these statistics will be mentioned.</i>	68
<i>Correlations between the Factors of the Employer Questionnaire</i>	69
4.2 DISCUSSIONS	70
4.3 CONCLUSIONS	72
CHAPTER 5	74
5.1 INTRODUCTION	74
5.2 SUMMARY	74
5.3 OVERALL CONCLUSION	76
5.4 LIMITATIONS AND RECOMMENDATIONS	76
5.4.1 LIMITATIONS	76
REFERENCES	80

OPSOMMING

Hierdie verhandeling was daarop gemik om geselekteerde literatuur oor die psigologiese kontrak te assesser in 'n poging om die ontwikkelende begrip ten opsigte van die eie aard van die hedendaagse werkooreenkomste en werkomgewing in Suid-Afrika se openbare sektor, en meer spesifiek dié van die brandweer van die Noordwes-Provinsie te ondersteun en te beskryf. Die doel van die verhandeling was dus om praktiese kennis en navorsingsvoorstelle te voorsien, en om verskeie gapings in die kennis aangaande die psigologiese kontrak te vul.

In hierdie omvattende studie is oorweging geskenk aan die psigologiese kontrak van die brandweer van die Noordwes-Provinsie. Hoofstuk 1 bestaan uit die onderskeie dele van die probleemstelling en die navorsingsdoelwitte waarin die algemene doelwit en die spesifieke doelwitte uiteengesit is. Hoofstuk 2 het insig in die term *Psigologiese kontrak* gegee deur op die geskiedenis en oorsprong daarvan in te gaan. Hoofstuk 3 het die inhoud van die psigologiese kontrak verduidelik, met spesifieke fokus op die verwagtinge en verpligtinge van die brandweer asook die verbreking van die kontrak en die implikasies daarvan vir die brandweer.

Hoofstuk 4 het die navorsingsmetode en hoe dit aangewend is, bespreek, asook die bevindinge van die navorsing. Die studie het dus voorgestel dat die meting van die psigologiese kontrak en die teoretiese implikasies daarvan erkenning in die openbare sektor van ons land moet geniet. Teen hierdie agtergrond is daar ook voorbeelde genoem sowel as literatuur om dit uit te wys. Hoofstuk 5 was die laaste van hierdie studie, en daarin vervat, is die opsomming van die studie en die tekortkoming daarvan, asook aanbevelings vir verdere navorsing.

ABSTRACT

This dissertation set out to assess selected psychological contract literature in an attempt to support and describe the developing understanding regarding the distinctive character of today's work agreements and work environment in South Africa's public sector, and more specifically that of the fire brigade in the North West Province. This aim of this dissertation therefore was to provide practical knowledge and future research directions, and to fill in several gaps in the knowledge concerning the psychological contract.

In this comprehensive study consideration was given to the psychological contract of the fire brigades of the North-West Province. Chapter 1 comprised the diverse parts of the problem statement and the research objectives in which the general objective and specific objectives were expounded. Chapter 2 gave insight into the term *psychological contract* by looking into its history and origin. Chapter 3 described the contents of the psychological contract, with specific focus on the expectations and obligations of the fire brigade as well as the violations of the contract and the implications thereof for the fire brigade.

Chapter 4 discussed the research method and the statistical analysis as well as the findings of the research. This paper thus suggested that psychological contract measurement and its theoretical implications need to be recognized in the public sector of our country. The interface with examples and literature was given against this background. Chapter 5 was the final chapter in this study and contained in it, was the summary of the study and its limitations, as well as recommendations for further research.

Chapter 1:

Introduction and Problem Statement

KEYWORDS: Communities, expectations, obligations, social contract, psychological contract, roles, violation and breach of contract, fire brigade, firemen

1.1 INTRODUCTION AND PROBLEM STATEMENT

Argyris (1960) first utilised the concept and terminology *the psychological contract* with an analysis of the situation in two factories, using data from interviews with employees and supervisors (Anderson & Schalk, 1998:638). He used the concept *psychological work contract* to describe the relationship between the employees and the foremen in one factory and pointed out that it was, in his opinion, dominated by the following phenomenon, as stated by Anderson and Schalk (1998:638): "Since the foremen realised the employees in this system will tend to produce optimally under passive leadership, and since the employees agree, a relationship may be hypothesized to evolve between the employees and the foremen which might be called the 'Psychological Work Contract'. The employee will maintain the high production, low grievances, etc. if the foremen guarantee and respect the norms of the employee informal culture."

It is quite possible that, because Argyris (1960) noted only in passing the concept of the psychological contract, but did not clearly define it, or because the concept is not listed in the index of Argyris' book, Levinson (1962), who further developed the concept claims to be the father thereof. The psychological contract is, according to Levinson (1962), the sum of mutual expectations between the organisation and the employee.

The concept is used to highlight implicit and unspoken expectations, which antedate the relationship between employer and employee. Some expectations are more conscious than others, for example: expectations with respect to salary, but others are more unconscious and are only revealed

indirectly, including longer-term promotion prospects (Anderson & Schalk, 1998:638). Thus we can identify a number of different types of employee expectations, held both consciously and unconsciously. Other expectations that were not mentioned can include expectations concerning job performance, job security, financial rewards, recognition and being looked after by the employer.

Since these attempts there have been many others to develop and refine this concept. Historically, the concept can be viewed as an extension of philosophical concepts the social contract theory (Smithson & Lewis, 2004). One significant aspect of the relationship between the individual and the organization is the concept *the psychological contract*. This is not a written document, but implies a series of mutual expectations and satisfaction of needs arising from the people-organization relationship. It involves a process of giving and receiving by the individual and by the organisation. The psychological contract thus covers a range of expectations of rights and privileges – duties and obligations – which do not form part of a formal agreement, but still have an important influence on people's behaviour (Mullins, 1996:13).

According to the Chartered Institute of Personnel Development (CIPD), "(t)he psychological contract can be defined as the perceptions between two parties, employer and employee, of what their mutual obligations towards each other are, it furthermore states that others may see some of these obligations as 'promises made' or simply as 'expectations'". (Rousseau, 2003:229.)

Psychological contracts include expectations set forth by the written contract of employment, as well as the other influences that can either be verbal or tacit, on the expectations. Rousseau (2003:231) said that the psychological contracts which lay the foundation for employment relationships also entail beliefs concerning what employees perceive they are entitled to receive or should receive because they perceive that their employers conveyed promises to provide it. Only expectations that originate from perceived implicit and explicit promises by the employer form part of this psychological contract. The psychological contract thus accomplishes two tasks, namely firstly, it

defines the employment relationship and secondly, it manages these expectations (Rousseau, 2003:231).

It is important to note that as the psychological contract is inherently perceptual, the other party, for instance the workers, might not share a similar understanding of the contract. Psychological contracts are also dynamic since they are affected by changes in society and in general in the work environment (Grobler, Warnich, Carrell, Elbert & Hatfield, 2006). A psychological contract also represents the mutual beliefs, perceptions and informal obligations between the employer and employee, and it sets the dynamics for the relationship and defines the practicality of the work to be performed. It is distinguishable from the formal written contract of employment that only identifies mutual duties and responsibilities in a generalised form (Roehling, 1997:204).

The psychological contract has furthermore been viewed by Rousseau (2000:230) as a relevant construct to explain important employee attitudes and behaviours such as commitment, turnover and organisational citizenship behaviours. This study will take a deeper look into the term psychological contract based on the afore-mentioned statement, but it will specifically focus on the psychological contract in the public sector.

Psychological contract theory postulates the existence of multiple contract makers within an organisation from whom workers come to understand their exchange relationship with the employer. These contract makers include co-workers, managers, mentors, recruiters, and some of the organisational actors, along with administrative and structural signals such as human resource practices (Rousseau, 2000:230). Rousseau (2003:237) furthermore states: "There reaches a point, however, in the state of nature when people need to combine forces in order to survive. The problem resolved by the social contract is how people can bind themselves to one another and still preserve their freedom the social contract essentially states that each individual must surrender himself unconditionally to the community as a whole. The community that is formed by this social contract is not simply the sum total of the lives and will of its members; it is a distinct and unified entity

with a life and a will of its own.”

Co-workers in particular are often the most available and frequently accessed source of information regarding the job, the organization, its policies and procedures. The people with whom an individual interacts on the job can directly or indirectly affect his or her attitudes, perceptions and beliefs. In the social network literature such as that of Rousseau(1995; 2000; 2003), two primary mechanisms account for the influence observed among socially proximate pairs of individuals: cohesion (i.e., relational proximity) and structural equivalence (i.e., positional proximity). Influence via cohesion occurs through direct (i.e., non-mediated) relationships with other members of the social system (Rousseau, 2000). Over time, people can come to adopt attitudes, perceptions and beliefs similar to those of others with whom they are directly tied. When the opinion of members embedded in cohesive networks becomes manifest, it promotes agreement and compromise.

The psychological contract and the social contracts are therefore based on expectations and obligations between different parties in a work relationship. For purposes of this study the focus will be on some work-place expectations and obligations that exist between employers and employees. The nature and extent of expectations in a work-place vary to a large extent, as does the ability and willingness of another party to meet them. The company's expectations are described as arising from the company's history and business environment. It has been suggested that inferences regarding the company's expectations may be drawn from the circumstances under which it operates, its policies and procedures, the values, statements made at meetings as well as evaluations of employee performances (Roehling, 1997:208). Some companies even expect their workers to be good citizens in the community, be concerned about cost control and efficiency, acquire skills to advance to supervisory level, be dedicated and lastly demonstrate a certain amount of employee flexibility.

Looking at the above-mentioned expectations and placing it in the context of this study and the expectations of the employers in this situation it certainly seems fair to expect these expectations of employees of the fire brigades as

any employer would expect from the party that they are paying for their work.

On the other hand it is difficult to range expectations individuals might have, because they change and differ from day to day and from employee to employee. Implicit expectations that can be listed may include the following: provision of safe and hygienic working conditions, job security, attempts to provide challenging and satisfying jobs and tasks, the adoption of equitable personnel policies and procedures, allowing staff participation in decisions which affect them, the implementation of best practice in equal opportunity policies and procedures, provision of personnel development and career progression, respect, demonstration of understanding and consideration of attitudes towards personnel and personal problems (Mullins, 1996:13).

Mullins (1996:13) furthermore stated that all these expectations are not withstanding any statutory requirements placed upon the organisation. Instead, they rather relate to the idea of social responsibility of management. Only a few expectations for all the parties were mentioned but it is still unlikely in any instance that all the parties' expectations will be fully met in the work-place. There is a continual process of balancing, and explicit and implicit bargaining of the nature of these expectations is thus not formally defined, and although the individual members and the organisations may not be consciously aware of them, they still affect relationships between them and influence the different behaviours.

It should also be clear that some of these expectations occasionally are never met and if that should happen, breach or violation of contract can occur. Pate and Malone (2000:158) described breach or violation of contract as follows: "In a context of environmental turbulence, research has demonstrated that psychological contract breach is relatively common, whereby one party perceives another to have failed to fulfil promised obligations. In these situations trust plays an integral part and plays two roles, namely: First, trust influences the likelihood that an action would be perceived as a psychological contract breach. Second, trust acts as a mediator of the relationship between the psychological contract and employees' subsequent contribution".

Pate and Malone (2000:159) also draw a distinction between breach and violation of contract and said that a distinction has been made between psychological contract breach and violation. They looked at studies of Robinson and Rousseau (1994) that suggested that psychological contract breach occurs when employees believe that the organisation has failed to deliver its promises or obligations, and this is relatively common. Breach of contract is also referred to as the cognition that one's organisation has failed to meet one or more obligations within one's psychological contract.

Pate and Malone (2000:159) further state that, with a violation of contract it is suggested that the employee's focus is rather directed at the formal or transactional elements of the relationship. More specifically, the effects of psychological contract violation may also result in emotional, attitudinal and behavioural responses. Emotional responses may manifest themselves through feelings such as anger, resentment, frustration or hopelessness. Thus psychological contract violation may engender changes in attitude such as loss of trust in the organisation.

To conclude, this study focuses on the parties' mentioned expectations and it will be indicated how it fits into the psychological contract to better the situation between the parties involved. Although the psychological contract has become the focus for this body of research, it still retains a number of conceptual and empirical problems and challenges. This paper thus also reviews some of the main problems associated with the construct. It also considers the 'problem' of the psychological contract, namely that organisations are either no longer able to promise the traditional organisational career and job security or they violate their promises, and it suggests that the novelty of this problem has been overstated.

The following questions are derived from the problem statement:

Primary

How do the firemen experience the Psychological Contract?

Secondary

- What are the main expectations and obligations of each of the parties (employer and employee) involved?
- What form of violation will the parties experience if the contract is breached or violated between them?

1.2 RESEARCH OBJECTIVES

Primary objective:

To determine how the firemen experience the Psychological Contract.

Secondary objectives:

- To determine the main expectations and obligations of each of the parties involved.
- To determine what form of violation the parties will experience if the contract is breached or violated between them.

1.3 RESEARCH METHODOLOGY

The method of investigation is a literature study and empirical research

1.3.1 LITERATURE STUDY

Psychological contract is no new term to society; therefore it is important to obtain any type of literature pertaining to information on a psychological contract as well as that on the expectancies and obligations in organisations. Since the study concerned the South African public sector workers, it was also important to trace some South African literature on this subject. Thus any national or international books and articles were consulted for accurate information and findings in this regard.

Literature concerning psychological contracts, social contracts, expectations, obligations and roles was also studied for purposes of this research.

Databases consulted: Emerald, Ebscohost, Google scholar, SA E Publications, Sabinet, Jstor.

1.3.2 EMPIRICAL RESEARCH

The survey procedure is used in this study. According to De Vos (2005:133), "(s)urveys can be used to collect data on facts about individuals separately and in organisations and communities, as well as data on their behaviours and unobservable variables such as attitudes, beliefs, feelings and ethical standards".

The research is done from a quantitative approach.

1.3.2.1 RESEARCH DESIGN

As seen in 1.3.2, the research design is of a quantitative approach. The quantitative category included surveys and content analysis.

1.3.2.2 PARTICIPANTS

In this study there were two parties, namely the employees (the firemen and -women) and the employers (the fire chief or higher up, for instance the local government). The study population that was chosen to represent the employee and employer of the public sector was the fire brigades of the North-West Province.

Firemen and -women from the largest towns and cities in the North-West Province were chosen for this study as a sample of workers as well as for research purposes.

The expected cross-sectional sample size was 200, but unfortunately only 110 firemen and -women and 28 fire brigade management staff agreed to participate in this study due to the fact that they felt that people make promises to them while it never seems to realise.

Sampling technique worked as follows: Every member of the different fire brigades were requested to participate in our study

1.3.2.3 MEASURING INSTRUMENTS

The measuring instruments that were used were self-constructed questionnaires from Conway and Briner 2005 as well as the Psycones questionnaire and a biographic questionnaire to obtain background information regarding the respondents.

