Psychological contracts in the workplace: A mixed methods design project

Kate J. McInnis
The University of Western Ontario

Supervisor
Dr. John Meyer
The University of Western Ontario

Graduate Program in Psychology
A thesis submitted in partial fulfillment of the requirements for the degree in Doctor of Philosophy
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PSYCHOLOGICAL CONTRACTS IN THE WORKPLACE: A MIXED METHODS DESIGN PROJECT

(Spine title: Psychological Contracts in the Workplace)

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by

Kate McInnis

Graduate Program in Psychology

A thesis submitted in partial fulfillment of the requirements for the degree of Doctor of Philosophy

The School of Graduate and Postdoctoral Studies
The University of Western Ontario
London, Ontario, Canada

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The thesis by

Kate Judith McInnis

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Psychological Contracts in the Workplace: A Mixed Methods Design Project

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Date

Chair of the Thesis Examination Board
Abstract

Employee perceptions of psychological contracts were explored in a mixed methods design project. Although psychological contract research has been popular since its inception over 50 years ago, the field makes a number of assumptions about how employees truly experience psychological contracts (Conway & Briner, 2009). The primary goal of the present research was to identify how psychological contracts should be measured and theorized to reflect the natural experiences and language of employees. In Study 1, I examined a number of the theory’s assumptions by asking employees in interviews about their psychological contract experiences. A descriptive phenomenological approach allowed me to best capture the real life contexts through the eyes of the employees. The interviews involved discussions about employees’ perceived legal contract perceptions, the existence of psychological contracts, and the nature of their psychological contract experiences, if one existed. Interview findings revealed that while some psychological contract theory assumptions were supported (e.g., psychological contracts are perceived to evolve), others were not (e.g., universality of psychological contracts). The interview findings also identified the natural terminology used by employees, thus informing how psychological contracts should be measured.

In Study 2, I used Study 1 findings to develop and test a revised feature-based measure of psychological contracts. I also further expanded Study 1 findings by quantifying the prevalence of and preference for psychological contracts, and their implications on organizational commitment, employee engagement, and turnover intentions. As predicted, those who did perceive a psychological contract were more likely to score high on commitment and engagement ratings, compared to those who did not. Contrary to predictions, there were no significant group differences for turnover intentions and contract
preference did not play a moderating role on these relations. A revised measure is also presented in Study 2 which supported existing psychological contract theory typology (Relational and Transactional contract types). The contract type factors significantly predicted commitment, engagement, and turnover intention, mostly as hypothesized. The general discussion reviews how the two studies sequentially contribute to psychological contract measurement and theory. Guidelines are also presented to provide recommendations for both management and employees in how best to manage their psychological contracts.

**Keywords**

Psychological contracts; Organizational commitment; Employee engagement; Turnover intentions; Organizational behavior; Mixed methods research; Qualitative research
Acknowledgments

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Thank you to all the wonderful friends I have met here at Western. Remembering our nights out, gym dates, and many conference adventures instantly makes me smile. And thank you to my amazing high school friends who have always been there for me.

Thank you to my family for always being interested in my studies and proud of my accomplishments. I am truly blessed to have such an incredible family. Lastly, lots of love and hugs to my husband, Kurt Peters. Since meeting Kurt in statistics class, my life has been filled with love, popcorn, and an adorable greyhound.
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CHAPTER ONE: GENERAL INTRODUCTION

Psychological contract research has been identified as a useful concept for understanding employees’ relationships with their employers and subsequent consequences including work attitudes and performance (Robinson, Kraatz, & Rousseau, 1994; Shore & Tetrick, 1994; Turnley & Feldman, 2000). The psychological contract is generally defined in the academic literature as the implicit and explicit promises two parties make to one another (Rousseau & Tijoriwala, 1998). For example, an employer may make a promise to its employee to provide job security and training, and an employee may promise to work hard and to be loyal. The contract is termed psychological because it reflects each party’s perceptions of the relationship and promises involved. A distinguishing feature between psychological contracts and legal contracts is that psychological contracts can be implicit (Conway & Briner, 2009). That is, these promises can be unwritten and unspoken by being inferred from actions and behaviors of others in the organization. For example, an employee may perceive that the employer has promised to provide an education allowance to him/her because the employer implied it by paying for another employee’s MBA courses.

Although psychological contracts have been empirically explored extensively over the last 50 years (Conway & Briner, 2009), this research makes a number of assumptions about how employees conceptualize and experience the psychological contract (Conway & Briner, 2005; Taylor & Tekleab, 2004). For example, how do employees articulate and perceive the implicit nature of the psychological contract (Guest, 1998)? Who is considered the other party in the psychological contract?
relationship (Millward & Brewerton, 2000)? And how do employees gather information about the psychological contract (Conway & Briner, 2005; Dabos & Rousseau, 2004)?

Many have argued that the future of psychological contract theory relies on these limitations being addressed, and being addressed quickly; “Until some of these ignored sources are grappled with, studies searching for the attainment of a healthy psychological contract may be pursuing a lost cause in search of an organizational chimera” (Cullinane & Dundon, 2006, p.177). Table 1 provides additional comments made by psychological contract researchers who strongly believe that the future of psychological contracts looks bleak if we continue to ignore the concept’s measurement and theoretical limitations. The comments are listed in chronological order to illustrate that several of the earlier comments have been repeated more recently, suggesting that little progress has been made.

The present research involves two studies that go beyond extant theory to evaluate the current assumptions embedded in psychological contract research. In light of the foregoing critique of the psychological contract literature, my initial overarching research question is general: How can psychological contract measurement and theory best capture employee experiences? The overall goal is to contribute to, and provide a new perspective, on both (i) measurement and (ii) theory of psychological contracts. Specifically, Study 1 challenges the way scholars’ think about the psychological contract by asking employees themselves, in interviews, about their psychological contract experiences. Weiss and Rupp (2011) noted that researchers often conceptualize constructs one way but employees experience it another way. Psychological contract
Table 1
Criticisms of Psychological Contract Theory

<table>
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<tr>
<th>Author(s)</th>
<th>Comment</th>
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<td>Guest (1998)</td>
<td>“There is an urgent task of establishing the boundaries of the psychological contract” (p. 658).</td>
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<td>“The psychological contract is beset with conceptual problems and still has to establish itself as a useful and valid psychological construct” (p. 663).</td>
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<tr>
<td>Millward &amp; Brewerton (2000)</td>
<td>“Much work remains to be done in clarifying our use of the term, both theoretically and empirically” (p. 50).</td>
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<tr>
<td>Marks (2001)</td>
<td>“Despite the common usage of the concept, there is considerable evidence that the concept does not have the analytical rigour of more enduring psychological constructs and as such it is not only being misused, but also being diminished as in explanatory framework” (p. 454).</td>
</tr>
<tr>
<td>Conway &amp; Briner (2005)</td>
<td>“The frustrating part is how poorly the concept performs once we dig a little deeper and try to move beyond these initial insights. Rather than discovering additional layers of helpful theoretical elaboration, we have instead found inconsistencies, confusions, gaping holes, and much unchartered territory” (preface)</td>
</tr>
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<td>“The major problems with psychological contract theory are that there simply is not enough of it and what exists is underdeveloped and underspecified.” (p. 183).</td>
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<td>“It is our contention that its potential contribution to understanding behavior at work will never be known if we do not acknowledge and address some of its fundamental limitations” (p. 186).</td>
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<tr>
<td>Cullinane &amp; Dundon (2006)</td>
<td>“There remain outstanding theoretical issues which contribute towards making the psychological contract something of a myopic conceptual lens” (p. 117).</td>
</tr>
<tr>
<td></td>
<td>“Until some of these ignored sources are grappled with, studies searching for the attainment of a healthy psychological contract may be pursuing a lost cause in search of an organizational chimera” (p. 117).</td>
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researchers have recently called for this focus on the employees’ perspectives; “Although psychological contract research has advanced the understanding of several important facets of personnel psychology, it provides a very limited view of employees’ subjective perceptions of their psychological contracts” (Seeck & Parzefall, 2008, p. 476). Using the findings from Study 1, Study 2 further contributes to the field by expanding on some of the key findings and by refining and testing a psychological contract measure.

**Research Design and Rationale**

To address the overarching research question, I used a sequential exploratory mixed methods design (Creswell & Clark, 2007). Mixed method research combines qualitative and quantitative methodologies to address a single research question.
Mixed methods research often adds a unique perspective that neither qualitative nor quantitative research alone can sufficiently provide (Andrew & Halcomb, 2009; Tashakkori & Teddlie, 2003). Many researchers also believe that the complexity of today’s research questions can only be adequately addressed through the rigorous and dynamic nature of mixed method designs (Bansal & Corley, 2011; Creswell & Clark, 2007). The primary rationale for implementing a mixed methods design was that the overarching research question required multiple sequential methods to adequately answer how researchers should measure and theorize psychological contracts.

The present mixed methods design project consisted of two distinct studies. Study 1 involved interviewing employees to understand how they articulate their psychological contract experiences, particularly in comparison to psychological contract theory. The first study is inductive and qualitative in nature and fits within a descriptive phenomenological inquiry. In Study 2, I quantified some of these findings further. Specifically, Study 2 involved assessing the prevalence of, and preference for, a psychological contract, and the various implications of these perceptions. Study 2 also involved designing a revised psychological contract measure, and evaluating how psychological contract perceptions relate to employees’ commitment, engagement, and turnover intentions.

The design is sequential because the interview findings in Study 1 influenced and informed the research conducted Study 2. The research design is also exploratory because I did not have a priori research questions established for the second study at the onset of Study 1. The purpose of this two study design was that the qualitative research in Study 1 would provide initial insights on how psychological contracts are perceived by
employees and that some of these findings may provide guidance on how psychological contracts should be measured. To further explore these measurement issues, quantitative methods were most appropriate and implemented in Study 2 (Creswell & Clark, 2007).

The point of integration between the two studies is presented in the discussion of Study 1, and further elaborated in Chapter Four: General Discussion. Overall, the findings gathered from both studies contributed equally to the overarching research question.

Following the guidelines of Creswell and Clark (2007), Figure 1 below outlines the sequence of the present research project.

![Figure 1. Research design of the present project](image-url)
CHAPTER TWO: STUDY ONE

Study 1 of the mixed method design investigated how employees perceive their psychological contracts. The primary goal of Study 1 was to provide a naturalistic look at these perceptions because it is currently missing in the literature (Millward & Cropley, 2003) and has implications for how researchers should measure and theorize psychological contracts. I begin first by highlighting how researchers generally conceptualize psychological contracts. This review includes a brief history of psychological contracts because many argue that the conceptual confusion in the literature can be attributed to its origins (Conway & Briner, 2009). The review also highlights how theoretical limitations have traditionally been examined in the past. Throughout the review, I will challenge existing research and identify six research questions. This will set the stage for arguing that a qualitative approach, involving interviews, is the most appropriate methodology to adequately address the current literature’s limitations and uniquely contribute to the field.

Literature Review

Conceptualizing the Psychological Contract

The origins of the psychological contract construct date back to the early 1960s. Argyris (1960) used the term psychological work contract to describe the mutual respect he observed between foremen and workers and that he gathered from interview conversations. The foremen supported their employees’ informal culture norms that they too had experienced before being promoted to their foremen positions. Around the same time, but independently, Levinson, Price, Munden, Mandl, and Solley (1962) also used the term psychological contract to describe the observed relationship between employers...
and employees. Levinson and colleagues reported that employees perceived a number of implied and unspoken expectations from their employer. They defined psychological contracts as “a series of mutual expectations of which the parties to the relationship may not themselves be even dimly aware but which nonetheless govern their relationship to each other” (p. 21).