1.3.2.4 PROCEDURES

For purposes of this study, permission was obtained from the fire stations and municipalities of Klerksdorp, Rustenburg, Fochville, Vryburg, and Potchefstroom. The ethics that were practised were ensured by making the questionnaires available in English and it was tested so that everyone had an equal chance and only then it was used. It was also ensured that the findings did not impact negatively on the respondents.

1.4 ETHICAL ASPECTS

According to De Vos, Strydom, Fouché and Delport (2005:69), "... ethics is a set of moral principles which is suggested by an individual or group, is subsequently widely accepted and which offers rules and behavioural expectations above the most correct conducts towards experimental subjects and respondents, employers, sponsors, other researchers and assistants and students".

Only informed consent was accepted from the respondents. To ensure these ethical aspects, the completion of the questionnaire was performed anonymously and the identity of the individuals will not be disclosed. No form of deception will be inflicted on the respondents, meaning that what we are asking and what we use the information for will match, if it should happen, or someone should find the questionnaire misleading, it will be rectified immediately. Information was handled in a confidential manner. The investigation proceeded correctly and no one was deceived in the findings.

1.5 DATA ANALYSIS

The quantitative data will be analysed by my study leader, Dr B Linde and myself. Descriptive statistics, Factor analysis and Frequencies are also given in the empirical chapter.

1.6 CHAPTER LAYOUT

Chapter 1:

Introduction and Problem statement

Chapter 2:

Reviewing the Psychological contract theory

Chapter 3:

Expectations, Obligations and Violation of Psychological contracts

Chapter 4:

Empirical research and results

Chapter 5:

Interpretations and Summary of the main findings, conclusions and recommendations

Chapter 2:

Psychological contract theory

2.1 INTRODUCTION

Limited referrals to the psychological contract existed before the late 1980's. Writers, although fairly the minority of them, often quite autonomously use the idea *the psychological contract*. Although the notion *the psychological contract* had emerged at that stage, it was a theory mostly unused for some decades and remained not fully formed until modern times (Conway & Briner, 2005:3).

The psychological contract is the main construct this study focuses on and the impact it has on the fire brigades in the North-West Province. In Chapter 1 the problem statement and the research objectives were identified and discussed in which the general objective and specific objectives are stated. The research method was explained and a chapter layout given. It also explained the different aspects that are associated with the psychological contract and the content that is made up of expectations, obligations as well as breach and violation of the contract as part of the problem statement and motivation for the study.

These mentioned objectives include the following: firstly, to set out and determine how the firemen, the community and management (for e.g. fire chief) experience the psychological contract. Secondly, to set out and determine the main expectations and obligations of each of the three parties involved, and lastly, to determine what form of violation the parties will experience if the contract is breached or violated between the parties.

The intent of this chapter is to provide the reader with a background to ensure that the concept *the psychological contract* is understood and that there is no confusion. This background serves a very important role in this study because in order to study something, one needs to know where it originated and where it is heading. This chapter covers all that and more on the psychological

contract. Furthermore it is subdivided into four sections, mainly concerning an overview of the psychological contract. Section 2.2 contains the history and development of the term *the psychological contract*. Two key periods are considered here which can be described as pre- and post-Rousseau. Focus will also fall on how the concept is being used currently.

In Section 2.3 attention will be given to what the psychological contract is and what it consists of. Like many concepts, the key components of the psychological contract have been widely and yet occasionally indistinctly defined. This chapter sets out some of the main definitions and considers in detail similarities and differences across accounts and also the meaning of the key terms of most widely used definitions. And finally, in section 2.4 the focus is on two aspects of the psychological contract, namely breach and violation of the psychological contract.

As mentioned, the psychological contract is only one of a number of ways of explaining behaviour at work. This chapter considers the idea of the psychological contract, as well as how the idea of breach and violation has been used to understand how the psychological contract affects behaviour. Attention will also be given to some alternative theoretical approaches.

2.2 THE HISTORY AND DEVELOPMENT OF THE PSYCHOLOGICAL CONTRACT

2.2.1 INTRODUCTION

The psychological contract has accomplished substantial prominence over the past decade in both theory and practice. One motive for this transfer is that it is regarded as a practical method of accepting and perhaps overseeing apparent changes to employment relationships regarding new economic and organisational conditions such as foreign competition, downsizing, increased dependence on temporary workers and demographic diversity (Conway & Briner, 2005:7).

This section provides a backdrop to later sections and chapters by tracing the

history and development of the concept *the psychological contract*. Two main stages are considered: Firstly, the early history of the psychological contract up to but not including Rousseau's (1989) influential reconceptualisation of the psychological contract and the first phase is characterised by rather irregular theoretical expansion, the contribution of a number of diverse disciplines and sub-disciplines and limited empirical work (Conway & Briner, 2005:7). The second or modern phase concerns Rousseau's work and developments since that time. This period is somewhat different, being characterised by reasonably little profound hypothetical improvement, a narrowing of the disciplines involved, and considerable, largely quantitative empirical work. This second period has produced some of the vast bulk of material discussed in this chapter (Conway & Briner, 2005:7).

2.2.2 INFLUENCES OF OTHER STUDIES ON THE PSYCHOLOGICAL CONTRACT

2.2.2.1 THEORETICAL ORIGINS OF THE PSYCHOLOGICAL CONTRACT

Schein (1980) suggested that the concept *the psychological contract* is an extension of what has been written by philosophers about social contracts (as cited in Roehling, 1997). With origins traceable to ancient Greek philosophers, social contract theories and theorists (e.g. Hobbes and Locke) experienced popularity in the seventeenth and eighteenth centuries (Roehling, 1997:205). Gough (1978) distinguished between two kinds of contracts referred to under the term, *social contract*. One kind of contract, which deals with the origin of the state, supposes that a number of individuals who were living in a state of nature voluntarily consented to form an organised society. Commonly associated with this kind of social contract is the notion of natural rights that belong to individuals as a result of their agreement to form an organised society (Roehling, 1997:205).

The second form of social contract may be called the "contract for government" or the "contract for submission" (Gough, 1978:3; Barker, 1980). This form of social contract presupposes the existence of a state, addressing the terms on which the state is to be governed. In this context, the social

contract is an agreement regarding the reciprocal rights and duties of the state and its citizens. For example, the governed promise to pay taxes, comply with the laws, and share the risk of security in exchange for protection, fortification and opportunity for expansion provided by the state (Roehling, 1997:205).

2.2.2.2 INITIAL THEORIES THAT HAD AN IMPACT ON THE PSYCHOLOGICAL CONTRACT

Conway and Briner (2005) state that several other texts have been thought to influence the development of the psychological contract even though they did not explicitly address the concept. This section will be the starting point of the history of the psychological contract in this chapter.

The equilibrium theory of Barnard (1938) suggested that employees' continued participation in the work-place depend on adequate rewards from the organisation. March and Simon's (1958) contribution inducements model of 1958 extended this theory by specifying in more detail the nature of the resources exchanged and arguing that continued participation depends on whether employees observe the inducements offered by the organisation as equal to or larger than the contribution made by the employee. According to this model, an organisation remains solvent, or in balance, through ensuring that the contributions made by employees adequately surpass the inducements presented to employees (Conway & Briner, 2005:8).

Conway and Briner (2005:9) further say that the influence of March and Simon's (1958) model on shaping the psychological contract is rarely accredited even though there are prominent similarities among the two approaches, most remarkably the idea that the swap of contribution for inducements is defined both explicitly and implicitly by the terms of the employment contract (Conway & Briner, 2005:9).

Menninger (1958) is another author that is generally credited with first introducing in his book 'Theory of Psychoanalytic Technique', the idea that psychological contracts are involved in a range of interpersonal exchanges, focusing in particular on the explicit and the unspoken contract between

patient and psychotherapist (Conway & Briner, 2005:10). However, he did not explicitly use the term *psychological contract* until the reissue of this book in 1973. For Menninger (1973), this contract and the behaviour of both parties to the contract are influenced, occasionally in contradictory ways, by both unconscious and conscious processes (Conway & Briner, 2005:10).

In this division (2.2.1.2), the people who played a part in the development of the concept were mentioned. In the subsequent section (2.2.3), the focus is on the history of the psychological contract from where it started to when Argyris (1960) first applied it up until Rousseau (1989; 1990; 2001; etc.) and the work she has done in the past few years up to getting where she is today in the industry.

2.2.3 THE HISTORY OF THE PSYCHOLOGICAL CONTRACT

2.2.3.1 EARLY DEVELOPMENT OF THE PSYCHOLOGICAL CONTRACT THEORY

The psychological contract theory has come a long way from where it was first identified in the 1960's under Argyris' attention. Argyris (1960) first used this concept when blue-collar workers and their supervisors experienced trouble understanding each other in the work relationship. Argyris (1960) called this work relationship concept "the psychological work contract" and it was based on the social contract that had already been applied by philosophers (as discussed previously). The notion of the psychological contract was used to refer to the employees' and employers' work expectations of each other in the work-place versus the social contract where the expectations towards people are of the government and the community (and vice versa). The contents of the psychological contract theory did not stop there. It also included different kinds of expectations (implicit and explicit), obligations, values and aspirations of workers that functions a step higher than the work contract (Roehling, 1997:205).

Argyris' (1960) application of the psychological contract took researchers in this field (like those about to be mentioned) to a new level and it helped to

further improve the overall term and use of the psychological contract thereafter. Levinson (1962) (who claims to be the father of the concept; as cited in Roehling, 1995) took the role as researcher of the psychological contract a few years later (as cited in Conway & Briner, 2005:10). Levinson (1962) also described the psychological contract as an unwritten contract with the sum of mutual expectations between the organisation and the employees (Anderson & Schalk, 1998:638). Levinson's (1962) work appeared to come from a humanist perspective where it aimed to enhance the experience of work and acknowledge work as playing a crucial role in mental health (Conway & Briner, 2005:10).

The next prominent research on the psychological contract theory can be found in Schein's 1965 book "Organisational Psychology" (Conway & Briner, 2005:12). Schein's work drew on that of Argyris (1960) and Levinson (1962) and it placed more emphasis on understanding the relationship from both the employees' and employer's perspective. More detailed consideration was given to the organisation's experience of the psychological contract and how it can be expressed through organisational culture, and at a more micro-level through line management (Conway & Briner, 2005:13).

Schein (1965) also emphasised the importance of the psychological contract in understanding and managing behaviour in organisations. Schein (as cited in Conway and Briner, 2005) argue that "(e)mployers and employees might not write expectations into any formal agreement because it operates powerfully as determinants of behaviour in the organisation and the work relationship...".

Schein (1965) thus stated that the psychological contract had unwritten expectations that formed part of the contract and it had an impact on the behaviour of the employees of the organisation. The psychological contract thus constituted two levels, namely the individual and the organisational level. But like Levinson (1962), Schein (1965) emphasises that the psychological contract will change over time to suit the changing working environments (Conway & Briner, 2005:13).

2.2.3.2 ROUSSEAU'S IMPACT ON THE PSYCHOLOGICAL CONTRACT

Denise Rousseau mainly dominates recent prospects in the psychological contract. Rousseau's attempt is frequently recognised as having had the utmost influence on the psychological contract research since the writings of Levinson, 1962; Schein, 1965; Roehling, 1997:210). The article written by Rousseau in 1989 marked an elemental shift in tolerating the meaning and functioning of the psychological contract and how it could be empirically investigated. As Roehling (1997) notes, this article marked a transition from early to what is understood as contemporary research on the psychological contract and played a central role in the reinvigoration of the field (Conway & Briner, 2005:14; Roehling, 1997:210).

Rousseau's alteration of the psychological contract was unlike any form of previous research in four different ways (Conway & Briner, 2005:14). First, in contrast to earlier work that emphasised expectations, Rousseau placed stronger emphasis on the promissory nature of psychological contracts defining the contracts as an individual's belief regarding the terms and conditions of a reciprocal exchange agreement between that focal person and another party (Conway & Briner, 2005:14; Roehling, 1997:210). Key issues here include the belief that a promise has been made and a deliberation offered in exchange for it, binding the parties to some set of joint obligations (Rousseau, 1989:123). While Levinson (1962) notes the mandatory quality of psychological contract expectations (Roehling, 1997:211), Rousseau emphasises promises rather than expectations, although there is still much debate around the meaning and connotation of promises and the extent to which it can be separated from the notion of obligations and expectations (Conway & Briner, 2005:14).

A second vital change was a move away from screening the psychological contract as one connecting the perspectives of two unified parties, towards seeing it as an individual-level subjective observable fact existing in the eye of the beholder (Rousseau, 1989:123; Roehling, 1997:212; Conway & Briner, 2005:14). In other words, earlier approaches emphasise the nature of the accord between the two parties, whereas Rousseau focuses very much on the

individual employee's perceptions as the most significant influence on feelings, attitudes and behaviour (Conway & Briner, 2005:14). Proceeding from this view, Rousseau⁵⁶ (1989) suggests that it was not possible for organisations to have psychological contracts, since only people, and not abstract entities, can hold them (Conway & Briner, 2005:14; Roehling, 1997:212). Rousseau (1989:6) states that "(o)rganisations cannot perceive, though their individual managers can themselves personally perceive a psychological contract with employees and respond accordingly".

A third difference can be found by probing justification of how psychological contracts are formed. Earlier thinking recognised basic human needs as the driving force behind the arrangement of expectations (Conway & Briner, 2005:14; Roehling, 1997:212). Rousseau (1989), on the other hand, suggests that psychological contracts are created by the individuals' perceptions of their own and the organisation's behaviour in terms of open verbal, written promises or tacit promises arising from consistent and constant patterns of behaviour by parties to the contract (Roehling, 1997:213). Rather than being created by some deeper-level motives such as needs, Rousseau (1989) believes that it is primarily an individual's perceptions of apparent behaviour that constitute the psychological contract (Conway & Briner, 2005:14).

Finally, there are differences in the mechanisms used to explain how the psychological contract affects conduct (Roehling, 1997:213). Early explanations tended to centre on the extent to which employees perceived rational matches between the inducements offered by the organisation and their own offerings irrespective of what had been promised. In contrast, Rousseau (1989) proposes the idea of violation as the main mechanism linking the psychological contract to various outcomes (Conway & Briner, 2005:15). Violation is defined as failure of organisations or other parties to respond to employees' contribution in ways the individual believes employees are obligated to do (Rousseau, 1989:129; Conway & Briner, 2005:15).

Table 2.1*Pre-Rousseau and Post-Rousseau*

PRE – Rousseau	POST – Rousseau
Emphasis on expectations	Emphasis on promises: “Emphasis on the promissory nature of the psychological contract”
Focus on nature of accord between the two parties	Focus on individual employees’ perceptions of the work relationship
Recognition of basic human needs as driving force behind the arrangement	Psychological contract is created by individuals’ perceptions of their own and the organisation’s behaviour in terms of open verbal, written and tacit promises.
Early explanation tended to centre on the extent to which employees perceived rational matches between inducements offered	Proposes the idea of violation as the main mechanism linking the psychological contract to various outcomes of failure by any of or both the parties

The contemplative influence of Rousseau’s ideas in generating prospective research and awareness of the psychological contract can be accounted for in a number of ways (Roehling, 1997:215). The most well-recognised explanation, mentioned previously, is that the psychological contract was seen as a means of accepting existing changes to the employment relationship (Conway & Briner, 2005:15). A second reason for its influence is Rousseau’s cautious separation of the psychological contract both from previous conceptualisations and connected information such as fairness and met expectations, therefore allowing researchers to commence investigations on what appeared to be innovative and moving plans (Conway & Briner, 2005:15; Roehling, 1997:215).

Compared to prior conceptualisations emphasising unconscious need-driven opportunities, Rousseau moves towards the psychological contract as evident promises made it irrefutable and eagerly researchable through uncomplicated and fixed research methods such as questionnaire surveys (Conway & Briner, 2005:15). Ultimately, the key idea of violation provided researchers with a

fairly simple means, which could be used to help comprehend and research associations between the psychological contract and the different outcomes of different work relationships (Conway & Briner, 2005:15; Roehling, 1997:215).

2.2.3.3 CURRENT RESEARCH ON THE PSYCHOLOGICAL CONTRACT

It is important to recognise that researchers have used the concept *the psychological contract* in various ways. According to Roehling (1997:210), significant elements of all the definitions of the psychological contract included the following: The psychological contract is an integration of beliefs, values, expectations and aspirations of employer and employee, including beliefs regarding implicit promises and obligations, the extent to which these are perceived to be met or violated and the extent of trust within the relationship. These expectations are not necessarily made explicit. It can be regarded as the implicit deal between employers and employees. It implies fairness and good faith.

Since Rousseau's (1989) article, practically all empirical articles published on the psychological contract suggest that the theory has now reached a more established phase in the development of the concept (Conway & Briner, 2005:15). In the past five years it has been linked to other variables relevant to the employer and employee relationship such as autonomy, work satisfaction, motivation or other work aspects between these two parties. Also, as would be accepted in more established research areas, several critiques of the psychological contract have also appeared (Arnold, 1996; Conway, 1996; Guest, 1998; Conway & Briner, 2005:15).

Over and above the recognition of the inclined aspect of organisational realities by means of the psychological nature of the contract, the psychological contract also proposes considering the employment connection as the parallel of voluntary duty. One trait of contractual opinions is to consider employment performance as the consequence of sovereignty and support. Because people will defy any alteration in a contract that creates losses (Rousseau, 1995), independence and approval are required to give rise to sturdy unequivocal employment actions (Conway & Briner, 2005:16).

In other words, since behaviours are based on freedom and recognition, behaviours are adequate to promote exchange and predictability. Rousseau agreed that (1995:253) “(w)hen a person voluntarily agrees to be bound to a contract, he or she gives up some measure of freedom. Another party makes contracts when we surrender some of our freedom from restrictions in exchange for a similar surrender. But by giving up something voluntarily, we all get more than might be possible otherwise”.

These intentions entail having alternatives to inspire better individual attachment to hold out a promise (Conway & Briner, 2005:16). Therefore anticipation in the direction of positive returns, as well as self-image and admiration, or social strain and apprehension for reputation, or constant metaphors shaped by the act of promising, are measured sufficiently for individual success and leads Rousseau (2000) to refuse the idea that economics might teach non-cooperation (Rousseau, 2000:253; Dany, 2002:6).

Rousseau (2000) also discards an oversimplified scrutiny which has led to an emphasis in specialised supervision training on bargaining, competition and arm's length connections, rather than information contribution, sensible expectations and good faith dealing; the tremendous essence of those contracts that can be reserved. In fact, using previous research into impetus, the followers of the psychological contract are led to consider trust as a critical component of organisational life (Dany, 2002:6; Conway & Briner, 2005:16).

Indeed, trust in mutual commitments rather than external control and coercion is likely to ensure behavioural consistency and willingness to respect one's personal commitments (Conway & Briner, 2005:16). Consistent with an emphasis on individual motivational factors of being bounded, the trust element of the psychological contract theory is also linked to the fact that, thanks to trust, contracts can generate not only cooperation but also flexibility. The credibility of reciprocal commitment can end the costly behaviour of ongoing monitoring and bargaining (Dany, 2002:6).

Two reasons can explain that the belief that one has made a commitment and

is therefore bound to some future action, makes change easier; firstly because individuals do not pay attention to the change and secondly because changing the contract does not necessarily mean violating it (Dany, 2002:6). When the mutual respect of interests provokes remediation and credible explanation, many forms of violation can be removed. In a number of cases it can be considered possible to accept that the spirit, if not the latter form of violation, has been honoured (Dany, 2002:6).

An individual's desires to come to new arrangements are stronger than the strict respect of whatever was said or written. Despite the importance of promise to contracts, guarantees are not the vital theme of contracting. Reducing reliance losses is. Nonetheless, inconsistencies in top management communication to its work-force, and most of all, downsizing and the consequent loss of voluntaries, operate in opposition to contracting (Conway & Briner, 2005:16). Dany (2002:6) states that, "(b)ecause changes may take place without the consent of those affected by them and because disillusionment slides into cynicism it is likely that many employment arrangements do not have the force of a contract".

Nevertheless, the pervasiveness of contracts may continue. First, new contracts need to be drawn up to meet the needs of a work-force which is more active in contract making so it feels in a stronger position to negotiate, or that it feels the need to update existing contracts to correspond to changes in, for example, one's personal-professional situation. Secondly, the need for a committed work-force is important, not only because the traditional forms of control cannot always be implemented (service activities for example), but also because companies need to be able to rely on employee willingness to update their actions as conditions (Dany, 2002:6).

Thus, whereas some employment arrangements may not correspond to the contracts, Rousseau (2000:2) writes: "In a traditional world, nothing is particularly voluntary about obligations and duties. They are the fabric of the social life. But in a modern world, the striking feature of contractual obligations is that their basis is individual freedom of choice." This belief in individual freedom and the trust-based perspective of the firm it refers to,

means contractual thinking is a clear path to accomplishing two often impossible tasks: predicting the future and forestalling change”.

What it boils down to is the statements to facilitate the notion that all people have definite tasks, be it at work or at home. Obligations form an essential part of each individual's life. Rousseau (2000) points out that it is a component of a person's social life. But if attention is given to how life today, and in particular the work-place, is in this modern world, obligations are still here but individuals have an assured freedom of choice, as Rousseau (2000) puts it, to choose whether that is what the employees want to do (Dany, 2002:6). In modern society, especially like that of South Africa, each employee and employer has a certain amount of things backing them such as human rights, which prohibits them, or actually keeps employers and employees safe, if they do not feel the need to do something or they feel that it is not part of their job description (Dany, 2002:6).

2.2.3.4 TYPES OF PSYCHOLOGICAL CONTRACTS

In today's different industries there are two types of psychological contracts for all these different types of employees and employers. To theoretically ground our search for multiple types of employment relationships, we turn to studies on types of psychological contracts (Anderson & Schalk, 1998:640).

Transactional and relational terms are fundamental components of most employment contracts. Rousseau proposes a two by two model of contemporary psychological contracts, which includes the transactional and relational contracts. The two proposed factors of the model are time-frame and performance requirements (Rousseau, 1989):

1. Time-frame refers to the duration of the employment relationship
2. Performance requirements are the prerequisites of performance as a condition of employment.

It is widely believed that the longer a relationship continues between employer and employee, the more intense the involvement between the two parties becomes, fostering feelings of trust, loyalty and mutual support. The concept

the psychological contract may be differentiated and categorised as being transactional or relational by nature in order to clarify an otherwise perplexing theory (Rousseau, 1995).

Transactional versus relational contracts

Rousseau (1989) was one of the first researchers to distinguish between two kinds of psychological contracts: transactional and relational. Their different characterisation is due to their different orientation towards time frame and tangibility. Transactional psychological contracts are characterised by a short-term employment relationship in which the performance requirements or mutual obligations can be unambiguously specified. They are fairly specific and economic by nature (Jansens, Sels & Van den Brande, 2003:351).

In agreements, relational contracts are characterised by long-term employment relationships in which mutual obligations cannot be unambiguously specified. They are both economic and social/emotional by nature, less clearly specified and to a degree open-ended. The other types – balanced or team player and transitional – from which time frame combining the dimensions of time frame and tangibility can derive, are less discussed types of psychological contracts (Jansens et al., 2003:1351).

2.2.4 VIOLATION AND BREACH OF PSYCHOLOGICAL CONTRACT

Long-term job security in return for hard work and devotion has come under strain with the existing unstable business environment (Pate, 2006). The psychological contract has been used to analyse the changing employment relationship and has been defined as “(a)n individual’s beliefs regarding the terms and conditions of a reciprocal exchange agreement. Key issues here include the belief that a promise has been made and a consideration offered in exchange for it” (Rousseau, 1989:125).

In a tentative context, organisational changes frequently make it indistinguishable as to what both parties, the employee and employer essentially owe each other, thus making satisfying obligations harder (as sited

in McLean Parks & Kidder, 1994). As a result there is an amplified probability of misconception and violation of the psychological contract (Robinson, 1996; Braun, 1997). Preceding research indicates that psychological contract breach is relatively common (as cited in Robinson & Rousseau, 1994) and content analysis has shown that violation frequently relates to training and development, compensation and promotion (as cited in Robinson & Rousseau, 1994) where employees feel that the organisation has reneged on its promises (Pate, 2006:35).

The process of contract formation dominates the psychological contract literature and there is little attention given to the violation of such a contract (Pate & Malone, 2000). Three themes have emerged in the psychological contract violation that does exist. Firstly, the frequency with which breach and violation occurs (Pate & Malone, 2000:157-158); secondly, the process by which violation occurs (Pate, 2006) and lastly, the effects of violation (Pate, 2006; Pate & Malone, 2000:158).

The majority of this literature provides evidence of changes to the employee and employer relationship at the attitudinal level but there is little evidence of behavioural outcomes. One of the strengths of the psychological contract construct is that it has high face validity with employers and employees (Anderson & Schalk, 1998). However, there is a danger that the term becomes merely meaningless rhetoric rather than an analytical construct (Pate, 2006; Guest, 1998:269).

2.2.4.1 DEFINING PSYCHOLOGICAL CONTRACT VIOLATION

Rousseau (1989) realises earlier on what the importance of violation was in work relationships. It helped to point out how far people could be pushed and to what lengths they would go to ensure that they kept their jobs. It also set a standard for measuring work relationships as well as job satisfaction and other job-related concepts. In this research project violation will be focused on more than on breach, because in South Africa many people would rather work in terrible work environments than quit, due to the small number of jobs that are available in the country. Hence the assumption that breach already

occurs already exists, but with violation the different grades can be measured.

Psychological contract violation has been defined as a failure of the organisation to fulfil one or more obligations of an individual's psychological contract (as cited in Robinson & Morrison, 1995; Robinson & Rousseau, 1994). Morrison and Robinson (1997), however, argue (as cited in Pate & Malone, 2000:158) that this definition focuses on the rational, mental calculation of what individuals have or have not received and downplays the emotional aspect of violation. As such they draw the distinction between psychological contract breach and violation. Pate and Malone (2000:156) refer to perceived breach as "the cognition that one's organisation has failed to meet one or more obligations within one's psychological contract". Therefore breach is essentially the identification of perceived unmet obligations; consequently it may be a relatively short-term phenomenon and may result in individuals returning to their relatively stable psychological contract state, or alternatively it may develop into full violation (Pate, 2006:35).

Violation, however, is an emotional and affective state that may follow from the belief that one's organisation has failed to adequately maintain the psychological contract (Pate & Malone, 2000:158). *Contract violation* is more than the failure of the organisation to meet expectations; responses are more intense because respect and codes of conduct are called into question because essentially a promise has been broken and it is more personalised (Rousseau, 1989). Psychological contract violation has been described as multi-faceted (Morrison & Robinson, 1997) because it incorporates a wide range of responses. At one level, violation invokes responses of disappointment, frustration and distress (Robinson & Morrison, 1995; Pate & Malone, 2000:158).

More extreme emotional responses include anger, resentment, bitterness and indignation (Rousseau, 1989; Pate & Malone, 2000:160). Violation has also been associated with behavioural outcomes such as lower organisational citizenship, reduced commitment, satisfaction and trust, while cynicism increases (Pate & Malone, 2000). As a result when an individual's psychological contract is violated the relationship becomes more calculated

and transactional, but how far it moves along the continuum is dependent on the strength of the perceived violation (Pate & Malone, 2000:158).

2.2.4.2 TRIGGERS OF CONTRACT BREACH LEADING TO PSYCHOLOGICAL CONTRACT VIOLATION

Triggers of psychological breach may be rooted in an organisation's inability to meet obligations regarding distributive, procedural and interaction aspects of justice (Anderson, 1996). Distributive violation occurs when outcomes are perceived to be unfairly distributed, for example financial rewards. Procedural violation refers to the perception of the unfair application of procedures, such as promotion. Finally, interactional violation is linked to employees' perception of trust of superiors and the organisation as a whole and occurs when employees feel they have been treated badly. Such notions of fairness trigger assessment of the psychological contract (Pate, 2006:35).

2.2.4.3 OUTCOMES OF PSYCHOLOGICAL CONTRACT VIOLATION

Pate and Malone (2000:158) identify four main courses of action an individual may take in response to a perceived violation, which can be divided into two dimensions: active-passive and constructive-destructive:

1. **Exit.** Often exit is the last resort when dealing with contract violations. Voluntary termination of the violated relationship. Employers can terminate the services of workers whose performances do not meet standards and workers can quit an untrustworthy or unreliable employer. Both passive and destructive, exit is by no means the only response to a violation.
2. **Voice.** Voicing any feelings helps to reduce losses and restore trust. It is an active, constructive effort to change the objectionable features in the situation and compensate for the violation while remaining in the relationship.
3. **Silence.** Silence is a form of non-response. It reflects a willingness to endure or accept unfavourable circumstances in the hope that they may improve. As a passive, constructive response it serves to

perpetuate the existing relationship.

4. Destruction/Neglect. Passive negligence or active destruction. It is most common when voice channels do not exist or where there is a history of conflict. It can involve neglect of one's duties to the detriment of the interests of the organisation or involve more active examples of counterproductive behaviours. Vandalism, theft and work slowdowns are all examples of this type of response.

Psychological contract violation may result in a number of attitudinal or behavioural responses (Pate, 2006:35). Attitudinal responses include reduced organisational commitment, job satisfaction and increased cynicism (Robinson & Morrison, 1995). In addition, individuals may become more cynical. *Employee cynicism* has been defined as a negative attitude and involves a belief that their organisation lacks integrity, negative emotions regarding the organisation and a tendency of employees for critical behaviour towards their organisation (Dean et al., 1998; Pate et al., 2000:159).

The targets of such cynicism are usually senior executives, the organisation in general and corporate policies. Relationship rupture may also engender behavioural changes in reduced effort and citizenship. Therefore breaking the psychological contract may have implications for employee and organisational performance (Pate, 2006:35). Additionally, studies applied to the psychological contract to absenteeism at work suggest that “the psychological contract emerges from interaction and communication, effectively dictating how culture is acted out” (Nicholson & Johns, 1985:398).