Although possessing similar characteristics, there were differences between Argyris’ (1960) and Levinson et al.’s (1962) conceptualization of psychological contracts (Roehling, 1997). For example, Argyris viewed the contract as an employee group-level phenomenon (i.e., culture) but Levinson and colleagues felt that each employee had separate belief sets regarding the psychological contract. Throughout the next few decades, little attention would be given to the conceptualization of psychological contracts (for two exceptions see Kotter, 1973, and Schein, 1965).

In the late 1980s, Denise Rousseau (1989) described the psychological contract construct as underdeveloped and misunderstood. As a result, she attempted to provide clarity to the construct. A revitalized interest in psychological contracts at the time was also being credited to new people-focused management practices and an economy that was facing increased international competition (Anderson & Schalk, 1998; Cullinane & Dundon, 2006). In response, Rousseau offered a refined conceptualization of the psychological contract, indicating what it was and was not (Anderson & Schalk, 1998; Conway & Briner, 2009; DelCampo, 2007). First, she emphasized that the psychological contract was a subjective perception held by one individual (Rousseau 1989, 1995). As noted earlier, there was inconsistency up to this point as to whether the psychological contract was an individual- or group-level phenomenon. Rousseau viewed the
psychological contract as beliefs and perceptions about the relationship, as each employer and employee viewed it.

Secondly, Rousseau (1989) defined the psychological contract as promissory in nature. She also distinguished this promissory nature of psychological contracts from *expectations* and *obligations*. She argued that although psychological contracts do entail expectations, not all expectations are contractual (Robinson & Rousseau, 1994; Rousseau & Tijoriwala, 1998). For example, a new employee may expect to receive a pay raise after one year of work because this occurred at his/her last job. However, because this expectation was not contractually implied by the current employer, it is not part of the psychological contract (Robinson, 1996). Similarly, obligations do not necessarily possess the same contractual commitment as promises (Roehling, 2008; Rousseau, 1989). For example, an employee may believe that his/her employer is obligated to provide flexible work hours because the practice is common in his/her particular industry. However, if the employer did not implicitly or explicitly make that promise to the employee directly, Rousseau argued that the obligation is not part of that particular psychological contract.

Conway and Briner (2005, 2009) reported that promises should be the preferred conceptualization of psychological contracts, compared to expectations and obligations, because of the strong contractual nature and precise elements of promises. Cassar and Briner (2009) noted however, that the binding connotation in the term promises is only applicable in North American cultures, and may convey less of a commitment orientation in other cultures. After conducting interviews of Maltese workers, Cassar and Briner
concluded that the term obligation represented a more binding relationship between the employer and employee, compared to promises.

Only one study has empirically examined the differences between all three conceptualizations (i.e., expectations, obligations, and promises). Specifically, Roehling (2008) examined whether or not meaningful differences existed between conceptualizing psychological contracts as expectations, obligations, or promises in measures. Participants were randomly assigned to complete one of three psychological contract surveys which included the same list of psychological contract terms but each version had a different scale, reflecting the term that it was intended to measure. For example, for the expectation-based version, the scale ranged from 1 (not at all expected) to 5 (very highly expected). Each survey also included a fulfillment item, such as 1 (much less than expected) to 5 (much more than expected).

Overall, confirmatory factor analysis results illustrated that the three measures elicited a similar conceptualization and mental framework among the participants. However, Roehling (2008) concluded that the different survey versions, and subsequently different conceptualizations, resulted in different relationships with work variables. For example, trust related significantly with employees’ perceived expectations and promises, but not obligations. With respect to fulfillment, the obligation-based version explained significantly more variance in the workplace variables (e.g., trust and job satisfaction), compared to the expectation- and promise-based versions. Although informative, Roehling’s work does not provide a clear indication of which conceptualization is the “right” one, academically speaking. And if there is indeed a correct way to conceptualize
psychological contracts academically, does that conceptualization adequately capture how employees speak about their psychological contracts?

Despite researchers’ attempts to provide definitional clarity (e.g., Roehling, 2008; Rousseau, 1989), different psychological contract conceptualizations remain prevalent today (Conway & Briner, 2009). Typically, each researcher defines psychological contracts in a way that best suits his/her study and measure, which results in as many different operational definitions as there are studies (Del Campo, 2007; Roehling, 1997). For example, some researchers use expectations terminology (e.g., Herriot, Manning, & Kidd, 1997; Sparrow, 1996; Thomas & Anderson, 1998), promise terminology (Guest & Conway, 2002; Rousseau, 2000), and obligation terminology (e.g., Coyle-Shapiro & Neuman, 2004; Lester, Kickul, & Bergmann, 2007; Shore & Barksdale, 1998). One researcher even used a perceived organizational support measure to assess psychological contracts (i.e., Guzzo, Noonan, & Elron, 1994). For a more comprehensive review of the various measures and response scales used in the psychological contract literature see Freese and Schalk (2008). Rousseau (2010) recently defined psychological contracts as “an individual’s system of beliefs, based on commitments expressed or implied, regarding the exchange agreement with another” (p.191). This definition excludes the term promises, obligations, or expectations all together. A primary goal of Study 1 is to identify what terms employees naturally use when speaking about their psychological contract experiences, and to compare this language to that used by psychological contract researchers.
Conceptualizing the Explicitness and Implicitness of Psychological Contracts

The key distinguishing feature between psychological contracts and legal contracts is that psychological contracts are communicated both explicitly and implicitly among the parties (Conway & Briner, 2009; Rousseau, 1989). A psychological contract term may be perceived to be explicit if communicated through verbal conversations, emails, or the formal contract. A psychological contract term may be perceived as implicit if communicated through observations of others, such as coworkers, or signals from the company’s website and recruitment materials (e.g., information about health care and training). Some of the earliest psychological contract researchers defined psychological contracts as only containing implicit terms (e.g., Kotter, 1973; Levinson et al., 1962); however, current researchers acknowledge both explicit and implicit terms (Conway & Briner, 2005).

To my knowledge, only one psychological contract measure addresses the implicitness of psychological contract terms, and it measures employers’, not employees’, perceptions. Guest and Conway (2002) asked employers to rate how implicitly they made each promise to their employees using the following scale: 1 (no promise made), 2 (suggestion of a promise, nothing actually said or written down), 3 (strong suggestion of a promise, nothing actually said or written down), and 4 (written or verbal promises have been made). Ratings of 2 and 3 suggest that an implicit term has been communicated, while ratings of 4 suggest that an explicit term has been communicated. Results illustrated that employers were more likely to rate interesting work and pleasant work environment promises as being implicitly communicated to their employees. They were also more likely to rate training and development opportunities
and feedback as being explicitly communicated. To my knowledge, however, no studies have directly asked employees to identify the explicitness/implicitness of psychological contract terms.

Conway and Briner (2005) argued that because the explicitness/implicitness nature of the psychological contract is largely ignored in the literature, it is difficult to empirically differentiate psychological contract perceptions from terms in the legal contract. Guest (1998) also questioned whether employees actually see a difference between the two contracts. Study 1 will provide insights on how employees perceive the explicit/implicit nature of the psychological contract and its terms. The interviews will also provide inferences on employees’ abilities to perceive and articulate differences between the psychological contract and legal contract.

**Conceptualizing the Other Psychological Contract Party**

Recall that the psychological contract is defined in the academic literature as the exchange relationship between an employee and employer/organization (i.e., the “other party”, Rousseau, 1989). What is unclear, particularly in large organizations, is who the employee perceives as the other party in this relationship. It was originally suggested that employees personify the organization as a whole to possess human qualities (Eisenberger, Huntington, Hutchinson, & Sowa, 1986; Levinson, 1965), and thus could perceive the organization as the other party in the psychological contract relationship (Guest, 1998). Many disagree by counter arguing that the organization as a collective cannot communicate or negotiate with individuals (e.g., Herriot & Pemberton, 1997; Rousseau, 1995). Others argue that this debate is unnecessary if we are to conceptualize psychological contracts as employee perceptions (Marks, 2001). Nevertheless, the
employee still needs some type of entity to form perceptions of, regardless of whether that entity also has perceptions (Guest, 1998).

An assumption in the literature is that if employees cannot perceive the organization as a whole as the other party, they must then perceive organizational representatives as the other party; however, this has yet to be empirically examined (Conway & Briner, 2009; Coyle-Shapiro & Shore, 2007). Other than “employer” or “organization”, the most common terminology found in surveys is the immediate manager or supervisor (e.g., Bordia, Restubog, Bordia, and Tang, 2010; Dabos & Rousseau, 2004; Tekleab & Taylor, 2003). Other suggested parties include executives, middle managers, coworkers, human resource managers, and even administrative structural agents such as organizational documents and human resource practices (e.g., Arnold, 1996; Herriot & Pemberton, 1997; Rousseau, 1995; Rousseau & Greller, 1994; Sims, 1994).

It is also conceivable that employees may think of more than one individual as party to their psychological contract at any given time (e.g., a group of coworkers; Marks, 2001; Millward & Hopkins, 1998). If more than one person is considered as the other party, conflicting messages may occur (Conway & Briner, 2009; Coyle-Shapiro & Shore, 2007; Dabos & Rousseau, 2004; Shore & Tetrick, 1994; Rousseau, 1995; Rousseau & Greller, 1994). For example, an employee’s supervisor may promise him four weeks paid vacation but upper management may have reported only three weeks. No empirical studies have explored the consequences of this conflict on work attitudes, behaviors, or contract perceptions (Conway & Briner, 2005).
From a measurement perspective, the variety of other party representatives can pose problems. For example, the other party may be defined in a psychological contract survey as the employee’s supervisor, but the employee may perceive someone else as the other party (e.g., team leader). The present study aims to provide a realistic perspective of how employees define the other party in their psychological contracts. This information can then be used as guidelines in how best to design measures of psychological contracts and how to define both parties in theory.

I mentioned earlier that the psychological contract needs to be better distinguished from the legal contract. With that in mind, Study 1 also addresses whether or not employees conceptualize their psychological contract party similarly to that of the legal contract employer. For example, an employee may perceive the business owner as the employer in the legal contract, but then define his/her supervisor as the other party in the psychological contract. Millward and Cropley (2003) proposed this as well, suggesting that the team leader, or someone who interacts with the employee on a daily basis, is most likely to be perceived as the other party in the psychological contract, but someone else of higher status is most likely to be viewed as the employer in the legal contract.

If researchers truly want to understand work attitudes and behaviors of employees, it is important that psychological contract theory addresses who the parties are in the psychological contract (Coyle-Shapiro & Shore, 2007; Millward & Brewerton, 2000). Conway and Briner (2005) add that the issue of who the employee perceives as the other party in the psychological contract is not minor, but “represents fundamental confusions in the foundations of the concept [of psychological contracts]” (p. 36). The present research will address several of the outstanding issues noted above. Specifically, I
will explore (a) who employees perceive as the other party/parties in the psychological contract, (b) the prevalence of inconsistent messages from different parties, and (c) whether or not employees perceive a difference between who they define as the employer in the legal contract versus the other party in the psychological contract. In turn, this information can be used as guidelines in how best to measure and theorize psychological contracts.

**Conceptualizing the Nature of the Social Exchange**

According to psychological contract theory, psychological contracts are “predicated on the perception that a promise has been made (e.g., of employment or career opportunities) and a consideration offered in exchange for it (e.g., accepting a position, foregoing other job offers)” (Rousseau, 1998, p. 659). Through continuous interactions, numerous exchanges will take place, with both parties giving and receiving (Blau, 1964; Cropanzano & Mitchell, 2005; Herriot & Pemberton, 1997). With the general consensus that psychological contracts are individually held beliefs/perceptions, there does not necessarily need to be an agreement between the two parties about what the exchange terms include (Dabos & Rousseau, 2004; Rousseau, 1990; Robinson & Rousseau, 1994), but there does need to be recognition that such an exchange exists (Arnold, 1996). What remains unanswered, however, is whether employees perceive this exchange as being mutually beneficial. In other words, do employees perceive that the relationship includes a balance of giving and receiving? What is of interest in the present study is how employees truly perceive the reciprocity in the relationship.