Therefore it is “the psychological mechanism by which collective influence is translated into individual behaviour” (Nicholson & Johns, 1985:398) and thereby stresses the impact of attitude on behaviour although this was not empirically tested.

2.3 INFLUENCE OF THE SOCIAL EXCHANGE THEORY ON THE PSYCHOLOGICAL CONTRACT

2.3.1 THEORETICAL ANALYSIS

The social exchange theory developed from the intersection of economics, psychology and sociology. According to Homans (1958), the initiator of the theory, it was developed to understand the social behaviour of humans in economic undertakings. The fundamental difference between economic exchange and the social exchange theory is in the way actors are viewed. The exchange theory views actors (person or firm) as dealing not with another actor but with a market (Emerson, 1987) responding to various market characteristics; while the social exchange theory views the exchange relationship between specific actors as actions contingent on rewarding reactions from others (Blau, 1964; Conway & Briner, 2005:56).

Today, the social exchange theory exists in many forms, but they are all driven by the same central concept of actors exchanging resources via a social exchange relationship where social exchange is the voluntary transfer of resources (x, y) between multiple actors (A, B). The theory has evolved from a dyadic model to a network model with market properties.

2.3.2 CONCEPTS AND ASSUMPTIONS CONCERNING THE SOCIAL EXCHANGE THEORY

(Human Behaviour and Social Interaction as Exchange)

The Exchange theory is based on the premise that human behaviour or social interaction is an exchange of activity, tangible and intangible (Homans, 1961:12-3) particularly of rewards and costs (Homans 1961:317-8). It treats the exchange of benefits, notably giving others something more valuable to them than is costly to the giver, and vice versa (Homans, 1961:61-63) as the underlying basis or open secret of human behaviour (Homans, 1961:317) and so a phenomenon permeating all social life (Coleman, 1990:37). Not only is the market permeated by exchange but also the non-economic realm, the social relations situated between extremes of intimacy, self-interest or cost-

benefit calculation and disinterested, expressive behaviour (Blau, 1964:88-91; Conway & Briner, 2005:56).

Social exchange is composed of actions of purposeful actors that presuppose constellations of their interests and resources. The complex of interdependent exchange processes constitutes the market functioning within a definite social and institutional structure, though admittedly the latter has not been systematically examined within rational choice theory. Since these processes are assumed to be governed by reciprocal relations they would not continue in the long-run if reciprocity were violated (Conway & Briner, 2005:56–57).

The concept of exchange ratio or balance-imbalance, leading to the concepts of power, dependence and cohesion, is implied in the attribute of reciprocal reinforcements (Emerson, 1969:387-389). In consequence, exchange theory examines the processes establishing and sustaining reciprocity in social relations, or the mutual gratifications between individuals. The basic assumption of exchange theory is that individuals establish and continue social relations on the basis of their expectations that such relations will be mutually advantageous (Conway & Briner, 2005:56–57). The initial impetus for social interaction is provided by the exchange of benefits, intrinsic and extrinsic, independent of normative obligations (Emerson, 1969:387-389).

This section explains how and when emotions, produced by social exchange, generate stronger or weaker ties to relations, groups or networks. It is argued that social exchange produces positive or negative global feelings, which are internally rewarding or punishing (Emerson, 1969:387-389). The theory indicates that social units (relations, groups, networks) are perceived to be a source of these feelings, contingent on the degree of jointness in the exchange task (Conway & Briner, 2005:56–57). The jointness of the task is most prominent if actors find it difficult to distinguish their individual effects on or contributions to solving the exchange task (non-separability) and actors perceive a shared responsibility for success or failure at the exchange task. The theory explicates the effects of different exchange structures on these conditions and, in turn, on cohesion and solidarity. Implications are developed

for network-to-group transformations (Emerson, 1969:387-9; Conway & Briner, 2005:56 –57).

The social exchange theory states that all social relationships essentially consist of exchanges of both economic and social resources (Conway & Briner, 2005:56–57). Individuals seek out and remain in social exchanges for many reasons, not least because of the incentives available for doing so. However, the most important reason in the context of understanding the psychological contract is that when individuals receive benefits the employee feels indebted and obliged to reciprocate (Conway & Briner, 2005:56 –57).

The idea that individuals feel obliged to reciprocate if someone receives something is central to the social exchange theory and is based on the idea that a social norm for reciprocity exists such that people should help those who helped them and people should not injure those who have helped them. The social exchange theory predicts that what an employee receives from its employer will be returned in kind. For example, if an organisation attempts to change its psychological contract with an employee from a transactional to a relational one, it is expected that the employee's behaviour and attitudes will move in the same direction as those of the organisation (Conway & Briner, 2005:56–57).

Social exchange is therefore conceptualised as a joint activity of two or more actors in which each actor has something the other values. The implicit or explicit task in exchange is to generate benefit for each individual by exchanging behaviours or goods those actors cannot achieve alone (Conway & Briner, 2005:56–57). By merely reading the sentence above it becomes evident that the social exchange theory influences the psychological contract to a large degree.

The joint activity can, for example, refer to the job in hand and the expectations and obligations can refer to the "something the one actor has that the other one wants". This explains that the firemen, for example, have skills and training that their employers value because this entitles them to do their job. In this sense the fire brigades have something that the employers

and community wants. On the other hand the employers have salaries and benefits that the fire brigade wants, hence in return these two parties exchange what they have and then each of the other parties gets what it needs and what is beneficial to it in the end.

Consequently all relationships entail give and take, although the balance of this exchange is not always equal. The social exchange theory therefore explains how people feel about a relationship with another person depending on our perceptions of the balance between what people put into the relationship and what they get out of it; the kind of relationship others deserve and the chances of having a better relationship with someone else.

In deciding what is fair, a comparison level was developed against that which compares the give-or-take ratio too. This level will vary between relationships, with some being more giving and others where more is received from the relationship. They will also vary to a large extent in what is given and received. Thus for example, exchanges at home may be very different, both in balance and content, from exchanges at work.

2.4 CONCLUSION

As Roehling (1995) states from the earliest origins of the psychological contract terminology, the term has been used to describe very different phenomena. The psychological work contract described by Argyris (1960) and the psychological contract described by Levinson (1965) differed in a number of significant ways. Argyris described an implicit agreement between a group of rank and file employees (who had a shared understanding) and an individual, their supervisor. The agreement was described as resulting from the fact that the supervisor had come up through the ranks, and as a result, shared the norms of the employee culture (Roehling, 1997:214).

Roehling (1997) further suggested in contrast to Levinson et al. (1965), who focused on the relationship between individual employees and their employers. They viewed employees' expectations, which were said to frequently antedate the relationship of the person and the employer, as a

product of the individual's needs and motives, tempered by the individual's past experience and knowledge of the current situation. Levinson et al. (1965) give examples of employees who come to the same company with different needs and motives that lead to different expectations, and result in different psychological contracts.

In contrast, Roehling (1997:214) provides a definition of psychological contracts which emphasises Rousseau's focus on promises: "Psychological contracts refer to beliefs that individuals hold regarding promises made, accepted, and relied upon between themselves and another". Rather than involving shared expectations that are driven by needs that antedate the relationship, the psychological contract described by Rousseau (1989) involves subjectively perceived promises that are said to be shaped by the individual's interaction with the employer. There has been little recognition of the fact that the psychological contract construct has been conceptualised in a number of significantly different ways.

Historically, each researcher or writer has defined the psychological contract construct in some way that she or he feels is suitable, or has adopted one of the existing definitions, with little or no explicit consideration of competing views of the construct. With few exceptions, a lack of recognition and attention to competing views of the psychological contract construct continues to be reflected in the psychological literature (Roehling, 1997:215).

Attention was also given to other theories that have or had an impact on the psychological contract and there has been many. Two that stood out were the social contract that played a part in the development in the psychological contract on the one hand, and the other the social exchange theory that still plays a huge part in the success of the psychological contract in any organisation or work relationship. The social exchange theory is tantamount to the exchange relationship between two people, in either business or pleasure. This theory largely supports the psychological contract because the psychological contract works on expectations and obligations and if you throw in the exchange theory, you see that the fire brigades for instance know what is expected of them but they want something, like payment, as reward for their

skills.

To conclude, the psychological contract is made up of a variety of aspects and concepts that do play a vital role in any work relationship. We have seen where the psychological contract started and who the key development figures or researchers are, why the psychological contract is so important, the different types of psychological contracts etc. The point is that the psychological contract is needed by every employer and employee to create a healthy work relationship between both parties. Without a psychological contract, employee attitudes, beliefs and behaviours might be negative and vindictive. Thus the importance of the psychological contract, written or unwritten, in any work relationship is not only necessary but it is a necessity for a healthy and forthcoming work relationship.

Chapter 3:

Expectations, obligations and violation of the psychological contract

3.1 INTRODUCTION

The psychological contract has a number of defining features as discussed in previous chapters. Sutton and Griffon (2004) stated that the psychological contract could be described as follows:

It is inherently subjective (McFarlane Shore & Tetrick, 1994) and perceptual (Robinson, 1996); it is reciprocal and promissory (Rousseau, 1990); it has both transactional and relational elements (Guzzo & Noonan, 1994); and it will change over time (McFarlane, 1994:495). Even in the presence of formal contracts, psychological contracts are formed to reduce uncertainty, direct employee behaviour without surveillance, and to give employees a sense of control and predictability (McFarlane, 1994:495).

In this study the psychological contract is the main focus as well as the impact it has on the fire brigades in the North-West Province. In Chapter 1 the problem statement was identified and the research objectives, including the general objective and specific objectives, were established. The research method was made clear and the chapter layout. Furthermore, the diverse aspects that were linked to the psychological contract were explained as part of the introduction. These stated objectives included determining how the firemen and management (for e.g. fire chief) experience the psychological contract, as well as exploring, by means of a literature study, expectations and obligations of each of the parties involved in the employment relationship, and lastly resolving what form of violation the parties will experience if the contract is breached or violated between the parties concerned.

In Chapter 2 an in-depth impression was given concerning the background and history of the psychological contract. The purpose of this chapter, and to reach the research goals as stated in Chapter 1, was to identify and thoroughly discuss the theoretical principles of the psychological contract. Therefore Chapter 2 was divided into four sections with the first section mainly concerned with the overall overview of the psychological contract. The following section contained the history and development of the psychological contract. Two key periods are considered here which can be described as pre- and post-Rousseau. The focus also was on how the concept is currently being used. The attention of the next section was on the psychological contract theory and the contents thereof. Like many concepts, the key components of the psychological contract have been widely and yet occasionally indistinctly defined. Chapter 2 also set out some of the main definitions and considerations of similarities and differences and also the meaning of the key terms of most widely used definitions. Finally, two aspects of the psychological contract were accentuated: the experience of breach and that of violation of the psychological contract.

While the psychological contract has been discussed in theoretical terms in the previous chapter, this current chapter focuses on the more practical aspects of this concept. This chapter is therefore associated with the secondary objectives of this study for the reason that examples of expectations, obligations and violation is given to the reader as well as emphasizing these aspects of the contents. The secondary objectives were set to establish what the expectations and obligations are for the parties in this study and whether violation occurs due to the fact that the expectations and obligations are not met.

The contents of the psychological contract broadly refer to an employee's and employer's perception of the contributions that are made between the two parties in the work relationship and also what they perceive should be received in return from the other party (Rousseau, 1989). The content of the psychological contract thus broadly refers to the promises an employee perceived was made to them by the organisation and what the employee believes the organisation has promised in return. On this issue Conway and

Briner (2005:37) states that: Employee contributions include such things as making sufficient effort, offering skills and knowledge, having a concern for quality, and being flexible. The organisation in return provides such things as promotion, training, pay, respect, and feedback. Rousseau and Parks, Kidder & Gallagher (cited in Conway & Briner, 2005) further defines the contents of the psychological contract as: The contents are defined as an employee's expectations of what the employee feels she or he owes and is owed in turn by the organisation. "And as what "employees expect to give or contribute and what it is that employees expect to receive in return – their entitlements (2005:37).

In this chapter the spotlight will fall on the content of the psychological contract but more specifically expectations, obligations and violations. Procedures, policies and typical obligations of fire brigades will also fall under the microscope in this chapter as well as the different types of each of these concepts. To reach the above aim of this chapter, it will be divided into three components, namely expectations, obligations and violation. In these categories, subdivisions will be made so as to look into the theoretical summaries of the three main concepts and to determine whether there are different types within these categories.

3.2 THE RELATION BETWEEN EXPECTATIONS AND OBLIGATIONS

In the sections that will follow (3.3 and 3.4), distinctions between expectations and obligations will be implied through the discussions of the psychological contract. In this study focus on expectations and obligations through the eyes of one party ensures that the concepts are seen as two different concepts, but if the focus on expectations and obligations are on both parties in the work relationship, expectations for one party become the other party's obligations and vice versa. In this section though, the focus is on both concept and what it brings to the psychological contract. Conway and Briner (2005:114) state that the terms are used loosely, with some researchers defining the psychological contract in terms of promises, while on other occasions defining the psychological contract in terms of expectations. For example, Rousseau (1989:123) defines the psychological contract in terms of promises where the

psychological contract refers to an individual's belief regarding the terms and conditions of a reciprocal exchange agreement between the focal person and another party.

The main subjects here consist of the belief that a promise has been made and a reflection presented in exchange for it. Rousseau and Greller (1994:386) state that "in simple terms, the psychological contract encompasses the actions employees believe are expected of them and what response they expect in return from the employer" (as cited in Conway & Briner, 2005:114).

The need for simplicity or stability in specifying the kinds or convictions that comprise the psychological contract poses some problems for researchers. First, if they (the researchers such as Rousseau, 1989) do not know what the psychological contract exactly refers to, it becomes difficult to clearly interpret or make sense of theoretical statements made concerning the psychological contract (Conway & Briner, 2005:114). For example, a breach could mean a broken promise, an unfulfilled obligation or an unmet expectation.

Second, if the psychological contract is defined quite tentatively so that it comprises an extensive range of beliefs concerning the substitution, it means that just about any work-place insight could be thought of as part of the psychological contract (Conway & Briner, 2005:114). These authors also state that, at the moment, the psychological contract includes a wide range of beliefs from explicit promises to subtle, possibly unconsciously held, expectations. If any kind of belief can be part of the psychological contract, the concept is weakened as an analytic or explanatory tool.

3.3 EXPECTATIONS

King and Bu (2005:48) explain the concept *expectations* as follows: The psychological contract may contain hundreds of expectations, although job seekers or new recruits may consciously think of only a few. Regardless of how well companies may understand the financial expectations of the employees, it is impossible to identify all aspects of their expectations from

their employment (Rousseau, 1989). By the same token, while new employees may have a clear understanding of their organisations' expectations of their technical contributions, they may not be clear as to what the organisations expect of them beyond their specific job duties (Kotter, 1973). Therefore employees are often left to make sense of these relationships by filling in gaps themselves based on dominant cultural norms, their training, their experience or their own interpretation and perceptions.