Some researchers argued that many employees experience a power imbalance that prohibits them from experiencing the relationship as being mutually beneficial (Conway
Because psychological contracts are often studied within the framework of social exchange theory (Rousseau, 1995), more research is needed to understand how employees experience the exchange nature of the relationship. Millward and Brewerton (2000) stated; “To facilitate the analysis of the ‘exchange relationship’ it is perhaps useful to think in terms of the process of contracting” (p.21). What is relevant to Study 1 is how employees experience this process in terms of it being mutually beneficial and containing balanced power.

**Conceptualizing the Origins of Psychological Contract Perceptions**

Many psychological contract researchers are interested in identifying what leads an employee to believe that something is part of the psychological contract (Conway & Briner, 2009; Rousseau, 2010). Conway and Briner (2009) stated; “Employee psychological contract beliefs must be grounded in the behavior of the employee’s current organization; beliefs arising from elsewhere are not part of the psychological contract” (p.85). However, Rousseau and Greller (1994) noted that quite often employees are “left to fill in the blanks” (p.386) and consult sources external to the employer-employee relationship. There are a variety of sources that researchers have identified from inside the organization, including statements made by management, human resource practices, and observations of colleagues (Conway & Briner, 2005; Rousseau & Greller, 1994). Sources that researchers have identified as external to the specific psychological contract parties include individual predispositions (e.g., past work experiences), personality (e.g., equity sensitivity), social cues (e.g., work relationships of relatives and friends), and national culture (e.g., power distance; Rousseau, 1995; Rousseau & Schalk, 2000; Suazo, Martinez, & Sandoval, 2009).
Knowing that a variety of sources can potentially shape employees’ psychological contract perceptions, it becomes challenging to dissect which sources are fairly categorized as part of the psychological contract. Study 1 will be the first to ask employees specifically about the source of their psychological contract perceptions. Although researchers such as Conway and Briner (2009) are quite clear which beliefs should be considered part of the psychological contract, we do not know whether employees truly perceive it that way.

**Conceptualizing Psychological Contract Perceptions over Time**

There has been a general consensus since its inception that psychological contracts evolve over time and must be considered as ongoing between the two parties (De Vos, De Stobbeleir, & Meganck, 2009; Levinson et al., 1962). In longitudinal research, researchers typically evaluate changes in the content of the psychological contract across time and subsequent perceptions of breach (e.g., De Vos, Buyens, & Schalk, 2003; Montes & Irving, 2008; Payne, Culbertson, Boswell, & Barger, 2008; Robinson et al., 1994; Thomas & Anderson, 1998). Of interest to the present study, however, is how employees perceive the ongoing nature of the psychological contract in general, as opposed to specific content changes.

A number of similar issues related to the ongoing nature of the psychological contract also remain unanswered in the current literature. First, assuming the relationship is ongoing, do employees perceive the other party/parties as remaining constant? This relates to the previous section on how employees define the other psychological contract party. For example, Shore and Tetrick (1994) proposed that an employee may perceive the recruiter as the other party, prior to entry, but then the supervisor could be perceived
as the other party once on the job. In other words, researchers should examine not only how employees define the other party in terms of the psychological contract at any given time, but also perceived changes over time.

The implicit and explicit nature of the relationship was also mentioned earlier. Viewing the relationship as ongoing, does the explicit/implicit nature of the relationship also change? Rousseau (2001) noted that explicit promises are more common at the beginning of the employment relationship when both parties have less information about each other, compared to later on. Conway and Briner (2005) further support this claim suggesting that implicit terms such as organization loyalty are not only highly subjective for a newly hired employee to report them, but also unlikely to be present given such terms require time to develop. Millward and Cropley (2003) found that experienced live-in nannies (i.e., employees) and parents (i.e., employers) were more likely to discuss implicit terms during interviews, compared to inexperienced nanny-parent dyads, providing some empirical insight into Rousseau’s (2001) and Conway and Briner’s (2005) claim that implicit terms become more common with increased tenure. However, Millward and Cropley defined psychological contracts as expectations, so their results should be interpreted with caution.

Overall, I will be exploring how employees conceptualize the evolving nature of their psychological contract perceptions, including changes in the (i) other party/parties and (ii) implicitness and explicitness of the terms, by asking them to talk about their retrospective experiences across their tenure.
Statement of the Problem

We do not know with certainty that psychological contract measures and theory adequately capture the reality of employee’s psychological contract experiences (Meckler et al., 2003; Millward & Brewerton, 2000; Seeck & Parzefall, 2008). In order to draw meaningful conclusions from their studies, researchers need some degree of confidence that their measures represent psychological contract theory and employees’ experiences. This relates to several of the presented research questions including “who” the other psychological contract party is and “how” employees define the psychological contract. The methodology that is most appropriate to examine the underlying nature of the employer-employee relationship, as employees perceive it, is qualitative (Coyle-Shapiro & Shore, 2007). There is very little qualitative research in the field of psychological contracts (Conway & Briner, 2005). The qualitative research that is available has been criticized for being conducted in only one organization and often only examining the content of the psychological contract (as opposed to its nature or the general relationship, Conway & Briner, 2005; Roehling, 1997). As noted earlier, there has been an increasing interest in the field to take a step back in the literature and consider its more rudimentary and theoretical issues (Rousseau, 2001). Table 2 includes numerous statements by psychological contract researchers, chronologically, who have called for new methodologies such as qualitative approaches to address the measurement and theoretical limitations of current psychological contract research.
### Call for New Research Methods

<table>
<thead>
<tr>
<th>Author(s)</th>
<th>Comment</th>
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<tbody>
<tr>
<td>Taylor &amp; Takleab (2004)</td>
<td>“Much psychological contract research seems to have fallen into a methodological rut” (p. 279). “We urge researchers to think more creatively about research methodologies at this stage in the development of contract research” (p. 279).</td>
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<tr>
<td>Conway &amp; Briner (2005)</td>
<td>“Using in-depth interviews produces data of idiosyncratic experiences and interpretations of the psychological contract, grounded in the language of employees and organizational context. Such accounts are consistent with the psychological contract as a highly individualized subjective construct” (p. 97). “The near exclusive use of the survey method has no doubt hampered conceptual, theoretical, and empirical advance in this area” (p. 109).</td>
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<td>Coyle-Shapiro &amp; Shore (2007)</td>
<td>“Several of the needed research areas described above will require a greater variety of methods than has been used previously in the EOR [employee-organization relationship] literature. The “relationship with whom” question could be enriched via qualitative approaches such as interviews or the use of critical incidents” (p. 175). “Recommendation #1: use of a variety of methods to better address key questions. The relationship with whom? question could be enriched via qualitative approaches such as interviews and the use of critical incidents. Exploration of the agent or set of agents who are the face of the organization could be studied via such open-ended approaches” (p. 175).</td>
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<td>Seeck &amp; Parzefall (2008)</td>
<td>“We argue that by viewing employee attitudes and behaviors as dependent variables which are causally influenced by employer actions, most psychological contract studies fail to live up to their promise of capturing individual circumstances and preferences” (p. 474).</td>
</tr>
<tr>
<td>Conway &amp; Briner (2009)</td>
<td>“Put simply, data from cross-sectional self-report studies do very little to advance our understanding of the psychological contract” (p. 121).</td>
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<tr>
<td>Rousseau (2010)</td>
<td>“Qualitative studies are also important to identify emergent aspects of psychological contracts in the changing workplace” (p. 211). “More descriptive qualitative assessment of individual psychological contracts is needed to better understand the potentially distinct perspectives that employee diversity and emerging changes bring to employment” (p. 212).</td>
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Study Purpose and Research Questions

The purpose of the present research is to create a comprehensive understanding of how employees experience, understand, and articulate their relationships with their employers. The ultimate aim is to uncover new insights that may extend and challenge current assumptions in psychological contract theory and their implications for how they are measured. Keeping within the realm of descriptive phenomenology research, I present research questions instead of a priori hypotheses. The overarching research question is *How do employees articulate the psychological contract?* The overarching research question wishes to compare how employees are talking about their contracting experiences to that of psychological contract theory.

Within the overarching research question, there are six questions that have been selected based on the outstanding issues identified in the existing literature. Specifically, the research questions will explore if employees perceive psychological contracts and what terminology they use to describe the relationship (Research Question #1). The present research also investigates the explicitness/implicitness nature of these perceptions and how psychological contracts may differ from legal contracts (Research Question #2). Next, Research Question #3 relates to how employees define the other party in the psychological contract relationship. Research Question #4 examines how employees perceive the exchange nature of the relationship. Lastly, Study 1 also investigates the sources of psychological contract perceptions (Research Question #5) and how core perceptions may change over time (Research Question #6). The six research questions are explained in more detail below. The order of the research questions parallels the sequential order of the literature review presented earlier.
Unresolved issues referenced by past psychological contract researchers, relating to each research question, is presented in Appendix A. A number of these questions have been previously asked by psychological contract researchers. Study 1 is different, however, because past researchers have typically asked these questions in the discussion section of their studies or in review papers. In Study 1, I address these questions directly by asking employees themselves. Using this qualitative approach allows me to reveal a deeper insight into how employees truly experience psychological contracts (Bansal & Corley, 2011). In Appendix B, I have also indicated the interview questions that are intended to address each research question.

Research Question #1: How do employees define the psychological contract?

This research question addresses how employees naturally speak about psychological contracts, if they perceive one. Understanding the terminology that is used most frequently by employees is valuable for advancing psychological contract measurement and ensuring the theory is consistent with employees’ experiences. I will also be comparing the natural language of respondents to that found in existing literature (i.e., expectations, obligations, and promises; Roehling, 2008; Rousseau, 1989, 1990).

Research Question #2: Do employees perceive the psychological contract to be explicit, implicit, or both?

This research question examines how employees perceive the explicitness/implicitness of the psychological contract. This question also explores whether or not employees perceive explicit terms that are outside the realm of the legal contract (i.e., a difference between the legal contract and psychological contract).
Research Question #3: Who is/are the other party/parties in the psychological contract?

This research question seeks to identify who the respondents perceive as the other party/parties in their psychological contract relationships. The question will also address the prevalence of conflicting messages from different other psychological contract parties, and what consequences may result. I will also be looking to distinguish who the respondents refer to as the other party in the psychological contract, compared to the legal contract.

Research Question #4: Do employees perceive the psychological contract as a mutual exchange relationship?

Throughout the interviews I will be looking for the language used by the respondents to describe the exchange nature of the psychological contract relationship. The interview questions also explore the perceived balance of power in the relationship.

Research Question #5: What sources are used to gather information about the psychological contract?

This research question addresses what sources employees may rely on in shaping their psychological contract perceptions. In other words, I will be examining what led the respondents to perceive that a psychological contract term was present.

Research Question #6: Do core perceptions of the psychological contract change over time?

As outlined in the literature review, we know that employees perceive differences in psychological contract terms over time (e.g., Robinson et al., 1994; De Vos et al., 2003). However, how do employees articulate and understand the underlying nature of
the psychological contract over time? This research question also relates to two previous research questions. Specifically, it also uncovers how respondents perceive differences over time in the contract’s explicitness/implicitness (Research Question #2) and changes in who the other party is in the relationship (Research Question #3).