Williams (2004:28) states that the psychological contract is defined as the implicit expectations of a government department and employees concerning each other's behaviour and obligations. Williams went on to say that expectations employees have, or believe they have been led to have, is the basis for the psychological contract.

Boddy (2001:1), however, states that, where one or both parties have implicit expectations of the other, then clearly there is great potential on both sides for misunderstandings to occur. Even though it is not specified in the formal contract, a government department expects employees to be committed and to contribute as much as possible to the department's goals. On the other hand, the employees expect the government department to be loyal and to promote them in the long run.

Many studies have focused on the psychological contract, which has been defined as attitudes regarding what each party is permitted to receive and obligated to give in exchange for an additional party's assistance in the work relationship. Hence "the psychological contract is what one expects in return for what one provides at work" (Inscape Publishing, 2001:1). It ought to be highlighted that the employee and employer does not need to have the same opinion on the information and details of the contract for each of them to consider the fact that a contract truly does exist. In truth, the only noteworthy attribute of the psychological contract is that participants experience that a promise was made to meet their expectations even if they never verbalised their expectation to the other person (Inscape Publishing, 2001:1).

Williams (2004:28), on the other hand, feels that regardless of spoken and

unspoken expectations of management, the trust employees place in their work relationships, for example in this study the fire department, and the level of commitment they are willing to invest, depend on how well management and the government fulfil the psychological contract. Williams (2004:28) went on to say that, due to the flexibility and work-place change, it is becoming increasingly unlikely that psychological contracts will be fulfilled.

Therefore it seems that employees are still expected to work hard and employers continue to hope for loyalty, but employees are no longer offered a job for life in return for loyalty and hard labour (Williams, 2004). Williams (2004) stated that only until recently, the psychological contract was not specifically discussed at the work-place amongst the parties in the work relationship, but the parties concerned seemed to understand it. The nature of these discussions would have been too conservative and it could have made the work situation awkward, as stated by Inscape Publishing (2001:2): "In the traditional workplace, a psychological contract stood for an unspoken expectation that, in substitution for loyalty and hard work, an employee would be rewarded fairly and would have employment for life." This is no longer necessarily applicable in general.

In work-places today it is thought that change and uncertainty contribute to staff that are no longer loyal (Inscape Publishing, 2001:2). This is further elaborated on by Inscape Publishers (2001:2): Employees are expected to work hard and employers continue to hope for loyalty; nevertheless, employees are no longer offered a job for life in return for loyalty and hard work. The work-place psychological contract of ten years ago is clearly outdated and its updated version remains ambiguous. In fact, research done by Turnley and Feldman (1998) and by Williams (2004) shows that the key to managing expectations is that they be spoken; even if an employee's expectations are not met, having the opportunity to learn why can decrease or eliminate the negative consequences for both the employee and the organisation.

Focus now turns to the types of expectations one might find in a psychological contract. It is important for this study to distinguish between the different

expectations because it can help the reader differentiate in the empirical chapter as well as explain the different types of expectations in a work relationship.

3.3.1 TYPES OF EXPECTATIONS

Later in this study (Chapter 4) a specific set of expectations the different parties have in the study population of this research will be identified and discussed. However, in this part of the research certain expectations have been listed by Swanepoel, Erasmus, Van Wyk and Schenk (2005:488) and it will be used and adapted for expectations because of the work environment of the research sample, being fire brigades.

Fire brigades deal with different situations and different emergencies from those of the “normal” employee or employer. Their day-to-day work life differ from day-to-day employees and a fireman can save a persons life and on another day a fireman or someone close to him may die at work or they might lose a victim. These expectations they might have can still fall into two main types of expectations: Extrinsic and Intrinsic expectations

3.3.1.1 EXTRINSIC EXPECTATIONS

Extrinsic expectations can be divided into two types of expectations, namely the financial and non-financial expectations. Extrinsic expectations deal with what a person physically wants from the employer. Extrinsic expectations are the outer expectations that other people can see, for example a company car or a better office. Financial expectations are either performance-related or membership-related (Swanepoel et al., 2005:488).

Swanepoel et al. (2005:488) further explains performance-related expectations as additional expectations, such as a commission, performance bonuses, merit pay, incentive schemes, stock ownership, and share options. These types of financial expectations can assist employees in improving their living conditions, since it provides them with comfort or reassurance of better lifestyles.

Membership-related expectations are the basic financial expectations that an employee has when entering the employment contract, including the basic package the employee receives. This basic package can include expectations such as a basic salary, benefits (such as a retirement package), car allowances, medical aid, a thirteenth cheque and leave (Swanepoel et al., 2005:488). The employee sees this form of financial expectation as a basic right.

Non-financial expectations can also be divided into two types, including things such as the location of a person's office, office furnishings, assigned parking, public recognition, commendations and convenience services. These types of expectations better life in the same ways as the financial expectations in a way that people feel that they have more status and that they are more recognisable in the organisation. It makes a person feel more appreciated and accepted in the work environment (Swanepoel et al., 2005:488). According to Swanepoel et al. (2005:488) recognition that the employee receives as part of this type of expectation is more important than the money.

The final extrinsic expectation that will be discussed in this section is the social expectation. This also focuses on the recognition a person receives from the organisation but from a social and relational perspective. These expectations include acknowledgement of achievements, recognition through praise, compliments, friendly greetings and dinner invitations and any other types of social gatherings such as gala events (Swanepoel et al., 2005:488).

Extrinsic expectations such as the above-mentioned social expectation could also be seen as intrinsic expectations in certain instances. Any expectation depends on the employee self and no one else. In the following section intrinsic expectations will be discussed.

3.3.1.2 INTRINSIC EXPECTATIONS

The other main type of expectation is intrinsic expectations and it focuses on what a person believes is right for them in the work situation. It also focuses on the inner-self or ego of a person. These types of expectations are also

linked to what a person sets out to achieve at work as a type of long- or short-term goal (Swanepoel et al., 2005:488).

The expectations referred to here are not sub-categorised but rather appear individually. The following are expectations that might be found in this category: more responsibility at work, opportunities for personal growth, participation in decision-making as well as other important group activities, more interesting and challenging jobs, autonomy as well as task completion (Swanepoel et al., 2005:488).

It is obvious that the above-mentioned extrinsic and intrinsic expectations are not focused specifically on the types of employees the study is researching (emergency service or public sector employees) but rather on office employees for private sector companies. However, the expectations mentioned are applicable to their situation at work as well and it would be a mistake to overlook the similarities that the fire brigade may have to these expectations because they are also employees working for employers who expect certain things from them as well as the other way around for the employers.

In Table 3.1 the researcher summarised this section by listing examples of the different expectations opposite each other.

Table 3.1
Intrinsic vs Extrinsic Expectations

Intrinsic Expectations	Extrinsic Expectations
Responsibility	Financial Expectation: <ol style="list-style-type: none"> 1. Performance-related and 2. Membership-related expectations
Personal Growth	Non-financial Expectations <ol style="list-style-type: none"> 1. Status and 2. Social expectations
Participation	
Autonomy	
Challenges	

3.4 OBLIGATIONS

3.4.1 NATURE OF OBLIGATIONS

Robinson et al. (1994:138) state: “*Obligations* are defined as beliefs, held by an employee or employer, that each is bound by promise or debt to an action or course of action in relation to the other party.” These mentioned obligations may be derived from implicit or explicit expectations – as was discussed above – of prospective exchange or reciprocity, but the construct is essentially perceptual. Each of the parties in the work relationship possesses his/her own individual observation of the reciprocal obligations defining the work relationship. To appreciate apparent employment obligations, it is helpful to believe the social phenomena through which it is tangled (Robinson et al., 1994).

Researchers, as cited in Turnley, Bolino, Lester and Bloodgood (2003:190), suggest that: the psychological contract helps to define the terms of the social exchange relationship that exists between employees and their organisations (Robinson & Morrison, 1995a; Shore & Barksdale, 1998). These relationships are made up of the voluntary actions that each party engages in with the belief that the other party will reciprocate these behaviours in one way or another (Homans, 1961). In contrast to relationships based purely on economic exchange, social exchange relationships involve obligations which cannot be specified ahead of time and require the parties to trust one another (Blau, 1964). Although the obligations making up these types of relationships are somewhat diffuse, a general expectation of reciprocation drives their evolution.

Turnley et al. (2003) confirms that the psychological contract deals with people’s convictions regarding their obligations to the employer and obligations the employer owes in return. Furthermore, Rousseau (1995) elaborates that obligations symbolise the groundwork of the psychological contract, and because obligations make up a persons subjective belief, they are formed by his or her understanding of the organisation’s different facets such as the organisational culture and the people (King & Bu, 2005). How

workers experience the organisation by way of socialising within the organisations recruiters, supervisors and top management as well as the signs sent by official measures is a key basis of information concerning psychological contract obligations (King & Bu, 2005; Turnley et al., 2003).

Because of the biased nature of the perceived obligations of the psychological contract, these beliefs are not always a mutual agreement, and therefore the employee can occasionally have expectations which are not valid obligations of the employer (Robinson et al., 1994). This dispute is also consistent with psychological contract theories – as discussed in Chapter 2 – which imply that the psychological contract philosophy arises not only from recognised organisational messages, but also from tacit actions (King & Bu, 2005).

King and Bu (2005) elaborate on this by stating: “Mutual obligations are the essence of the employment contract defining the relationship between employer and employee. Employees agree to make specific contributions to organisations in return for benefits from the employer.” (p. 48.) Similar to section 3.3 where types of expectations were given, focus in this section now turns to the types of obligations that are important to this study. There are many types of different obligations, but in the following section transactional and relational obligations will be elaborated on.

3.4.2 TYPES OF OBLIGATIONS

MacNeil (1985) and Rousseau (1989) categorise and assemble different facets of obligations into transactional and relational (as cited in King & Bu, 2005:48), but before the types are listed, Robinson et al. (1994) describe both types of obligations that will be discussed in this section.

Robinson et al. (1994:141) define the two types of obligations as “Transactional aspects of encouragement or transactional obligations from employers emphasise specific, short-term and monetary obligations such as high pay, performance-based reward and rapid career advancement.” Transactional obligations from employees emphasise basic obligations such as giving advance notice when quitting, refusing to support the employer’s

competitors and protecting the employer's important information (Rousseau, 1990). Transactional obligations are known to be short-lived and specific and it focuses more on financial expectations. Relational obligations of the psychological contract on the other hand, focus on broad, long-term and socio-emotional obligations (Robinson et al., 1994). King & Bu (2005:49) furthermore confirm: "Employees expect employers to offer long-term job security, support with personal problems and opportunities for career development. In return, employees are obligated to work extra hours when needed, to be loyal and to volunteer to do non-required tasks".

In today's work environment employees and employers experience that they can have both relational and transactional obligations but the two obligations play an important role on one another. If for instance the transactional contract is strong, the relational contract will be strong as well. Hence it is important to note that these two types of obligations can function as a whole or as separate entities.

The researcher lists in the following table the obligations that can be found in transactional and relational obligations as mentioned in this section.

Table 3.2
Summary of Obligations

Transactional obligations	Relational obligations
Based on and result expectations	Recognised mutually
Calculative	Unspecified
Reciprocity expected and enforceable	High levels of trust
Negotiable within limits	Reciprocity volunteered
Boundaries recognised and determined by tasks	Interpersonally developmental
Economic exchanges are considered here	Developmental emphasis
Little organisational loyalty	Unenforceable in law

3.5 VIOLATION OF THE PSYCHOLOGICAL CONTRACT

Although violation has been discussed in the previous chapter, this section will now define violation and then progress to a more practical than theoretical perspective. Practical examples will also be given. Before discussing the nature and influence of experiencing psychological contract violation, this concept will be defined and also compared with breach of contract.

3.5.1 DEFINING PSYCHOLOGICAL CONTRACT VIOLATION

Consequently breach is basically the classification of apparent unmet obligations. As a result it may be a fairly temporary occurrence and could result in an individual's frequent state to his/her comparatively established psychological contract, or on the other hand it may expand into complete violation (Pate et al., 2003). Violation though, is an "emotional and affective state that may follow from the belief that one's organisation has failed to adequately maintain the psychological contract" (Morrison & Robinson, 1997:230).

Morrison and Robinson (1997:230) refer to perceived *violation* as "the cognition that one's organisation has failed to meet one or more obligations within one's psychological contract". According to Pate et al. (2003), the psychological contract violation has been defined as a failure of the organisation to fulfil one or more obligations of an individual's psychological contract (Robinson & Morrison, 1995; Robinson & Rousseau, 1994). Morrison and Robinson (1997:558), however, have argued that this definition focuses on the rational, mental calculation of what individuals have or have not received and downplays the emotional aspect of violation. As such they draw the distinction between psychological contract breach and violation.

Additional severe emotional responses contain anger, bitterness, resentment and annoyance (Rousseau, 1989; Pate & Malone, 2000). Violation has in addition been connected through behavioural outcomes such as minor organisational citizenship, abridged obligations, contentment and trust while scepticism increases (Robinson & Rousseau, 1994; Robinson & Morrison,

1995; Robinson, 1996; Herriot et al., 1998; Pate et al., 2000; Pate et al., 2003).

3.5.2 DIFFERENCE BETWEEN VIOLATION AND BREACH

The idea of breach and violation of the psychological contract is a metaphor taken from legal contract where breach and violation is taken to be less than perfect performance by one of the parties in a work relationship regarding contract term. Researchers used the terms breach and violation interchangeably until Morrison and Robinson (1997) made a key distinction that is now accepted by most researchers working in this field. Conway and Briner (2005:64) refer to Morrison and Robinson's (1997) definition as follows: *Breach* is a cognitive comparison of what has been received and what has been promised and violation is the extreme affective or emotional reactions that may accompany breaches. In other words, breaches are perceived discrepancies between what has been promised and what is delivered, whereas *violation* is the emotional reaction that may also be experienced when such discrepancies are perceived. They suggested that such a distinction is consistent with previous theory describing violations as deeply distressing emotional experiences.

3.5.3 FORMS OF VIOLATIONS

According to Rousseau (1995), violation can take three forms: inadvertently, disruptive or renegeing:

Table 3.3

Forms of violation

Inadvertent	Able and willing (divergent interpretations made in good faith)
Breach of contract	Able but unwilling (renegeing)
Disruption	Willing but unable (inability to fulfil contract)

Inadvertent violations occur when the employer or employee makes different

or opposing interpretations (Rousseau, 1995). This type of violation is unintentional and it can arise from a misleading statement, which the employer or employee interprets in their own way. These types of violations can be solved fairly easily because it was made in good faith.

The next type of violation an employer or employee can experience is the actual breach of contract where the chance of solving the problem is small. As the table states: the parties in the work relationship might be able to fix the situation but they are unwilling. Unwillingness can stem from a person has bumped his/her head too often, too many chances were given and warnings handed out (Rousseau, 1995).

The last form of violation is disruption. The parties involved are willing to make a change but it seems impossible for one or both of the parties to fulfil the contract. This inability to fulfil the contract ensures trouble or disturbances in the work environment, which in return ensures that the other employees cannot fulfil their daily duties (Rousseau, 1995).

Whether the employee understands the foundation of where the violation is occurring, such as the unwillingness or inability to comply has a tremendous impact on how breach is experienced and what employees do in response (Bies & Moag, 1986, as cited in Van de Ven, 2004).

3.5.4 CAUSES OF VIOLATION

Even though contracts can be breached in immeasurable ways, there are a number of general forms (Van de Ven, 2004). Recruiters may promise the employee that a certain job stands a chance of challenges, expansions, or improvements (Williams, 2004). At the same time, however, eager job seekers may read what they want to hear into a promise and they then create their own notion of the job and what it entails (Williams, 2004). Managers, co-workers, or executives who say one thing and do another can all provoke breaches or a feeling of violation (Van de Ven, 2004:5). A common cause of breaches for many employees involves a change in different types of changes in the work-place such as when a superior changes or the job description

changes. When one's boss or mentor is promoted, terminated or retires, old deals may be absconded (Van de Ven, 2004:5).

Similarly, changes in human resource practices, even with constructive intent can appear to break old commitments. Then the different contract makers express divergent intentions. A mission statement can convey that the organisation rewards employees based on merit while the compensation system is based on seniority. Different contract sources may each convey mutually exclusive promises (Rousseau, 1995; Van de Ven, 2004).

The experience of psychological contract violations are likely to have an invasive negative impact on employee attitudes and behaviours, including increased neglect of in-role job duties, reduced willingness to engage in voluntary behaviours supportive of the fire brigade and increased attempts to leave the organisation altogether (Pate, Martin & McGoldrick, 2003). On this statement Turnley and Feldman (2000:25) elaborate that consequently, the negative consequences of psychological contract violations are likely to go beyond the damaged feelings and scepticism felt by employees; psychological contract violations might be a consequence of the behaviours that are critical to organisational success.

Researchers (Rousseau, 1989); Pate & Malone (2000) have done enough to identify that psychological contract violations are likely to have widespread negative results in organisations. As layoffs and reorganisations continue to occur and as the current employment relationship undergoes transformation, the importance of understanding psychological contract violations will remain important. To a large extent but not entirely, psychological contract violations function through a sense of unmet expectations and job dissatisfaction (Turnley & Feldman, 2000).

When a party in a relationship believes that the other has violated an agreement (implied or explicit), the victim experiences anger, resentment, a sense of injustice and wrongful harm. The intensity of the reaction is directly attributable not only to unmet expectations of specific rewards or benefits, but also to more general beliefs of intrinsic origins, and other patterns of

behaviour associated with relationships involving trust.

3.5.5 PRACTICAL EXAMPLES OF VIOLATION

For purposes of this section, newspaper articles and other forms of media were consulted. The distinction that was mentioned in this section is very important to this study because, for here, only violation will be used. Breach among public sector workers does exist.

This is not accounted for by being cynical, but if one watches the news, reads newspapers, or listens to the radio it is obvious. Public sector workers work under harsh circumstances, monetary cut backs, retrenchments and under-staffed shifts (Dolley, 2006; Dentlinger, 2007; Griffiths, 2006; Mbanjwa, 2005; Powell, 2006; 2007).

If we used the population for this study, namely fire brigades, as an example of things being said in the press, perceived breach or violation could arise from fire brigades being under-staffed. Each fire brigade has to have a certain number of firemen and -women on duty each day and no one has to work double shifts, but what is happening currently? Fire brigades do not have enough members (for e.g. 5 firemen and -women have to do 15 others' work). And to make matters worse, some even have to work consecutive shifts (Powell, 2006; 2007).

Another factor that rubs salt in their wounds is that if they had to work all these shifts immediately after each other, they might have time to go home, but most of the time it tends to be a waste of time. But why are their needs not better catered for by giving them extra things if they have to stay over so long, for example food, or money to buy food with. Granted that these are small prices to pay for working such long hours, fire brigades never receive concessions

All these are examples of violations only, and it shows that violation is a regular phenomenon in the public service sector. Violation is a well-known subject that has not received much coverage in research as an entity on its

own. This is not what this study intends doing; it will focus on violation as part of the psychological contract without breach.

3.6 CONCLUSION

Expectations, obligations and violation were discussed in this chapter. They are three very important aspects that make up the content of the psychological contract. They are significant for the reason that they play an enormous part in an organisation's well-being and functioning. If an employee or employer is happy and satisfied, work-place ethics and loyalty are much higher and vice versa; thus it will guarantee disappointed workers and disloyalty to the employer if certain expectations are not met.

The expectations discussed in this chapter include implicit and explicit expectations, since employees have their perceived obligations and expectations. These expectations differ immensely because expectations are formed through different stages in life and from different experiences (Inscape Publishing, 2001:2). Expectations concerning jobs are mainly derived from a variety of sources including work experience, academic preparation, and the job search process, including internal/external information acquisition (Robinson et al., 1994). Logic suggests that the more information gathered the more likely job expectations would be congruent with reality. These expectations form the basis of an individual's transition (socialisation) into the organisation (Inscape Publishing, 2001:2).

Obligations used in this study were perceived and not what the real obligations might be in a fire brigade although some of the obligations mentioned might be in the psychological contract of the parties concerned in the study. They are only perceived, because we experienced difficulty obtaining information from local government and institutions because they feel that these are very personal to their staff. Obligations also plays a major part in this chapter because by doing this study we can establish what the ratio of the obligations are against the expectations in their psychological contracts because they have so much to do and so many people counting on them on a daily basis.

The information obtained will also be of great importance because the fire brigades in this sense will be representatives of the public sector worker and it can be of great value because of the cuts that have been made in recent years and the perceived violations that might have been felt. Unlike expectations that can occasionally be unspoken, implicit or frequently formed, obligations are duty-bound and may even form part of an employment contract.

Violation was the final section in this chapter and it is certainly no less significant than the other aspects. It is important, since employers need to start familiarising themselves with it, because in certain cases it can come in handy when they have to deal with upset or distraught employees, and they should learn to make a compromise to lighten situations and to ensure that employees feel that employers do their part in helping them to have a better work environment and experience.

Prior research has demonstrated that violations of psychological contracts are relatively common and that psychological contract violations are associated with a variety of negative outcomes (Van de Ven, 2004). The outcomes likely to arise from the perception of psychological contract violation include reduced job satisfaction, reduced organisational trust, increased turnover, decreased feelings of obligation to one's employer, reduced willingness to participate in organisational citizenship behaviours, and decreased work performance (Van de Ven, 2004; Pate et al., 2003). Practical examples of violation were also discussed in this chapter. The examples were described and explained in terms of the psychological contract. The practical examples were obtained from relevant and quite recent media articles concerning the fire service of South Africa.

This chapter's main focus was to describe the contents of the psychological contract in a practical manner so that the reader knows what to look for in the following empirical chapter. The reader should also have a better idea of what the content entails as well as the different types of expectations, obligations and violations. In the following chapters a summary will be given of the results of the questionnaires and recommendations to what the fire brigade should

consider and reconsider as well as a conclusion to end this study to determine whether a difference can be made in the system that is currently being used.

Chapter 4:

Empirical Research and Results

4.1 INTRODUCTION

While the concept *the psychological contract* is not indirectly reflected across borders, there appears to be as many definitions as there are researchers and theories that are being developed daily, “resulting in different measurement practices, in turn influencing research results” (Psycones, 2006). The psychological contract is the central focus of this study and the role it plays in the fire brigades in the North-West Province.

Chapter 1 consisted of different features that were discussed such as the problem statement, the research objectives, in which the general objective and specific objectives were established, and a chapter layout. The research method was chosen and described and a quantitative method was used in this study. It also explained the miscellaneous aspects that were related to the psychological contract and the substance it is made up of such as expectations, obligations, as well as breach and violation of the contract as part of the problem statement and motivation for the study.

The objectives mentioned included the following: firstly, to set out and determine how the firemen and management (for e.g. the fire chief) experience the psychological contract. Secondly, to set out and establish the main expectations and obligations of each of the parties involved, and lastly, to resolve what form of violation the parties will experience if the contract between the parties concerned is breached or violated.

In Chapter 2 an in-detail suggestion was given to the reader concerning the background and history of the psychological contract, to guarantee that the concept *the psychological contract* is implied and that there is no confusion.

These conditions served an extremely significant function so that the reader can understand the concept and can also know where it originated. Chapter 2 is fixed into four sections, concerned mainly with the history and future of the psychological contract. Section 2.2 contained the history and the development of the psychological contract. Two key periods were carefully mentioned here which could be described as pre- and post-Rousseau.

Section 2.3 considered what the psychological contract is and what it is made up of. Like so many ideas of the psychological contract, the most important components of the psychological contract have been widely and yet occasionally imprecisely defined. Chapter 2 exposed a number of the foremost definitions and reflections of specific comparisons and distinctions across accounts and also the implications of the key requisites of most extensively used definitions. Lastly, in section 2.4, special attention was given to the two most common aspects of the psychological contract; namely breach and violation.

Despite the fact that the psychological contract has been discussed in theoretical terms in the previous two chapters, Chapter 3's focus was one that was more sensible and practical and more applicable so that the reader could associate with some of the obligations, expectations and violations given. Chapter 3's spotlight fell on the content of the psychological contract but more specifically expectations, obligations and violations.

Chapter 3 was divided into three categories, namely expectations, obligations and violation. In these categories subdivisions were made so as to look into the theoretical summaries of the three main concepts and to determine whether there were different types occur within these categories. In the different sections some expectations, obligations and violations were listed. Most of the obligations and expectations were either transactional or relational, which can also be described as internal and external.

With a deeper understanding of what the psychological contract consists of, focus in this chapter subsequently falls on the empirical research and the results that have been obtained in this research procedure. Chapter 4 thus addresses the research method and how it has been applied as well as the

findings of the research method and how reliable and consistent it has been. The quantitative research method and its functions and the different questionnaires used in this study, namely Psycones and Employer's perspective: Measure of psychological contract contents by Conway and Briner (2005), which was adapted from Tekleab and Taylor (2003), will be introduced and a brief background will be given as well as a look into the reliability of these questionnaires. "Understanding the strengths and weaknesses of the methods and designs used to research the psychological contract is important, as their quality determines the reliability and validity of data gathered using the methods and, hence, also the validity of claims made about the psychological contract on the basis of these data." (Conway & Briner, 2005:89.)

The statement above by Conway and Briner is of importance to this study because it points out the significance of the reliability and validity of research, and it interferes with the quality of a study if the research methods used are not reliable. Thus it will be exceptionally difficult to believe the statements made on the foundation of the research. All research methods and designs have strong suits and boundaries. So it is important to make sure of the design and method of research one wishes to use in one's study.

This chapter will be divided into 3 sections and it will be as follows: section 1 describes the research results regarding the employee questionnaire as well as the findings, section 2 will discuss the employer questionnaire and its findings and lastly section 3 will look into correlations and regressions found in the findings regarding both parties in the study.

4.2 RESEARCH METHOD

The aim of this dissertation is to measure the psychological contract of the fire brigades of five cities or towns in the North-West Province. The guideline for this chapter is the primary and secondary objectives that were stated for this study. The first and primary objective of this study was to determine whether the firemen and -women experience the psychological contract. The two secondary objectives were firstly to determine what the main obligations and

expectations are of these employers and employees, and secondly what form of violation is experienced, if any violation does occur between the two parties.

4.2.1 RESEARCH DESIGN

The cross-sectional questionnaire survey was used in researching the psychological contract in this study because, according to researchers such as Freese and Schalk (2007), it is the method most commonly used and the instrument that is most suitable in measuring the psychological contract. This method is intended to distinguish associations between attitudes at a very general level that are easy to interpret and understand. This method is used in this study for its simplicity because the sample is relatively small and also one that has never before been tested concerning their psychological contract in South Africa.

4.2.2 SAMPLE

The samples that were chosen for this study were fire brigades of the North-West Province. The sample was chosen because of all the difficulties the public sector is currently experiencing, as mentioned in Chapter 3. The sample that was used was strictly firemen and -women of five main fire stations in the North-West Province. The questionnaires were handed out to the fire brigades during staff meetings. The sample size is relatively small and consists of only 110 firemen and -women. The questionnaires were completed under supervision. Anonymity was ensured in the research process as well as regarding reporting on it. Characteristics of the study population are portrayed in Table 4.1.

Table 4.1

Characteristics of the Firemen and Firewomen

Item	Category	N
Station	Potchefstroom	29 (26,4%)
	Vryburg	22 (20,0%)
	Fochville	21 (19,1%)
	Rustenburg	20 (18,2%)
	Klerksdorp	18 (16,4%)

Gender	Male	86 (78.2%)
	Female	19 (7.3%)
Type of Contract	Permanent	83 (75.5%)
	Temporary	6 (5.5%)
	Volunteer	6 (5.5%)
	Reservist	13 (11.8%)
	Other	1 (0.9%)
Age	18 – 28	30 (27.1%)
	29 – 38	61 (55.5%)
	39 – 52	17 (15.3%)
Marital Status	Single/ Widowed	44 (40%)
	Engaged/ In relationship	8 (7.3%)
	Married	49 (45%)
	Divorced/ Separated	6 (6%)
Tenure at work-place	0 – 10 Years	75 (72.1%)
	11 – 25 Years	29 (27.9%)
Tenure of Position	0 – 10 Years	76 (75.2%)
	11 – 18 Years	26 (23.6%)

The table above and Figure 1 reveal that the average fire fighter of the North-West Province is Tswana-speaking, married, male with a permanent work contract, and between ages 29 and 38 years.

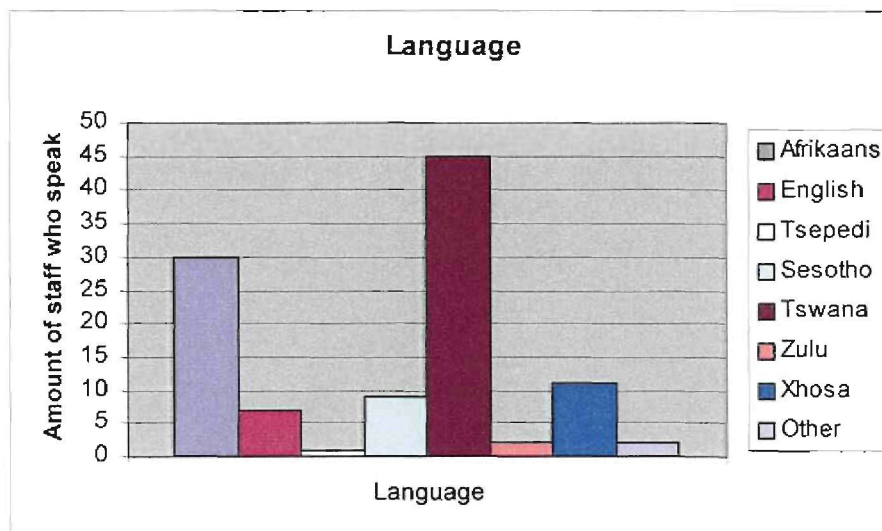


Figure 1: Comparison of the Languages being spoken at the Fire Brigades

South Africa has 11 official languages and 7 of them are used in the North-West Province fire brigades. From figure 1 it is clear that Tswana is the language of most firemen and -women, with Afrikaans taking the second place and Xhosa the third.