Methodology and Methods

Rationale and Appropriateness of the Design

I chose to use a descriptive phenomenological approach for the present study. Phenomenological inquiry explores “how human beings make sense of experience and transform experience into consciousness….how they perceive it, describe it, feel about it, judge it, remember it, make sense of it” (Patton, 2002, p. 104). In this approach, the experiences of different individuals are analyzed and compared to understand the essence of a particular phenomenon (e.g., psychological contract experiences). In order to gather information about the experiences, researchers often conduct in-depth interviews, which was also the selected method in the present study.

The phenomenological approach was considered optimal to study the research questions for two primary reasons. First, phenomenological inquiry focuses on capturing real life contexts, through the eyes of respondents (Gephart, 2004; Glaser, 1992; Miles & Huberman, 1994; Patton, 2002). These first-hand natural accounts are valuable for providing access to what is actually happening in organizations (Camic, Rhoades, & Yardley, 2003; Lansisalmi, Peiro, & Kivimaki, 2004; Locke, 2002). As noted earlier, the conceptualizations currently being used in psychological contract research were developed in the early 1960s (e.g., Argyis, 1960 and Levinson et al., 1962). Since then, the world of work has changed (e.g., Herriot & Pemberton, 1997). Conducting interviews
within the descriptive phenomenological inquiry will allow me to capture the reality of how employees truly conceptualize psychological contracts today.

A second advantage of exploring the research questions within the philosophical underpinning of phenomenology is that it allows for flexibility and variation, anticipating and accommodating changes in data collection and analyses as findings emerge (Charmaz, 2000, 2006a). The present methodology is iterative in nature, evolving through an overlap of multiple phases of data collection, coding, and analyses (Charmaz, 2000; Locke, 1996; Strauss & Corbin, 1994; Suddaby, 2006). Flexibility in the methods and analyses was critical as I was gathering insights from the respondents about their experiences.

**Sampling Strategy**

The context for the present study is the exploration of the psychological contract for individuals who have been working for their current employer for approximately six months to three years. Six months was selected as the minimum tenure based on the organizational socialization literature. Specifically, the literature suggests that this is the length of time it takes employees to feel integrated into their new organizations (De Vos et al., 2003). With that in mind, it seemed appropriate that to explore psychological contract perceptions, the respondent needs to have spent some time in the organization before commenting on this relationship. With respect to the maximum time frame of three years, respondents were being asked to recall their legal contract. With that in mind, it was important that the legal contract be somewhat salient. Psychological contract researchers have also called for greater conceptual and empirical consideration at the early tenure stages (Rousseau, 2001; Tekleab & Taylor, 2003). I am not arguing that the
six months to three years tenure is the most meaningful tenure for psychological contract research. This time frame was simply selected because of its adequacy to address the specific research questions and its appropriateness to fill in the current gaps in the existing literature (e.g., Rousseau, 2001).

Ethics approval was obtained from The University of Western Ontario (see Appendix C). To represent a diverse group of employer-employee relationships, respondents were recruited through two avenues at The University of Western Ontario: The Social Sciences Alumni Association and the Department of Alumni Relations and Development. An email was first sent out by the Alumni Development Officers to those in the graduating classes of 2005-2009. The recruitment email is provided in Appendix D. This specific graduating class range was selected to purposefully sample those who had a tenure with their current organization of six months to three years.

There were four inclusion criteria to participate in the study. First, respondents needed to be working for their current organization for six months to three years, for reasons noted above. Secondly, respondents needed to be working for an organization which they or their family did not own. The latter criterion was established after an interview was conducted with an individual who was working for her father’s investment company. This interview identified several additional complexities that exist in employer-employee relationships between family members that were beyond the scope of the present study. The sample was also restricted to those working in North America and recent graduates. Recent graduates were targeted because researchers and organizations have identified this group as being understudied in psychological contract research, yet important to organizational growth (Sturges & Guest, 2001).
Respondents were offered a $20 gift card to Starbucks for participating in the study. This incentive was selected based on the recommendations of the Social Sciences Alumni Association.

Sample

The final sample consisted of 24 respondents. Respondents were born between 1976 and 1986, with a median year of 1984. The sample was comprised of five males and 19 females. The average length of employment with their current employer was one year and 11 months. A variety of organization sizes was represented among the sample: 2 to 10 employees (2 respondents), 11 to 50 employees (4 respondents), 51 to 100 employees (4 respondents), 101 to 250 employees (3 respondents), 251 to 500 employees (6 respondents) and over 500 employees (5 respondents). Respondents worked in the following industries: accounting and finance, computer software, education, food and beverage, government, health care, marketing, and retail. The self-reported job titles of the respondents included accountant, analyst, assistant office manager, consultant, counselor/therapist, customer service representative, occupational therapist, rehabilitation consultant, research assistant, social media researcher analyst, speech pathologist, and teacher. The number of previous employers for the respondents ranged from zero to five, with the median being one.

1 The alumni departments were unable to provide me with the number of recruitment emails that were delivered successfully, so a response rate is unknown. However, 27 potential participants contacted me to express interest in participating and all 27 were interviewed. Two respondents were excluded from the final sample for not meeting the study inclusion criteria (i.e., one worked for her father and another quit his job five months ago). A third respondent was excluded because her English language skills were very poor which made communication during the interview challenging and the interview transcription too difficult to transcribe in any informative manner.

2 The StudyResponse Project connects academic researchers with adult participants. For a small fee,
Data Collection and Measures

Respondents were interviewed individually. All interviews were conducted by me to ensure that I was aware of any key themes, or problems, as they emerged. Given that I was interested in the respondents’ perceptions and how they made sense of their experiences, verbal accounts were most appropriate, compared to surveys, observations, or company documents. Those interested in participating were asked to self-identify by emailing me directly, after receiving the initial recruitment email from the alumni departments. Through email, a mutually agreeable time to conduct the interview was set-up. Twenty-two of the respondents were no longer living near campus, so a phone interview was scheduled. Two respondents were currently residing in the area so their interviews took place on campus.

The interview protocol is provided in Appendix E. Once the respondents were contacted by phone, or arrived for the interview, the purpose of the study was explained to them and they signed the consent form (see Appendix F). This consent form was emailed beforehand to those who participated in phone interviews. They were asked to verbally consent during the phone interview and also confirmed their consent in the online survey (to be discussed shortly). The respondents were also notified that if they agreed, the interview would be recorded for data collection purposes. Rapley (2004) noted that the use of a tape recorder is not a concern for the respondents if they trust the interviewer. For this reason, I ensured enough time was spent discussing the purpose of the study and how the data would be used. All respondents consented to the audio recording. Interviews ranged from 25 to 65 minutes, with an average length of approximately 44 minutes. At the outset, respondents were asked if they had only a
specific time period to commit to the interview (e.g., if they were on their lunch break at work). If not, the opportunity was left open to continue as long as they needed to share their experiences. Prior to the interview, respondents were also asked to complete an online demographic survey about their job (i.e., job title, industry, organization size, organization tenure) and themselves (i.e., number of previous employers, birth year, gender, and number of years planning to stay with the organization). Demographic information was verified at the end of the interview.

The interview questions are presented in Appendix B. The language of the interview questions was fairly open to encourage discussion, without providing leading questions. This allowed me to determine what terminology respondents used to describe the nature of their psychological contract, as they perceived it. The interview was divided into two phases. In Phase I, respondents were first asked to discuss their general work experiences, without me providing leading questions or using psychological contract terminology. However, there was concern that respondents may be leaving out key information related to the psychological contract because it is an abstract concept that is not explicitly used in the workplace (Herriot et al., 1997; Millward & Cropley, 2003). With that in mind, Phase II began with me providing respondents with a definition of psychological contracts (see Appendix B for my psychological contract description).

A similar approach of providing a psychological contract definition to respondents was used by Nadin and Cassell (2007), although their work examined how employers, not employees, perceived the psychological contract and its consequences. Cassar and Briner (2009) also provided their potential respondents with a brief psychological contract description and asked them whether or not they felt a
psychological contract existed in their workplace. Contrary to Study 1, however, Cassar and Briner only interviewed the respondents who reported the presence of a psychological contract. Their screening process prevented the opportunity of understanding how or why some employees did not perceive that a psychological contract was present.

In total, 15 general interview questions were asked. The pre-determined interview questions were used simply as a guide and to provide some direction in the conversation. With that in mind, the interviews had some degree of spontaneity in them, in order to adequately capture the respondents’ experiences.

After I had asked all of the interview questions and answered any questions that the respondent may have had about the study, I verbally debriefed the respondent. Respondents were also asked if I could contact them in the future for a follow-up discussion. All respondents agreed to future communications. One respondent voiced concerns regarding privacy issues so her specific quotations were shared with her, prior to reporting them in the findings.

Following the iterative approach common in qualitative research, multiple rounds of interviews and data analyses were conducted. Phase I of data collection involved nine interviews, followed by six interviews in Phase II and nine in Phase III. Each data collection phase was followed by analyses, integrating the analyses from previous analyses, and revisiting the interview questions (Suddaby, 2006). Based on the recommendations of Morse (2000), it was anticipated that no fewer than 10 or more than 30 interviews would most likely be needed in total. After Phase III, I believed that I had adequately explored the research questions and had sufficient information to bring
closure to the analyses and contribute to the current literature (often termed theoretical saturation, Henwood & Pidgeon, 1992; Rennie, Phillips, & Quartaro, 1988; Seidman, 2006; Willig, 2008).

**Analytical Procedures**

**Transcribing the Interviews**

All interviews were manually transcribed verbatim by me. Transcribing techniques were based on the recommendations of Kvale (1996) and Rapley (2004), two experts in the area of qualitative interview research. Audio files of the interviews were converted to a computer file, which I then listened to in the program Audacity (http://audacity.sourceforge.net/). In addition, Audacity allows the tempo and pitch to be altered to decipher difficult speech. Audacity also allows the transcriber to transcribe at the same speed of which the audio recording is being played. To ensure confidentiality of the respondents, their names and those of their employers were removed from the transcripts and replaced with pseudonyms.

In addition to the transcripts, I wrote a brief one to three page summary of each respondent. These case summaries were designed to be a quick reference of each respondent and included demographic information, information gathered from the interviews, and meaningful quotations. The case summaries were written after completing each transcription.

Emotional expressions (e.g., laughter) and pauses were documented in parentheses (Miles & Huberman, 1994; Seidman, 2006). Because the analyses of the interviews involved content analysis (to be discussed shortly), and not linguistic analysis, the amount of detail of these non-verbal accounts was kept to a minimal (e.g., “pause”
and “long pause” and not the actual milliseconds). Several of the non-verbal cues proved informative during analyses, such as the commonality of laughter when many of the respondents reported not being able to remember the details of their legal contract.

A trained research assistant verified that the transcripts accurately matched the audio recordings. The research assistant also ensured that the case summaries adequately captured the transcripts. Any discrepancies were openly discussed until a consensus was met between both transcribers.

The quotes reported in the results section appear somewhat edited for simplicity purposes in that a few repeated words were removed, giving justice to the respondents and imagining how they themselves would have wanted to formulate their statements in writing (Kvale, 1996). That being said, this was rarely the case as the respondents were found to be quite articulate in expressing their thoughts and experiences.