The characteristics of the employers on the other hand have a much smaller

range than those of the employees because, as indicated in Table 4.2, only 28 fire station managers, shift supervisors and supervisors participated in this study. Like the fire fighters, the average fire station manager or shift manager was male and had a permanent contract and the average age was also between 29 and 38 years, while the average employer either spoke Afrikaans or Tswana the average employer was married.

Table 4.2
Characteristics of the Employers

Item	Category	N
Station	Rustenburg	7(26%)
	Fochville	4(15%)
	Klerksdorp	6(22%)
	Potchefstroom	4(15%)
	Vryburg	6(22%)
		N=27
Gender	Male	24(89%)
	Female	2(7%)
		N=26
Type of Contract	Permanent	25(93%)
	Temporary	1(4%)
		N=26
Age	18 – 28	0
	29 – 38	18(66.6%)
	39 – 52	8(29.6%)
		N=26
Marital Status	Engaged/ In relationship	2 (4%)
	Married	24 (89%)
	Divorce	2 (7%)
		N=28
Tenure of position	0 – 15	15 (60%)
	16 – 33	10 (40%)
		N=25

The difference in the sample sizes was due to the fact that only five fire stations were identified to be tested, and as the case is in most work environments, the management staff are fewer than the employees.

4.2.3 MEASURING INSTRUMENTS

For purposes of this study only two measuring instruments are used, one for the employees which is called the Psycones and a separate one for the employers, adapted from Conway and Briner (2005).

The Psycones measure intends to assemble employee perceptions of the conditions of the transaction; therefore in other words, the employee

perceptions of the definite promises their organisations have made to them and *vice versa*. The study focuses on the experience of the psychological contract from the perspective of both employees and employers in fire stations in the North-West Province. Expectations and obligations are two of the main concepts that are being tested for purposes of this study. Measuring violation as a third concept for this study will test its impact on the work relationship.

To realise the stated objectives of this study, a particular measure was used in this section for testing the employees. The instrument that was used to measure the psychological contract was previously constructed for purposes of just that. The instrument is called PSYCONES. It is a questionnaire constructed by different researchers around the world, working in the field of the psychological contract. Like most instruments of the psychological contract contents the Psycones is a multi-item measure in which employees make ratings about promises that may be exchanged among employees and organisations. The measure's reliability is assured in most psychological contract studies. Thus for purposes of this study the reliability was guaranteed.

The theoretical structure of PSYCONES needs to determine the association of different employment contracts on employee's predictions, attitudes and behaviour and organisational conclusions, in so doing, assigning a fundamental function to the psychological contract. Both these perceptions are focussed on the uncertainty, because a vast definitional distinction, both across countries and authors, exists.

The Psycones project explores the consequence of contract permanency in cooperation with individual and organisational welfare. Every one but two of the dependent variables are well acknowledged, even though the understanding of the effects might profit from taking into account the heterogeneity related to the specific type of contract (Psycones, 2005). Moreover, the research is mostly oriented towards one-on-one relationships: a more systematic investigation of possibly intervening variables is needed. Besides violation, also job insecurity and employee/contract expectations (prospect of being offered a permanent contract) were identified as

important. This implies a new model with employee prospects as intervening variables (Psycones, 2005).

The measuring instrument used to test the employer's psychological contract was a questionnaire which we adapted from Conway and Briner (2005). The questionnaire in their textbook was simply used for the reader to gain insight into the different measures. However, we felt that it was important for our study to adapt the questionnaire because it pertains to the perceived psychological contracts of employers in an organisation. It also measures the perceived violation that has or has not occurred between the employers and their employees.

4.2.4 STATISTICAL ANALYSIS

To reach the objectives of the study, we need to determine the expectations and obligations of the psychological contracts of the fire brigades and to establish what form of violation either party in this work relationship perceives. The Psycones measuring instrument and Employer questionnaire were used to determine the outcome of this study by analysing the statistics. For analysing the statistics, the SPSS for Windows (version 14.0) was used. Factor analysis with Varimax rotation and Cronbach alpha coefficients were done to determine whether the questionnaire was valid and reliable as well as to establish how many and what factors there are. The Cronbach alpha coefficients were mainly used to assess the reliability of the measuring scales. Dewberry (2004:321) states that an alpha of 0.65 is an acceptable level. In this section the statistical analysis is described in detail.

4.2.4.1 DATA REDUCTION

A factor analysis with varimax rotation was performed on the psycones measuring instrument because it had no confirmed factor structure while the employer questionnaire had three defining factors from the beginning. It merely tested how the employers perceived each of the factors in their work relationship.

Principal component extraction was used earlier in the analysis for the principal factor extraction to estimate the number of factors, presence of outliers and factorability on the psycones. The eigenvalues and scree plot were studied to determine the number of factors underlying the psycones measuring instrument.

4.2.4.2 DESCRIPTIVE STATISTICS

Unlike in the case with the data reduction, both the measuring instruments' statistics were analysed with this method because of its importance to the study. Descriptive statistics include analysing the means, standard deviations, skewness and kurtosis of the different data sets.

4.2.4.3 CORRELATIONS

Pearson product moment correlation coefficients were computed to determine the relationship between the variables in this research data set. This method was mostly applied to reach the secondary goals, especially in determining whether violation is triggered by the other two factors.

Part 1: Employee Results

The results of the factor analysis are summarized in Table 4.3, 4.4, 4.5 and 4.6. Loadings above 0.45 and communality values (h^2) higher than 0.45 were utilised to identify the components. Of the eighteen measuring items underlying the first construct – employer obligations – seventeen were successfully clustered into three components. In the second construct – Emotions concerning the psychological contract – six of the six measuring items were successfully clustered into two components.

The third construct – Employee Obligations – also had eighteen measuring instruments and of all eighteen, three were clustered into components. Lastly, the construct – Mood at the fire station- had twelve measuring instruments and all of the twelve were clustered into three components. The three factors that loaded under the construct employer obligations were named Intrinsic

Expectations (7 items), Financial Expectations (5 items) and Non-financial Expectations (5 items). The loadings are related to the sub-constructs of employer obligations and they were not well placed in the table. Loadings of factor one were grouped together but the other two factors were not.

Table 4.3
Factor Loadings of Perceived employer obligations after Varimax Rotation

Item	h^2	1	2	3
Interesting work	0.61	.574	.492	.190
Reasonably secure job	0.69	.344	.746	.104
Good pay for work you do	0.49	.287	.461	.439
Provide new challenges	0.62	.374	.310	.621
Participate in decision-making	0.40	.291	.333	.450
Provide a career	0.54	.396	.526	.322
Provide good working atmosphere	0.67	.708	.258	.322
Ensure fair treatment by management	0.76	.765	.030	.413
Flexible in matching demands	0.66	.751	.292	.097
Provide pleasant work relationships	0.67	.768	.052	.286
Provide opportunities to grow and advance	0.65	.704	.334	.214
Improve future employment prospects	0.61	.620	.335	.330
Ensures no violence and harassments	0.56	.352	-.171	.639
Assists in problems outside of work	0.65	.236	.253	.728
Care if something happens on duty	0.59	.370	.617	.259
Ensure enough members/ squad/ shift	0.59	.079	.253	.720
Reasonable shifts	0.36	.330	.313	.397
Compensation for overtime	0.70	-.037	.823	.131
Eigenvalues		8.257	1.449	1.095
Percentage variance		45.873	8.051	6.085
Percentage Covariance		45.873	53.924	60.009

h^2 Communalities; F1: Intrinsic expectations; F2: Financial expectations; F3: Non-financial expectations

The two factors here that were identified related to the emotions concerning the psychological contract of the fire brigades. The factors were labelled positive and negative emotions. With positive and negative emotions containing two items each. The loadings were not well placed but rather equally distributed on a one-on-one basis.

Table 4.4
Factor Loadings of Emotions concerning the Psychological contract after Varimax Rotation

Item	h^2	1	2
Happy	.80	.892	-.082
Angry	.78	-.029	.881
Pleased	.71	.843	.080
Violated	.63	-.095	.785
Disappointed	.74	-.013	.862
Grateful	.83	.897	-.160
Eigenvalues		2.517	1.976
Percentage Variance		41.952	32.930
Percentage Covariance		41.952	74.882

h^2 Communalities; F1 Positive emotions; F2 Negative emotions

The three factors identified for the construct employee obligations are transactional obligations with nine items, relational obligations with six items and lastly responsibilities with three items. All items used in the measuring instrument for this construct contained items related to the obligations that employees need to fulfil. The loadings were well placed in the three groups, which made identification of the factors easy.

Table 4.5
Factor Loadings of Employee Obligations after Varimax Rotation

Item	h^2	1	2	3
Being present at work	.51	.237	.641	.202
Protecting the image of the work-place	.65	.313	.557	.493
Loyalty	.64	.212	.724	.262
Work overtime/ extra shifts when required	.63	-.005	.752	.247
Public display	.49	.529	.372	.260
Team Player	.67	.599	.412	.376
Being on time – work/ meetings	.57	.561	.386	.324
Assist colleagues and management	.66	.660	.446	.148
Volunteer to do jobs not stipulated in their job description	.49	.137	.685	-.012
Develop and better skills to do job	.57	.354	.662	.051
Meet performance expectations	.55	.489	.271	.488
Acceptance of change	.49	.642	.090	.168
Make suggestions for improvements	.75	.853	.006	.141
Improve current skills	.65	.635	.497	-.048
Respecting the rules and regulations of work-place	.76	.136	.164	.846
Work enthusiastically on jobs you prefer not to do	.60	.646	.191	.385
Take responsibility for career development	.67	.337	.197	.716
Take responsibility in case of emergency	.71	.145	.063	.829
Eigenvalues		7.964	44.242	44.242
Percentage Variance		1.648	9.154	53.396
Percentage Covariance		1.385	7.694	61.090

h^2 Communalities; F1 Transactional obligations; F 2 Relational obligations; F 3 Responsibilities

The last construct also loaded into three factors that included the mood experienced at the fire stations. The factors were labelled as Pessimism (5

items), Optimism (5 items) and Neutralism with two items. The loadings were not well placed but rather randomly.

Table 4.6

Factor Loading of the Mood at the Fire stations

Item	H ²	1	2	3
Tense	.79	.880	-.081	-.082
Calm	.49	-.172	.671	-.086
Uneasy	.42	.624	-.123	.133
Cheerful	.76	-.055	.850	-.174
Worried	.58	.729	-.112	.176
Enthusiastic	.58	-.061	.732	.207
Depressed	.79	.774	-.182	.395
Content	.64	.331	.190	.704
Gloomy	.69	.189	-.075	.798
Relaxed	.50	-.415	.477	.322
Miserable	.74	.694	-.054	.508
Optimistic	.58	-.084	.578	.489
Eigenvalues		3.947	2.564	1.031
Percentage Variance		32.891	21.369	8.594
Percentage Covariance		32.891	54.259	62.853

h² Communalities; F 1 Pessimism; F 2 Optimism; F 3 Neutralism

The descriptive statistics for the components and their factors are displayed in Tables 4.7, 4.8 and 4.9. All the tables reveal that good Cronbach alpha coefficients were obtained.

Table 4.7**Descriptive Statistics, Inter-item Correlation and Alpha Coefficients of Factors**

	N	Mean	Range	SD	Skewness	Kurtosis	Min	Max	α
Employer Obligations									
Intrinsic expectations	87	9.95	28	7.95	.679	-.413	0	28	0.92
Financial expectations	99	8.54	20	5.89	.253	-1.052	0	20	0.82
Non-financial expectations	99	5.94	20	5.30	.988	.266	0	20	0.78
Emotions concerning the Psychological contract									
Positive emotions	98	8.10	12	3.35	.116	-.677	3	15	0.86
Negative emotions	98	7.92	12	3.37	.380	-.440	3	15	0.80
Employee Obligations									
Transactional obligations	87	27.29	36	7.96	-.913	.504	0	36	0.88
Relational obligations	90	17.7	24	5.74	-.711	-.327	1	25	0.83
Responsibilities	98	10.43	12	2.54	-1.877	3.049	1	13	0.83
Mood at the Fire Station									
Pessimistic	87	14.42	20	5.28	.276	-.485	5	25	0.86
Optimistic	88	11.71	16	3.65	-.103	.105	4	20	0.77
Neutral	92	5.51	8	2.16	.234	-.396	2	10	0.62

Table 4.8**Descriptive Statistics, Inter-item Correlations and Alpha Coefficients**

Factor	N	Mean	Range	SD	Skewness	Kurtosis	α
Role ambiguity	110	10.85	12	2.78	-.661	.443	.502
Autonomy	110	17.99	19	5.25	-.435	-.604	.875
Skill utilisation	110	15.81	16	3.37	-1.202	2.243	.701
Time pressure	110	13.42	16	3.40	-.074	-.417	.624
Perceived Perf.	110	22.98	23	4.92	-.776	.554	.819
State of PC	110	18.08	28	7.04	.160	-.489	.901
Violation-Irritation	110	23.61	32	8.57	.058	-.760	.916

Table 4.9**Descriptive Statistics and Inter-item Correlations**

Factor	N	Mean	Range	SD	Skewness	Kurtosis
Unhappy with job	110	2.72	4	1.436	.237	-1.213
Bored with job	110	2.52	4	1.373	.413	-1.014
Enthusiastic about job	110	3.38	4	1.217	-.236	-.622
Enjoyment in job	110	3.38	4	1.300	-.323	-.735

The descriptive statistics of any study is very important. In the Table above, the results indicate that the unhappiness and boredom at the job (Mean: 2.72

and 2.52) displays a lower statistic than enjoyment and enthusiasm in and about the job (Mean: 3.38).

The statistics that were discussed in the section above were those of the employees. In Part 2 we will discuss the empirical results of the employer.

Part 2: Employer Results

In this part of the statistical analysis we found that the measuring instrument used, namely the Employer Questionnaire, had already identified, labelled and grouped three main constructs or factors, namely Employee Obligations, Organisation Obligations and Violation of the psychological contract; hence no factor analysis was done. Rather only descriptive statistics were examined. From Table 4.10 it is evident that all the Cronbach alpha coefficients were above average. Employee obligations scored 0.78, organisation obligations a very high 0.96 while violation scored lowest of the three with 0.74.

Table 4.10

Descriptive Statistics, Inter-item Correlations and Alpha Coefficients of the Employer Questionnaire

	N	Mean	Range	SD	Skewness	Kurtosis	Min	Max	α
Employee Obligations	23	25.3	18	4.01	-1.85	4.77	12	30	0.78
Organisation Obligations	27	22.26	24	7.93	-.60	-.70	6	30	0.96
Violation	25	14.28	14	3.87	-1.12	.81	5	19	0.74

These results indicated that the employers at the fire brigades do experience the psychological contract, and in the discussion the impact of these statistics will be mentioned.