Preparing the Data

Computer-assisted qualitative data analysis software (CAQDAS) called NVivo (version 9) was used to store the data and analyze the transcripts (http://www.qsrinternational.com/products_nvivo.aspx). CAQDAS software does not help the researcher analyze the findings, but simply assists in indexing and retrieving information (Bringer, Johnston, & Brackenridge, 2006; Kelle, 2004; Locke, 2002; Lyons & Coyle, 2007; Patton, 2002). CAQDAS are best to be thought of as a project management tool for qualitative researchers (Silver & Fielding, 2008). In the present study, NVivo was also used during data analyses, particularly in labeling data segments and counting the frequencies of certain terminologies (to be discussed in more detail shortly).
Research Method and Analyses

Content analysis of the descriptive and factual elements of the interviews was viewed as the most attractive approach to address the research questions. The central premise of content analysis is that the text is grouped into meaningful segments, which are then grouped together into categories based on similarities (Weber, 1990). By coding and categorizing the data, the researcher is better able to make inferences from the text and identify themes across respondents. Content analysis also incorporates counting (Miles & Huberman, 1984). For example, I was interested in identifying how many respondents perceived that a psychological contract was present. Below is an outline of the five specific content analysis procedures that were implemented throughout data analysis: coding, category development, constant comparisons, counting, and memoing.

Coding

Coding is a data labeling technique (Miles & Huberman, 1994). Coding involved attaching labels to meaningful phrases and sentences that I grouped together (Locke, 2002). The specific coding procedures that were used included literal and theoretical coding. In literal coding, I used the respondents’ own words to generate descriptive codes (Hesse-Biber, 2010). For example, when Nicole was talking about the legal contract with her employer, she stated; “I firmly believe that contracts are a very important thing.” This sentence was labeled “Importance of legal contract.” At times, theoretical coding was used because psychological contract theory terms were used to label the codes. For example, Leanne stated; “There’s always unwritten extracurriculars, like coaching and volunteering for students and helping out with school plays and those types of things.” I labeled this sentence “Implicit term”.
Coding was approached in an inductive manner to limit missed opportunities during the analysis. In other words, each chunk of information was not labeled based on a pre-determined list of labels (often called a “codebook,” Patton, 2002). For example, there were no interview questions that addressed contract comparisons. However, through an inductive coding approach, several chunks of information were labeled as such (e.g., “Psychological contract compared to coworkers” and “Relationship with current employer compared to other employers”).

All interview transcript materials were coded with the exception of the following: statements by the interviewer, the occasional repeated sentence, administrative information discussed at the beginning and end of the interview that was irrelevant to the employees’ work experiences (e.g., discussions about where to mail the gift card), and any information that would reveal the company’s identity for which the respondent worked. All coding was conducted and documented in NVivo.

The number of labels identified for each respondent ranged from 63 to 179, with an average of 102. The number of distinct labels for each respondent ranged from 40 to 74, with an average of 52. After the third round of data analyses, 179 different labels emerged, but after eliminating duplications, 133 labels remained. Previous data analyses phases were revisited after each previous phase, to incorporate new labels, where appropriate. Sample labels included the following: Importance of psychological contract, Power balance in psychological contract, Source of implicit terms, External sources of information, and Psychological contract versus legal contract distinction.
**Category Development**

Once all data segments received a label, labels were clustered together, based on their similarities. This process is equivalent to statistical factor analysis (Miles & Huberman, 1994). The purpose of creating categories was to easily identify similar labels for each of the research questions and emerging themes (Miles & Huberman, 1994). These formed groups are referred to as categories, and often include between 6 to 12 different labels (Corbin & Strauss, 1990; Locke, 2002).

A total of 19 categories emerged, with an average of 6.9 labels per category. A list of the categories and their corresponding labels are presented in Appendix G. Some of the categories addressed one specific research question (e.g., Psychological contract changing nature), while others did not (e.g., Employee work attitudes).

**Constant Comparison**

Comparisons involved the following forms: comparing different respondents, comparing data within respondents across their retrospective accounts, comparing labels, comparing categories, and comparing findings with existing theory (Charmaz, 2000; Wasserman, Clair, & Wilson, 2009). For example, and related to Research Question #3 (Who is/are the other party/parties in the psychological contract?), respondents were compared based on the organization size in which they worked. As will be discussed in the findings, all respondents from organizations with fewer than 10 employees defined the same organizational representative for the legal contract and psychological contract. Data within respondents were also compared to understand how employees perceived changes in their psychological contract over time retrospectively (i.e., Research Question #6: Do core perceptions of the psychological contract change over time?).
Another key element of comparisons involved actively pursuing negative cases (Andrew & Halcomb, 2009; Gray & Cooper, 2010; Miles and Huberman, 1994). A negative case was defined as a respondent’s experience that was different from theory or other respondents’ experiences. For example, when a respondent shared an experience that didn’t fit with existing theory, additional questions were asked during the interview to pursue the finding further. Further probing was also conducted during the interview if the respondent shared an experience that was different from the other respondents.

**Counting**

Counting and percentages were also implemented throughout data analysis and reporting the findings (Miles & Huberman, 2002; Maxwell, 2009). When used, however, numbers were not intended to reduce the importance of the respondents’ verbal accounts and were not often used in isolation.

**Memoing**

_Memoing_ was incorporated throughout Study 1. Memos are simply written notes that many qualitative researchers make to themselves throughout the research process to stimulate thought and reflection (Corbin & Strauss, 2008; Silverman, 2005). During data collection, I wrote memos after each interview. During data analysis, I wrote memos to document emerging labels and categories and how the findings fit with existing psychological contract theory. Over 115 single-spaced pages of memos were written throughout Study 1.

**Study Authenticity**

A concern in Study 1 was that authenticity be present. Authenticity in qualitative research is how researchers establish that the inferences drawn from the data are
internally valid (Creswell & Miller, 2000). Overall, the main goal of establishing authenticity is to ensure that the findings are credible within the eyes of three audiences: the researcher, the study respondents, and individuals external to the study (e.g., researchers knowledgeable about the phenomenon, reviewers, and practitioners in the field, Charmaz, 2006b; Glaser, 1992). Authenticity was promoted in Study 1 by implementing a number of strategies outlined above during the analysis and reporting the findings: verbatim transcriptions, constant comparison analyses, reporting negative cases, numerical reporting, reporting thick detailed descriptions, and auditability (i.e., reporting clear accounts of coding techniques and analysis, Andrew & Halcomb, 2009; Creswell, 2003; Maxwell, 2009; Miles & Huberman, 1994). In addition, peer review with the researcher’s advisory committee and a research assistant was also implemented throughout data collection and analyses. For example, I communicated regularly with my advisor and research assistant about the study findings and encouraged them to question and challenge the inferences that I was drawing from the data. The purpose of having these authenticity strategies in place is to ensure that the reported findings are meaningful and faithful representations of the respondents’ lived experiences.

Results

The results are presented in two sections to parallel the sequence of the interview structure. Recall that the interview questions were organized into two parts. The first part addressed the legal contract and general work experiences of the respondents. The second part involved me providing a definition of the psychological contract and asking the respondents to directly comment on a number of issues related to the psychological contract. In Phase I of the following results, findings related to the legal contract are
presented. How employees perceive the legal contract is informative because a number of the research questions relate to how respondents conceptualize the psychological contract versus the legal contract. In Phase II of the results, findings related to the psychological contract and more specifically to each research question are presented.

**Phase I: The Legal Contract**

Respondents reported a number of terms that were included in the legal contract: benefits (77% of respondents), compensation (73% of respondents), job description and full-time/part-time status (46% of respondents), and employee obligations such as confidentiality agreements, security responsibilities, and maintaining professional credentials (37% of respondents). The respondents noted that the legal contract was also very detailed. For example, Julie noted that it was too detailed for her understanding; “They obviously had craft that by a lawyer ((laughter))...a lot of legal jargon. I was kind of thrown back by that.” Interestingly, when asked to report what was on the legal contract, many respondents laughed that they had forgotten and admitted to not looking at it recently (41% of respondents). For example, Dan stated; “To be honest, I haven’t really looked at the terms of employment-contract since I started ((laughs)).” Veronica also stated; “What else was on there? I’m drawing a blank. I’m sorry ((laughs)).” Finally, Leanne noted; “I’m picturing it but ((laughs)) it’s not coming to me.” With that in mind, the above list is most likely not complete, but rather what is most salient to the respondents, at the time. The incomplete list may also signal that the legal contract may not have an influential effect on work attitudes and behaviors on a daily basis. I discuss this finding further in Phase II of the findings, in comparison to the importance of the psychological contract.
Respondents were also asked about perceived changes in the legal contract. Anticipated contract changes were rare, with the exception of a small increase in salary (41% of respondents). Interestingly, all respondents reported changes to their role with two-thirds reporting an increased workload, compared to the time when they first started working (typically referred to as job creep, Van Dyne & Ellis, 2004). In other words, although their responsibilities were evolving, the contract stayed the same. Overall, the legal contract was viewed by the respondents as being relatively stable over time, which has been documented in past literature (Makin, Cooper & Cox, 1996). In contrast, and to be discussed shortly, all respondents perceived the psychological contract as evolving.

Negotiation opportunities were also discussed with the respondents. Thirty-five percent of the respondents did negotiate terms in the legal contract, which involved negotiating start date, salary, and/or vacation days. The remaining 65% of respondents, however, reported that they did not negotiate any terms. Reasons provided for not being able to negotiate included the presence of union policies and the fact that the position was entry level. If they had been given the opportunity to negotiate, the respondents reported wanting to negotiate salary and a flexible work schedule. Only two of the respondents were completely satisfied with their contracts and did not wish to negotiate any terms, with the remaining wishing that the opportunity had been there.

**Phase II: The Psychological Contract**

I had hoped that the discussions during Phase I of the interviews would identify some initial insights about how respondents were naturally thinking about the psychological contract. As anticipated, however, it was challenging to draw such inferences without using leading psychological contract terminology in the interview.
questions. As a result, the majority of time spent in the interviews was on Phase II questions. Unless noted otherwise, the findings presented next were gathered during Phase II after I provided a definition of psychological contracts.

Before addressing the specific research questions, I wish to comment on the prevalence of psychological contracts in the sample. With the exception of three respondents, all felt that a psychological contract was present, that the concept resonated with them, and they were able to apply it to their own work situation. For example, Meghan felt that it was; “natural to sway from what’s written on the paper”. The findings suggest that several employees naturally form relationships with an employer figure.

The commonality among the three respondents who did not feel that a psychological contract was present was that they all reported not perceiving an implicit element in the relationship.

*It’s just I don’t necessarily feel that way...aside from the explicit...salary and number [of] weeks vacation...I think there’s an explicit expectations there but beyond that there’s nothing.*-Veronica

*It’s just very regulated. I think labour laws and labour unions have kind of come into play at my level and we’re kind of mandated, things that kind of remove the social contract.*-Mark

*To be honest, not really. There’s not too much in terms of a grey area in terms of what is spoken and what is unspoken in terms of roles and responsibilities [or an] unspoken notion about what you want from them and what they want from you.*-Jake

When Jake was asked why he thinks this is the case, for him, he replied:

*I never planned on being there past three months so there’s a constant attitude on my part as I won’t be there this long and circumstances have arisen, economically speaking for one, where your mentality changes over time.*

In Jake’s case, he didn’t see the desire to form a psychological contract in his current work situation, something that will be further explored in Study 2. Overall, the commonality among the three respondents is the absence of a perceived implicit nature of
the relationship, which will be discussed shortly in Research Question #2 (Do employees perceive the psychological contract to be explicit, implicit, or both?).

The importance of the psychological contract to the respondents was also discussed during Phase II of the interviews. Earlier, I reported the importance of the legal contract to the respondents. The majority felt that the psychological contract was more influential on their work attitudes and behaviors, compared to the legal contract. Two examples are provided below.

“Legal contract, um, is just legal. There’s no feeling involved in that...with the psychological contract, you know, with the loyalty, and with the relationship that you develop with the people that you’re working with, um, it would definitely be harder to break that contract.” - Julie

“[Psychological contract] plays a bit more on my day to day thinking about my job. Because you want to build a relationship with your employer because it’s beneficial...I think for the psychological contract, may resonate with me a bit more because I think about what I want to do.” - Elizabeth

Only one respondent felt that the legal contract was more important to her, compared to the psychological contract, and this is most likely due to the nature of her work. Stacey’s profession involved dealing with at-risk children; “My [job] is on the line, one way or another if someone, you know, harms a child.” She also reported that the psychological contract was important, but just not as important as the legal contract. The number of potential workplace relationships may also influence the importance of the psychological contract for the employee (e.g., relationships with coworkers and management). For example, Krista provided numerous examples of the importance of the psychological contract to her. Her work was also very independent and the only work relationship she mentioned was the one she had with the other psychological contract party.
Next, I present the research findings related to each research question. To complement Phase II, a summary that directly compares the study findings to assumptions of psychological contract theory are presented in Table 3. For authenticity purposes and for those interested in viewing the study findings for each respondent, a table is presented in Appendix H. Respondents’ actual names have been replaced with pseudonyms in the Appendix.

**Research Question #1: How do employees define the psychological contract?**

Respondents who felt that a psychological contract was present were then asked to describe its nature. A key objective of the present study is to determine if employees are using the same terminology as psychological contract researchers. To compare these terminologies, I specifically searched for the terms *expectations, promises, and obligations* in the interview transcripts (using NVivo). The search revealed that approximately one third of the respondents (33%) used *expectations* to describe their psychological contract. These expectations fit into four general categories: 1) the perceived other party’s expectations for the respondent, 2) the respondent’s expectations for the other party, 3) the respondent’s general expectations for all employers, and 4) the perceived other party’s expectations for all employees at the organization. Only two of the four categories would be considered expectations specifically between the employee and the other party in the relationship (i.e., #1 and #2). As the findings convey, when employees think about their psychological contract, they may be gathering information from outside their specific employer-employee relationship. This finding relates to Research Question #5 (*How are the terms of the psychological contract conveyed to each other?*) and will be discussed in more detail later.
### Table 3

Psychological Contract (PC) Theory Assumptions and Corresponding Study Findings

<table>
<thead>
<tr>
<th>RQ</th>
<th>Theory Assumption</th>
<th>Support</th>
<th>Illustration</th>
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<tbody>
<tr>
<td></td>
<td>PCs are perceived present</td>
<td>Mostly Supported (87.5%)</td>
<td>Support: “Natural to sway from what’s written on the paper.”-Meghan Exceptions: “It’s just I don’t necessarily feel that way…aside from the explicit [salary]…I think there’s an explicit expectation, but beyond that there’s nothing ”-Veronica</td>
</tr>
<tr>
<td></td>
<td>PCs are universally desired</td>
<td>Not supported</td>
<td>“I never planned on being there past three months so there’s a constant attitude on my part as I won’t be there long.”-Jake</td>
</tr>
</tbody>
</table>
|      | PCs are more influential on work behaviors, compared to legal contract | Mostly Supported (one exception) | Support: “[PC] plays a bit more on my day to day thinking about my job. Because you want to build a relationship with your employer because it’s beneficial.”-Elizabeth  
Exception: “My [job] is on the line, one way or another if someone, you know, harms a child”-April, who feels that due to the nature of her work as a social worker, the legal contract is more important. |
| 1    | PCs are defined in terms of promises, expectations, and obligations | Not Supported            | Expectations (33% of respondents): “Expected to put in quite a bit of work...some over time is usually expected.”-Mike  
Promises (5%): “He’s fulfilled his promises, and going above and beyond and taking us out for coffee once a week and really listening to us and makes you want to work that much harder, makes you want to promise him that you’ll meet your deadlines.”-Kim  
Obligations (0%)  
Other terminology (loyalty, respect, communication; 67%): “Loyalty, and with the relationship that you develop with the people that you’re working with.”-Julie |
Table 3 continued

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<th>RQ</th>
<th>Theory Assumption</th>
<th>Support</th>
<th>Illustration</th>
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<tbody>
<tr>
<td>2</td>
<td>PC implicit terms are perceived</td>
<td>Supported (100%)</td>
<td>Perceptions of what the other party contributes: career advancement opportunities, training opportunities, flexible hours</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Perceptions of what employees contribute to the relationship: working overtime hours, increased work load, extra job duties.</td>
</tr>
<tr>
<td>2</td>
<td>PC explicit terms are perceived that are not part of the legal contract</td>
<td>Somewhat Supported (54%)</td>
<td>Examples similar to above, except career advancement</td>
</tr>
<tr>
<td>2</td>
<td>PCs and legal contracts are different</td>
<td>Mostly Supported (one exception)</td>
<td>Support: “I guess legal contract to me, means like how you’re getting paid and the overall view of like, macro, what you’re doing, on a yearly basis, but I ah, psychological seems more of like, how do you handle situations day to day.” - Mike</td>
</tr>
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<td></td>
<td></td>
<td></td>
<td>Exception: “In my mind, the employer, is the one who pays my cheque. Who pays me - who I work for. So therefore, in the legal sense, it makes the most sense to me. And on the psychological way that you were talking about, um, my boss or their boss, they still work for the same people, it’s just different - higher on the hierarchy.” - Lyna</td>
</tr>
<tr>
<td>3</td>
<td>The other party in the PC is (i) one individual, (ii) a group, or (iii)</td>
<td>(i) Supported (81%)</td>
<td>Examples included company owner, immediate supervisor, director, boss</td>
</tr>
<tr>
<td></td>
<td>organizational documents.</td>
<td>(ii) Supported (19%)</td>
<td>Team. All respondents were from organizations with more than 250 employees.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(iii) Not Supported (0%)</td>
<td>No examples obtained from the respondents</td>
</tr>
<tr>
<td>3</td>
<td>Employees may experience inconsistent messages about the PC</td>
<td>Not Supported (0%)</td>
<td>No examples obtained from respondents</td>
</tr>
</tbody>
</table>
Table 3 continued

<table>
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<tr>
<th>RQ</th>
<th>Theory Assumption</th>
<th>Support</th>
<th>Illustration</th>
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</table>
| 4  | PCs are perceived as a mutual exchange relationship                                | Mostly Supported (one exception) | Support: “My director [has] respect for the contribution that I make to the team, and similarly I have a lot of respect and trust in advice and recommendations that they give me to me, and I feel that we’re both want the same outcome.”-Nicole
Exception: “I don’t think it should be, like, well, it could be to a certain extent…I am just starting out and I do have to show, like, what I’m capable of, but he’s the boss…responsibility of the company [rests] on his shoulders.”-Mary |
| 4  | PC power imbalance signals a non-mutually beneficial relationship                 | Not Supported (10%) | “I respect the fact that there are going to be decisions that are going to be made and [I’m] not going to be privy to all the information about, nor should I necessarily be.”-Nicole |
| 5  | PCs include only terms exchanged between the employee and other psychological contract party | Not Supported | PC other party: 48% of respondents
Other sources: 52% of respondents
Internal organizational sources: coworkers (54% of respondents), human resource documents (17%)
External sources: friends at similar organizations (13%), alumni and professors (8%), professional associations and websites (16%).
Own sources: past work experiences (4%), first-hand experience (21%). |
| 6  | PCs are perceived as evolving over time                                           | Supported (100%) | “It definitely evolves every year you are there and they expect you to do each year, each project-every new project that you take on.”-Dan
“IThink overtime we just become more comfortable with each other and come to understand, um, what we’re willing to give with each other.”-Kathryn |
Promise terminology was used by only one respondent and no respondents used the term obligations when asked to describe the nature of their psychological contract. The research question also addresses whether respondents use the terms expectations, obligations, and promises interchangeably; however, this did not appear to be the case. Overall, only 38% of the respondents used one of the three terms described in the literature when speaking about their psychological contracts, with expectations being the most popular.

Instead of describing the relationship in terms of expectations, promises, and obligations, respondents often described the general nature, qualities and features of the relationship:

“There’s a very good understanding between the employees and the employer, give respect...it’s a very comfortable work environment because we are given such flexibility.”-Kathryn

“I think it [psychological contract]’s more about the attitudes and the emotions that you’re treated with.”-Meghan

“There is an implicit understanding I guess, loyalty I guess to my employer and how much work I do, like how diligent I am...she does express that she is here for me if I need anything.”–Olivia

“I guess the feeling that you’re appreciated for the work that you put in.”-Liza

Additional words used to describe the psychological contract included the following: loyalty (five respondents), respect (three respondents), a feeling/attitude (two respondents), and trust (two respondents). In other words, the overall qualities of the relationship were being described in general terms. They also naturally spoke about the reciprocal nature of the relationship (i.e., what each was contributing), which will be discussed shortly in Research Question #4 (Do employees perceive the psychological contract as a mutual exchange relationship?).
Research Question #2: Do employees perceive the psychological contract to be explicit, implicit, or both?

First, all respondents who perceived that a psychological contract was present felt that at least some part of the psychological contract was implicit. This finding is consistent with the previous finding that respondents appeared to use the “implicitness” of the relationship to decide whether or not a psychological contract was present.

Respondents reported the following as being implicitly communicated to them by the other psychological contract party: career advancements opportunities, training opportunities, flexible work hours, legal contract extension, and providing a safe work environment. Respondents also implicitly conveyed their willingness to do the following for the other party: work overtime hours and accept extra job duties and responsibilities. In addition to their implications to the question of explicitness, these findings are valuable because they highlight the fact that employees are naturally thinking of what both parties are contributing to the relationship. Seeck and Parzefall (2008) noted that past research has failed to ask employees about what they personally are contributing to the psychological contract.

A second component of this research question is identifying whether or not employees perceive explicit psychological contract terms that are outside the realm of the legal contract (Guest, 1998). Approximately half of the respondents (52%) did report explicit psychological contract terms not included in the legal contract. Examples of terms that respondents felt were explicitly communicated to them included training opportunities, flexible work hours, and that the legal contract would be extended. Terms that employees explicitly communicated to the other party included working overtime,
working an increased work load, and accepting changes in their job roles. Similar to the implicit terms, respondents reported examples of what they themselves and the other party were contributing. Several of the explicit examples are identical to the implicit examples reporting earlier. There was an exception, in that career advancement was only reported to be communicated implicitly to the respondents. There were no obvious contextual factors (i.e., organization or job title) that seemed to suggest when a respondent would report a term to be communicated implicitly or explicitly.

As noted earlier, Rousseau (2001) and Conway and Briner (2005) claimed that implicit terms become more common practice as the relationship length increases and Millward and Cropley (2003) found empirical evidence for this. It was difficult to explore this with the current sample because tenure was restricted from six months to three years. An examination of respondents with tenure of over one and half years, compared to those with fewer than one and half years with their current employer did not show any differences. However, it is important to note that the respondents’ tenure is not an accurate reflection of the relationship length because some reported that the other psychological contract party had changed for them across their tenure.

Related to the above findings, respondents were also directly asked whether or not they perceived a difference between the legal contract and psychological contract. All but one respondent perceived a difference between the legal contract and psychological contract. When the exception, Lyna, was asked why she didn’t perceive a difference between the legal contract and psychological contract, she noted that it was because she didn’t see a difference between who the employer was in the legal contract versus the
other psychological contract (i.e., the company in general). In general, however, the respondents did perceive a difference, but this cannot be assumed for all employees.

**Research Question #3: Who is/are the other party/parties in the psychological contract?**

Respondents were asked who or what represented the other party for them in their psychological contract. Approximately 81% of respondents defined the other party as being one individual. The job titles of the other party varied and included company owner, immediate supervisor, director, and boss. The variety of job titles is likely a reflection of the various organizational structures and different terminologies that exist in organizations. For example, the term *supervisor* may be used in one organization, and the term *director* in another. Some researchers suggest that employees may define the other party as something other than a human being, such as company documents (Rousseau & Greller, 1994), but no examples were found in the present study.