Part 3 Correlations and Regressions

Correlation coefficients measure how closely two variables are related to one another. It indicates how closely the points resemble a straight line. In other words, it measures the strengths of the linear relationship. In this study the linear relationship did indeed resemble a straight line and revealed that the

variables are related to one another, thus there are significant correlations between the different factors in the two measures (Berstein, Foxcroft, McCallum, Schulthesiss, Seymour, Stead & Southey, 2005:246).

Table 4.11

Correlations between the factors for the Employee Questionnaire

	Internal Expectations	Financial Expectations	Non-Financial Expectations	Transactional Obligations	Relational Obligations	Responsibilities	Pessimism	Optimism	Positive Emotions	Negative Emotions	Violation	State of the PC
Internal expectations	-	0.70**	0.73**	0.29**	0.40*	0.22**	0.23*	0.451**	0.51**	0.16	0.28*	0.68**
Financial expectations		-	0.62**	0.20	0.50*	0.08	0.11	0.25*	0.36**	0.04	0.09	0.51**
Non-Financial expectations			-	0.37**	0.39*	0.07	0.21	0.29**	0.61**	0.05	0.19	0.70**
Transactional obligations				-	0.66*	0.56**	0.11	0.13	0.24*	0.14	0.13	0.36**
Relational Obligations					-	0.50**	0.01	0.22*	0.22*	0.11	0.14	0.47**
Responsibilities						-	0.08	0.24*	0.27*	0.20	0.00	0.30**
Pessimism							-	0.32**	0.41**	0.46**	0.70**	0.41**
Optimism								-	0.10	0.12	0.34**	0.38**
Positive emotions									-	0.11	0.27**	0.63**
Negative emotions										-	0.28**	0.10
Violation											-	0.37**
State of the PC												-

* p < 0.05

** p < 0.01

Table 4.12

Correlations between the Factors of the Employer Questionnaire

	Employee Obligations	Employer Obligations	Violation
Employee obligations	-	0.59**	0.36
Employer obligations		-	0.51**
Violation			-

* p < 0.05

** p < 0.01

Statistically significant correlations exist between all variables of both the employee and employer data sets. Many high correlations and a few low correlations were identified.

In the following section a discussion on all the findings follows to explain the statistics in a more sensible and explanatory manner.

4.2 DISCUSSIONS

In this study the experience of the psychological contract of fire brigades in the North-West Province was assessed to determine what the main expectations and obligations of the party's involved are. Researcher also assessed what form of violation will be experienced if the contract is breached. To reach these objectives two measuring instruments were used on the two parties in the sample's work relationship, namely Psycones measuring instrument and the Employer questionnaire adapted from Conway and Briner (2005).

The sample was divided into two groups namely the employees and the employers. This was done to determine how the two parties experience the psychological contract at an individual level rather than based on a collective opinion of the different stations. The employees were the main sample and that is why the sample size was much larger than that of the employer. The other reason for this also was the fact that in this instance the employer also has an employer, which is the government; therefore in many of the cases the employer of the fire fighter does not have a say in changes or major decisions that take place, such as the monetary cutbacks they experience annually.

This study confirmed that the different parties in this work relationship do experience the psychological contract in different ways concerning personal, cultural and general terms. The main factors in the psychological contract that played a major role in this study were the expectations, obligations and violation of the psychological contract. Like in any study, the main expectations experienced by the fire fighters were intrinsic and extrinsic. The

extrinsic expectations included financial and non-financial expectations such as interesting work, reasonably secure job, a good working atmosphere, good pay for the work that has been done. The one thing that did not have an impact on this study was reasonable shifts.

Observed in retrospect there might be a few explanations for this outcome and they are firstly, that the employees, namely the fire fighters, do not have a say in the shifts because they are on a rotation schedule; thus it has no impact on them or the choices they make. The other reason simply was that they did not understand the question. There can be many deliberations about what the reason for that outcome is. However, it was interpreted reasonable shifts was one of the reasons why researcher undertook this study. However, the level of importance dropped during the execution of this study and many more problems in terms of unmet expectations were identified.

Other factors that stood out in this study were the different types of obligations, the mood at the fire stations as well as the emotions concerning the psychological contract of the fire station. All these factors also played an important role in this study to determine the last secondary objective, which was to establish what form of violation these parties experience at the workplace.

From the results above it is quite clear that a form of violation is perceived to be taking place, or the employees truly believe that violation is occurring. Most of the firemen and -women answered "no" to the questions in the questionnaire regarding the obligations of the employer to the employee. It is easy to see that the employees are unhappy and dissatisfied in their work environment, including the work relationship. They do, however, feel satisfied in their job because they know that they are helping others by saving lives and making a difference in the community. This basically resembles a weighing effect that makes the job bearable some days and unbearable on others.

The answers to question 8 clearly demonstrate that most of the employees feel that they have kept their promise to their employers. They feel that they are loyal, good team players and that they take care in developing and

improving their skills but in turn they receive nothing in return. There are never enough squad members to fill up their shifts. They occasionally have to work double or triple shifts, and the compensation they then receive is insufficient for the work they do and in terms of the limitations with regard to the instruments they have.

It should also be taken into account that all people believe that they are giving 100% or that they give their all in any circumstance, and this is why the employer is not being attacked straight off the bat. The extra-ordinary thing we found when assessing the employer questionnaire was that the employers of these five stations felt the same as the employees. According to the statistical data, the employers felt that the employees met their expectations but that it did not feel as if they were meeting their expectations.

As mentioned earlier in this section the employers have employers in this situation, and that is why this occurs. The managers of the fire stations do their best to run their station and support their employees but their hands are cut off most of the time due to money, time, personnel and equipment shortages. Hence it is clear that all the parties experience violation and therefore it is important to solve this problem by getting down to the real issues they believe are corrupting, or are keeping them from doing what is expected of them (Recommendations are discussed in Chapter 5).

The statistics prove that violation thus is experienced, but coming to a solution is not always that easy. If the facts are taken into consideration it might create deeper negativity or a sense of heightened feelings of unhappiness.

4.3 CONCLUSIONS

This chapter is the empirical research chapter and it is one of the most important chapters in this study, because it aims at determining the stated objectives. In this chapter the objectives that were stated in Chapter 1 were reached. Chapters 2 and 3 proved that there is a psychological contract involved in any work relationship but in this chapter it was statistically proven to be true. Not only did the parties involve experience the psychological contract but also the fact that there is a definite sense of violation.

This chapter included the different aspects of empirical research such as the data reduction, the research design and the research method. All the statistics were important in understanding and describing the results of the two questionnaires that were used as well as a condensed history and the reason why we used the two questionnaires.

The actual statistics in this chapter were divided into three parts. In the first part we did a factor analyses with a varimax rotation and looked into the descriptive statistics of the employees. In the second part we did the same assessments to the statistics that were done on the employee questionnaires. Here, a factor analysis was not necessary because three factors had already been identified. In the final part correlations were done to measure the significance of the factors on each other as well as to determine what that significance was.

In the following chapter, limitations will be reported on and recommendations made to conclude this study. The research and statistics done in this study proved what many newspapers, are reporting and with the help of this study a change or a compromise should be focussed on to ensure that violation does not take place in the work-place, this will mean a happier working atmosphere and a satisfied and happy employer who wishes to work hard for the employers.

Chapter 5

5.1 INTRODUCTION

The function of this section is to portray the conclusions drawn from the results of the study to provide deductions, conclusions and viewpoints that arose from the previous chapters. Before these conclusions are drawn, a summary of the contents of the previous chapters will be given. Subsequently the overall conclusions are presented. Limitations and Recommendations are discussed at the end of the paper. In this chapter the study is thus summarised, the limitations are given and the recommendations made. This is the final chapter to this study and all the conclusions will be discussed.

5.2 SUMMARY

In this specific study attention was given to the psychological contract of the fire brigades of the North-West Province. Chapter 1 consisted of the problem statement, the research objectives, in which the general objective and specific objectives were established as well as a chapter layout. The research method was chosen and described and the study used a quantitative method to do so. It also explained the assorted aspects that were linked to the psychological contract and the objects it was made up of, such as expectations and obligations, as well as breach and violation of the contract as part of the problem statement of and motivation for the study.

The objectives mentioned included the following: firstly, to set out and determine how the management and their teams (e.g. the fire brigade) experience the psychological contract. Secondly, to set out and establish the main expectations and obligations of each of the parties in the relationship, and lastly to resolve whether there is any form of violation and what form of violation the parties will experience if the contract is breached or violated between the parties involved.

In Chapter 2 suggestions were made regarding the settings and history of the

psychological contract to ensure that the perception of the term *the psychological contract* is understood. These circumstances served an exceedingly significant role in order for the reader to comprehend the idea and also to know where it originated. Chapter 2 is fixed into four sections, mainly concerned with the history and future of the psychological contract. Section 2.2 contained the history and development of the psychological contract. Two key periods were vigilantly mentioned here which could be described as pre- and post-Rousseau.

Section 2.3 measured what the psychological contract is and what it consists of. Similar to so many ideas of the psychological contract, the most important workings of the psychological contract have been widely and yet occasionally indistinctly defined. Chapter 2 uncovered a number of the primary definitions and reflections of specific comparisons and distinctions across accounts and also the implications of the key stipulations of most expansively used definitions. Lastly, in section 2.4 the focus was on the two most common aspects of the psychological contract – specifically breach and violation.

Apart from the fact that the psychological contract had been discussed in theoretical terms in the previous two chapters, it was felt that Chapter 3 should have a more sensible and practical focus and it was made more applicable so that the reader could associate with some of the obligations, expectations, and violations given. Chapter 3 drew specific attention to the content of the psychological contract, but more specifically expectations, obligations and violations.

Chapter 3 was divided into three categories, namely expectations, obligations and violation. In these subdivisions the hypothetical summaries of the three most important concepts were looked into as well as whether different types occurred within these categories. In the different sections some expectations, obligations and violations were listed. Most of the obligations and expectations were either transactional or relational, which can also be described as internal and external.

With a more intensive consideration of what the psychological contract

consists of, the focus in this chapter thus was on the empirical research and the results that had been obtained in this research procedure. Chapter 4 addressed the research method and how it has been used as well as the findings of the research method and how reliable and consistent it was. The quantitative research method and its functions and the different questionnaires that were used in this study, namely Psycones and Employer's perspective: Measure of psychological contract contents by Conway and Briner (2005) that was adapted from Tekleab and Taylor (2003) was introduced and a little background was given as well as a look into the reliability of the questionnaires.

Chapter 5 was divided into 3 sections, namely as follows: Section 1 described the research results regarding the employee questionnaire as well as the findings, section 2 pertained to the employer questionnaire and its findings and lastly section 3 focused on the correlations and regressions found in the findings regarding both parties in the study.

5.3 OVERALL CONCLUSION

5.4 LIMITATIONS AND RECOMMENDATIONS

Certain limitations and methodological aspects may have affected the results presented in this thesis. Generalisation of the results is limited, since the samples used were associated with only a few stations in one province in South Africa and only in a specific sector. Employment relationships are distinctive and a dataset needs to be constructed where more diverse samples are used from different sectors and areas to identify benchmarks that can be used for further research.

5.4.1 LIMITATIONS

In this section the limitations of the study are discussed. A few limitations that interfered with the study are mentioned and discussed so that the reader develops a comprehension of the study and the process of the study.

One of the most significant limitations of this study was the fact that the public are not allowed to contact and/or interview the employees of the fire brigade without the official permission of the relevant municipality. Thereafter one had to contact each Head of Department of each fire brigade. For this study researcher had to obtain permission from the local government as well as from the head of department of the fire brigade of each of the local communities' fire brigades she visited. This was a lengthy process because one could not always reach the above-mentioned. This is understandable because arrangements for meetings and conferences are made in advance, but it still put strain on the study and the time limitations.

Furthermore the co-operation of the above-mentioned departments was not always forthcoming. The firemen were often tired and irritable and did not always feel motivated to complete the questionnaires. This could relate to the fact that they either did not agree with the study, feeling that nothing could be changed for the better, making it a futile exercise. Many of the firemen did not feel that anyone could make a difference, especially not a student with a study to complete.

Some of the other reasons might be that these firemen are over-worked and underpaid and they really do not care about the future plans for a station or for themselves. There seemed to be many disillusioned employees among the study group. The most obvious reason of course is the fact that the firemen often got called out to emergencies and when they returned they needed to relax and could therefore naturally not be bothered to fill in a questionnaire.

5.4.2 RECOMMENDATIONS

First and foremost this study has proven that working conditions are not optimal especially considering the severity of stress and lengthy hours of shifts. One feels that there is a need for more firemen per shift, more shifts, better equipment and better payment and this is to mention only a few aspects that might enhance the work situation and conditions of these firemen.

There is also a need for more interesting working conditions to keep the staff occupied during long periods awaiting call-outs. Some kind of sports equipment such as table tennis, darts and a putting green could be provided. Furthermore, facilities such as television and radio with the addition of computers and computer games could be upgraded to keep employees occupied constructively. Another contribution could also be to provide these employees with food or facilities to prepare meals and snacks. Normally employees get a lunch hour to either prepare food or to go and purchase food. It is therefore only fair to these firemen and -women with the irregular work hours and emergencies that provisions regarding meals be more adequate.

Employees could be more productive and experience more job satisfaction if their efforts were more recognized and appreciated by their superiors. One felt that more motivation from superiors could also enhance working conditions. As has been proven in so many fields of employment, employees flourish on any kind of reward. Innovative new rewards could be developed and implemented.

All staff should have the right to advance. Promotion should be the reward of excellence and affirmative action should not apply. With new legislation the latter recommendations really are difficult to enforce, but if all employees had an equal opportunity, they would all feel that they are worth something and that there is room for development in their career. They would therefore have an opportunity, if granted, to prove themselves in a more senior position.

Employees need to take part in decision making, especially when there are changes in legislation. This would aid the understanding when such changes need to be implemented. Employees who feel part of their organisation tend to work harder and they often feel more part of a team when they are allowed to participate in the decision-making processes. When employees feel more part of the team and organisation, they also tend to experience higher job satisfaction and their work productivity improves.

A further recommendation researcher feels should be implemented is a policy of trauma counselling. Researcher knows that this is genuinely difficult for

most men to understand why they need to do this, but with counselling, firemen can deal with the issues they cannot discuss at home or at work, which can affect their job status by causing psychological or physical problems. Psychological aid should be given to those officers who have been confronted with death and horrific burns and injuries. This would prevent many behavioural problems and lead to better working relationships within an organisation either with their colleagues or their employers.

Furthermore, some research on higher salaries should be undertaken to attempt to raise the salary structure and so improve motivation and loyalty. This is another point that is also really difficult to tackle because of the financial status of each local municipality. Personally, researcher feels that each fire fighter should be paid a much higher salary in terms of danger pay because they put their lives in danger for the public on a daily basis. The necessary funding should be taken from the local governments. Funds should be created especially for all the emergency services – police, ambulances, and fire fighters. Lack of money is definitely one of the most prominent aspects that affect the fire brigades most, and in many of these instances money could solve a considerable number of problems in terms of the salary, equipment and fire station upgrades.

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