Three respondents noted that they had had multiple other psychological contract parties throughout their tenure, such as their project manager at the time (e.g., Dan and Stacey reported up to 20) or the school principal at the time (e.g., Leanne). Interestingly, the respondents only perceived one party at a time, and the respondents were able to distinguish between the different psychological contract relationships.

The remaining four respondents defined the other psychological contract party as a collective group (i.e., their team) and all worked in organizations with more than 250 employees. They also noted that movement and turnover were high so the specific individuals in the team also changed over time. Given the instability in the work
environment, it makes intuitive sense that these individuals would form a relationship with a collective group, as opposed to one individual who may leave.

This research question also addresses whether or not respondents experience inconsistent messages from different other psychological contract parties. Inconsistent and/or conflicted messages were not evident from the interviews. In light of the interview findings, the current literature’s concern regarding inconsistent messages (e.g., Dabos & Rousseau, 2004; Rousseau, 1995) does not seem warranted.

This research question also addresses how employees distinguish between the other party in the psychological contract versus the employer specified within the legal contract. Only approximately one-quarter of the respondents defined the other party as the same individual they defined as their employer in the legal contract. All were from organizations with fewer than 50 employees, with the exception of one. The exception was Penny who was from an organization with 250 to 500 employees. Penny identified her boss as both the other party in the psychological contract and legal contract. Interestingly, she did not sign a legal contract. Instead, everything was communicated verbally to her from her boss, which she agreed was legally binding. Had she signed a legal document, she may have reported the organization as a whole for the legal contract, similar to the other respondents from large organizations. Overall, it appears that individuals do generally perceive different organizational entities for the legal contract and psychological contract, unless the organization is quite small and there are limited entities to select.
Research Question #4: Do employees perceive the psychological contract as a mutual exchange relationship?

All but one respondent felt at least some aspects of the psychological contract were experienced as a mutual exchange relationship. For example:

“[I] put out as much as I can in myself and work really diligently and hard to get whatever tasks I have to work on...[in return] I'm appreciated, I'm praised in a way, I'm told the client really likes it.”-Kathryn

“Things in my job that aren’t necessarily in my job description that you do because you know that you’ll do them and you’ll get other things in return.”-Elizabeth

“He’s fulfilled his promises, and going above and beyond and taking us out for coffee once a week and really listening to us and makes you want to work that much harder.”-Kim

Most of the respondents spoke about non-tangible items that they received from their employers such as appreciation, feedback, and open communication. Mary was the exception and reported that the relationship was not mutual; “I don't think it should be, like, well, it could be to a certain extent...I am just starting out and I do have to show, like, what I'm capable of, but he's the boss...responsibility of the company [rests] on his shoulders.” Mary’s account relates to the issue of power. Some did perceive a mutual balance of power in the relationship, but only as their tenure increased. They recalled that as their tenure increased, the respondents felt they were more involved in making decisions and having an equal say about the terms of the relationship (e.g., what tasks they do or when to terminate the relationship). For example, Julie stated; “He knows that I know my value and he knows that I can, at any time [leave] I’ve been headhunted and other employees have left and offered me positions in their companies.”

Overall, respondents felt that their employer had the authority to make decisions, but they were comfortable with this hierarchy of authority and power. Consequently, the
present findings did not support psychological contract theory concerns that a power imbalance prevents employees from perceiving the relationship as mutually beneficial (Cullinane & Dundon, 2006; Nadin & Cassell, 2007). Overall, the respondents perceived the relationship as mutual, based on an imbalance of power of giving/receiving (at least at the beginning), and being comprised of non-tangible terms.

Research Question #5: What sources are used to gather information about the psychological contract?

Overall, approximately half of the respondents (48%) reported that they gather information about the psychological contract directly from the other party in the relationship. Recall Conway and Briner (2005) argued that beliefs of the psychological contract should be based solely on communications between the employee and the other psychological contract party. Interestingly, four respondents (17%) specifically stated that they do not speak with the other party directly. For example, Veronica stated:

“You’re kind of forced to talk to people who aren’t really in a position to make any kind of decision...I wouldn’t go to her first, even though she’s my [other psychological contract party] boss...It certainly makes me not comfortable with, you know, bringing up certain issues if there is anything.”

The other half of respondents obtained information about the relationship from other sources. Sources internal to the organization included the following: coworkers (54% of respondents) and human resource documents (17% of respondents). Sources external to the organization included the following: peers in similar organizations (13% of respondents), alumni and professors (8% of respondents), professional associations (8% of respondents) and online documents (8% of respondents). Sources that were internal to the respondent included first-hand experience on the job (21% of respondents) and past work experiences (4% of respondents). The median number of sources consulted
by each respondent was two (range being one to six). These findings suggest that the psychological contract relationship is not in isolation and that many external sources beyond the two specific parties of the psychological contract can influence the perceptions of the relationship.

Research Question #6: Do core perceptions of the psychological contract change over time?

All respondents reported that they perceived, retrospectively, the relationship as evolving and changing over time. The majority also felt that the relationship had changed for the better. Specifically, half of the respondents used words such as “stronger,” “more,” “more comfortable with each other,” and “more relaxed with each other” to describe how their perceptions of the psychological contract and the relationship in general changed over time. For example, Julie reported; “Yeah. Like it’s definitely grown the more I’ve been here and the more we get to know each other and the more we work together…the bond gets stronger.”

Two respondents, however, felt that the relationship became weaker over time. These respondents, Jen and Lyna, also reported experiencing unfulfilled psychological contracts. It is important to note that not all respondents who experienced unfulfilled psychological contracts felt that the relationship had deteriorated over time. Dulac, Coyle-Shapiro, Henderson, and Wayne (2008) note that only over multiple events of unfulfilled promises are global perceptions of breach usually reached, and the interview findings supported that. For example, Liza did not receive a bonus this year, but she did not perceive it as breach because it was communicated well to everyone, it was companywide, she attributed it to reasons outside the organization (i.e., the poor
economy), and it was an isolated incident of breach. For the most part, Liza described her relationship as good with her employer. Overall, the respondents did retrospectively view the contract as evolving over time, and mostly for the better.

This research question also includes perceived changes in the explicitness/implicitness nature and the other psychological contract party. Findings regarding changes in the explicitness/implicitness of the relationship were presented in the findings for Research Question #2 and changes in the conceptualization of the other party were presented in the findings for Research Question #3. Overall, no clear indications of changes in the explicitness/implicitness nature emerged but changes in the perceived other psychological contract party emerged for those in large organizations.

**Additional Findings**

A few additional findings were discovered during data analysis that are worth mentioning briefly. These findings do not address any specific research question, nor were they topics asked directly during the interviews. With that in mind, these findings appear to be important and salient in the minds of the respondents because they naturally emerged in the interviews. I discuss these findings further as well in Chapter Four: General Discussion.

First, throughout the interviews, the respondents often compared their current relationship to other relationships. While the respondents were never asked to make such comparisons, it appears employees do consciously make comparisons between their current relationship and three comparison relationships: 1) their coworkers’ relationships with their employer, 2) their friends’ relationships in similar organizations, and 3) their previous psychological contract relationships. For example, Penny compared her current
psychological contract relationship with that of a coworker’s; “They kind of like invested a lot in him [paid for his education allowance] so I feel like there’s more focus on him, so I kind of feeling a little bit left out.”

Overall, 70% of respondents made at least one comparison, with the most being comparisons to peers in similar organizations. This finding relates to the replicability of the psychological contract. Ng and Feldman (2008) developed a measure to access how replicable employees perceive their psychological contract to be in the external labor market. They found that employees who perceived their psychological contract could not be replicated elsewhere were more likely to have high degrees of commitment. Overall, in the present sample, it was salient that respondents were thinking about how their current psychological contract compared to others.

Another finding illustrated that when asked to describe how they perceived changes in the psychological contract over time, respondents often talked about proving themselves first to their employer.

“I constantly feel like I have to prove myself for the first two terms of the school that I’m in and then usually, you develop a relationship by the second term and you can start to relax a little bit after that.”-Krista (teacher)

“The psychological contract is now sort of, you know, you’ve showed your medals, you know, now I feel like I don’t want to let them down. I want to make sure that I’m, you know, proving my own work and that I’m, you know, demonstrating my own strengths in my position.”-Stacey

This finding also related to changes in power imbalance that was discussed earlier. For these respondents, they felt that they needed to first illustrate to the other psychological contract party that they were worthy of the relationship. This isn’t discussed in the current literature but appears to be on the minds of employees. It may
simply be a reflection of the sample demographics (e.g., early career stage, entry level positions, gender), but may also be something that all employees experience with a new employer and warrants further investigation.

The last noteworthy discovery related to organizational commitment. When asked to describe the nature of their commitment, the respondents interestingly often discussed their commitment towards the target that they also used to define their other psychological contract party. For example, Sara felt her whole team was the other party in the psychological contract, and she also talked about commitment towards the team when asked to describe her commitment. In Sara’s case, it may be more appropriate to measure her commitment towards the team, instead of commitment to the organization, when exploring work attitudes and psychological contracts together.

**Discussion**

The purpose of Study 1 was to gain a naturalistic perspective on how employees perceive and experience psychological contracts in their workplaces. In line with my overarching research question, the following discussion highlights how the findings contribute to both psychological contract measurement and theory. In each of these two areas, the discussion primarily focuses on the key points that will be expanded upon further in Study 2. The goal of the following discussion is to provide the framework and introduction to Study 2. Additional insights for future research will be incorporated with those of Study 2 and presented in Chapter Four: General Discussion.

**Psychological Contract Measurement**

The interview findings provided several insights on measuring psychological contracts. I believe the largest contribution to Study 1, and which will be further explored
in Study 2, is that the interview findings identified which approach to measuring psychological contracts parallels that of the natural language used by employees. In general, there are three approaches to measuring psychological contracts: evaluation, content, and feature-based (Rousseau & Tijoriwala, 1998). First, the evaluation approach focuses on the degree to which employees feel that the psychological contract has been fulfilled or breached. Second, the content approach involves asking employees to typically rate the existence of specific terms that are part of the psychological contract (e.g., pay, benefits, training). Third, feature-based measures capture the general attributes and dimensions of the psychological contract (McInnis, 2007; Rousseau & Tijoriwala, 1998). As opposed to measuring what is being exchanged (e.g., pay), the features-based approach describes the nature of the contract generally in terms of adjectives (e.g., stable or long-term, Rousseau & Tijoriwala, 1998). The feature-based approach most closely resembles the language used by respondents to describe their psychological contract experiences. For example, when the respondents were defining their psychological contract (Research Question #1), they weren’t emphasizing what was being exchanged (e.g., work hours or job duties) but instead spoke in terms of the general nature of the relationship and what the relationship entailed (e.g., loyalty and respect).

In Study 2, I present and test a revised feature-based measure, using McInnis, Meyer, and Feldman (2009)’s measure as a baseline. Findings from the interviews were also used to refine survey instructions and identify which features may not be adequately captured in existing feature measures. For example, respondents often spoke about the communication level in the relationship when asked to describe the characteristics of their psychological contract perceptions (e.g., open and comfortable communication). I
further explore this finding by including communication in the revised measure in Study 2. Additional remarks on Study 1’s contribution to the revised measure are presented in Study 2.

**Psychological Contract Theory**

Study 1 was the first to ask employees about whether or not the concept of psychological contracts resonated with them and their work experiences. The interview discussions revealed that respondents did understand the meaning of psychological contracts, but that not all respondents perceived one to be present. With that in mind, I challenge the assumption in psychological contract theory that all employees experience a psychological contract at work (Anderson & Schalk, 1998). I agree with Millward and Brewerton’s (2000) statement that “Organizations tend to underestimate the diversity of their employees’ needs” (p.26) when he was questioning the universality of psychological contracts. From an employer’s perspective, and to be explored in Study 2, it would be valuable to know whether or not differences exist in work behaviors between those who perceive a psychological contract versus those who do not.

The interviews revealed that not all respondents desired a broader working relationship with their employer, an assumption in current psychological contract theory. Again, a comparison between those who desire a psychological contract and those who do not would be insightful for further understanding the role of psychological contracts in the workplace. Study 2 will be the first to compare employees with various psychological contract experiences and preferences on commitment, engagement, and turnover intentions.
I had hoped that the interview discussions would provide clarification on exactly who or what represents the other party/parties in the psychological contract. In general, the respondents reported the other party to be perceived as one person, typically someone of higher authority. In cases where the organization faced high turnover or internal movement, respondents reported their work group as the other party. In terms of how the other party is defined in theory and measurement, I recommend that a variety of employer representatives continue to be recognized by allowing employees to pick a party that is most applicable to their work situation.

Questions arose during Study 1 about how employees gather information about the psychological contract. Respondents revealed that they relied on information external to the other party in the relationship, and sometimes external to the organization, to form perceptions about their psychological contract. The source of information for psychological contract terms, particularly implicit terms, often came from coworkers and peers in other organizations. While psychological contract theory does recognize that various factors shape psychological contract perceptions (Conway & Briner, 2005), how influential these external sources are remains unknown. The interviews highlighted the fact that individuals do not just rely on the other psychological contract party when gathering information about what the relationship entails. I cannot conclude, however, how influential these external sources are, particularly in comparison to information obtained directly from the other party in the relationship. Future research should empirically tease apart these differential influences on contract perceptions and subsequently their effects on work attitudes and behaviors.
Final thoughts on psychological contract theory relate to how psychological contracts compare to legal contracts. The present study was the first to ask employees about how they experience both the legal contract and the psychological contract. The respondents were able to differentiate between the two in terms of their nature (e.g., implicitness), importance, and who the employer was in each contract. From a psychological contract theory perspective, these findings support the notion that psychological contracts are indeed distinct from legal contracts. This distinction has been illustrated academically on a conceptual level (e.g., Rousseau, 1989), but the present study was the first to explore the distinction from an employee’s perspective.

Study Limitations

The findings are limited to the respondents in this context and their verbal reports. Demographic information and detailed accounts of the methodology have been included to address reproducibility of the findings (Corbin & Strauss, 1990). There may also be concerns that the sample is of a particular generation so findings may not be applicable to other generations. Specifically, the sample would be categorized as Millennials because they were all born after 1982. While Millennials have been found to differ from other generations on certain attitudes towards work (e.g., they value leisure more than work), the majority of generational differences are very small (Deal, Altman, & Rogelberg, 2010). For example, Kowske, Rasch, and Wiley (2010) found that for job satisfaction, only 1.1% of the variance was accounted for by generation, and only 0.08% for that of turnover intentions. In terms of psychological contract perceptions, Hess and Jepsen (2009) found no significant differences in psychological contract perceptions between those born after 1980 and those characterized as Generation X (born between 1965 and
Overall, generations are more similar than different when it comes to attitudes at work (Deal et al., 2010). Notwithstanding, given the literature on psychological contracts perceptions and generational differences is limited, Study 2 included a sample that represented a variety of ages for a further exploration of potential generational differences.

Respondents shared their experiences in only one interview. Knowing that psychological contracts are perceived as a process that is ongoing and dynamic in nature, evaluating static relationships limits what inferences can be drawn about relationship changes over time (Conway & Briner, 2009). While the evolving nature of psychological contract relationships is a key part of the theory, the respondents were only asked to speak retrospectively about their psychological contract over time. I recognize that the limitations of the present study’s design provide opportunities for future researchers to expand on my findings by interviewing respondents at multiple times. Exploring the nature of the relationship multiple times would allow for a much needed comprehensive understanding and appreciation of the respondents’ psychological contract experiences (Maxwell, 2009; Seidman, 2006).

Conclusions

The overall goal of Study 1 was to increase our understanding of how employees experience the psychological contract. To contribute further to the substantive knowledge of psychological contracts, Study 2 was designed to explore a number of informative findings that were gathered in Study 1. Of particular interest was the opportunity to design and propose a revised features-based measure of psychological contracts and
empirically examine how these features relate to employee commitment, engagement, and turnover intentions.
CHAPTER THREE: STUDY TWO

The purpose of Study 2 was to follow up on some of the key findings of Study 1. First, I collected quantitative data to assess the presence of, and desire for, a psychological contract with one’s employer. Second, I examined how the presence of, and desire for, a psychological contract relates to their commitment to the organization, engagement in their work, and intentions to remain with the organization. Third, I used respondents’ descriptions of their psychological contracts from Study 1 to evaluate and refine an existing feature-oriented measure of the psychological contract. Finally, I used the refined measure to determine how the nature of the psychological contract relates to commitment, engagement, and intentions to remain. Each of these objectives is described in more detail below.

Perceptions and Preferences Concerning Psychological Contracts

Findings from Study 1 revealed that respondents were able to recognize a legal contract and, for the most part, recognize a psychological contract as well. An objective in Study 2 was to further quantify the perceived presence of legal and psychological contracts in a larger sample. Study 2 also explores employees’ desire for and preference for a psychological contract, as opposed to just having a legal contract. Recall in Study 1 that a few respondents hinted at the fact that they did not desire a psychological contract. For example, one respondent noted that he did not desire a psychological contract because he planned to only stay at his current organization for a short period of time. Similar to the findings from Study 1, Millward and Brewerton (2000) have also questioned the universality of psychological contracts. With that in mind, Study 2 contributes to psychological contract theory by quantifying the prevalence of the legal
and psychological contract, and the preference for a psychological contract, within a larger sample. While I anticipate a diverse set of perceptions and preferences will exist within the sample, this objective is simply exploratory and descriptive in nature.

**Implications of the Presence and Preference for a Psychological Contract**

The second objective of Study 2 was to examine the relations between psychological contract perceptions (i.e., presence and preference) with organizational commitment, employee engagement, and turnover intentions. These three work variables have been selected for a variety of reasons. First, organizational commitment and psychological contracts both relate to the general commitments both parties make to each other (Marks, 2001; Millward & Hopkins, 1998). Empirically, affective organizational commitment (i.e., emotional attachment to the organization) has been negatively linked to psychological contract breach in a number of studies (Zhao, Wayne, Glibkowski, & Bravo, 2007). In terms of including employee engagement in the present research, initial findings suggest that engagement is positively associated with psychological contract fulfillment (Parzefall & Hakanen, 2010), but that was the only psychological contract study to also measure engagement. With that in mind, examining the links with employee engagement also has the potential to further contribute to psychological contract theory.

Lastly, turnover intentions are frequently studied in organizational behavior research because they are valuable in identifying which employees are likely to leave the organization. Again, turnover intentions have mainly been examined with contract breach perceptions (Conway & Briner, 2005) so much can be learned theoretically and empirically by including turnover intentions in the present study.
Next, I present a brief description for each outcome variable, followed by my hypotheses for how each will relate to psychological contract presence and preference. The central premise for my hypotheses is based on the norm of reciprocity.

First, organizational commitment is defined as the link and/or bond between an employee and his/her organization (Meyer & Allen, 1997). While organizational commitment was initially conceptualized as a unidimensional construct, it is now most widely accepted as multidimensional. According to one model, organizational commitment is comprised of three components, each reflecting a different mindset (Meyer & Allen, 1997). Affective commitment reflects an emotional attachment to the organization and a desire to remain. Normative commitment is described as a moral obligation an employee feels towards the organization, and continuance commitment reflects an employee’s need to remain with the organization because of the economic and social costs of leaving (e.g., pension, Powell & Meyer, 2004). Organizational commitment has been examined in relation to psychological contract breach (Conway & Briner, 2005), contract types (e.g., King, 2003), and features (McInnis et al., 2009). Commitment relations with contract types and features are presented shortly.

Engagement in the work context is defined as “a positive, fulfilling, work-related state of mind that is characterized by vigor, dedication, and absorption” (Schaufeli, Salanova, Gonzalez-Roma, & Bakker, 2002, p.74). Specifically, vigor is defined as high energy levels and persistence at work. Dedication relates to enthusiasm, pride, and having a sense of significance, and absorption is characterized as being deeply engrossed in one’s work. Parzefall and Hakanen (2010) recently examined the relations between work engagement and psychological contract fulfillment. They found that perceived
psychological contract fulfillment was positively associated with work engagement among a sample of Finnish social and health services employees. While informative, only the degree of fulfillment of the psychological contract was assessed and engagement was not measured as multidimensional.

Lastly, turnover intentions are defined as an employee’s intentions of leaving the organization in the near future. Again, research examining turnover intentions within psychological contract research has primarily focused on its positive relations with contract breach (Conway & Briner, 2005).

The norm of reciprocity states that employees seek a balance between what they receive and give in the employer-employee relationship (Blau, 1964; Payne, et al., 2008; Shore & Barksdale, 1998; Tekleab & Chiaburu, 2011). If an employee perceives that the organization is committed to him/her, by offering a relationship that goes beyond what the organization is legally obligated to provide, the employee is most likely to reciprocate similarly to maintain a balanced relationship. In terms of the commitment mindset, I hypothesize that all three (i.e., affective, normative, and continuance) will relate significantly positive with perceptions of a psychological contract presence. For normative commitment specifically, Meyer, Allen, and Topolnisky (1998) suggested that the moral obligation of this mindset relates directly to feelings of the need to reciprocate benefits he/she has received from the organization (e.g., paid tuition). Knowing that work outcomes correlate similarly for affective and normative commitment (Meyer, Stanley, Herscovitch, & Topolnytsky, 2002), it makes intuitive sense that positive relations will also be found between affective commitment and psychological contract presence. For continuance commitment, if an employee perceives that the organization is offering a
relationship that goes beyond the legal contract, he/she too may also remain committed because it may be difficult to find a similar broad relationship elsewhere.

In terms of employee engagement, I also predict that employees who perceive the presence of a psychological contract will also be more engaged in the relationship and work activities, compared to those who do not perceive a psychological contract. In other words, employees may report being enthusiastic about their work and proud of the work when they feel that the other psychological contract party is also engaged in a relationship that goes beyond the legal contract.

In terms of turnover intentions, the norm of reciprocity suggests that when employees perceive that the other party is not contributing to a relationship that is beyond the legal contract, they most likely will not want to contribute either. With that in mind, I predict a negative relationship between a perceived psychological contract presence and turnover intentions.

Based on the above reviews and the role of reciprocity in psychological contract theory, I hypothesize that employees who perceive that a psychological contract exists will be more committed, engaged, and less likely to want to leave, compared to those who do not perceive a psychological contract.

**Hypothesis 1:** Employees who perceive that a psychological contract is present are more likely to rate (a) high on organizational commitment (affective, normative, and continuance), (b) high on employee engagement (dedication, absorption, and vigor), and (c) low on turnover intentions, compared to those who do not perceive that a psychological contract is present.
Recall that Study 1 findings suggested that differences may exist among employees for psychological contract preferences. For example, some employees may prefer having a psychological contract, while others may prefer to only have a legal contract with their employer. To my knowledge, psychological contract preferences have not been addressed in existing psychological contract theory. While the literature on person-organization fit does not address psychological contract research directly, the underlying processes in the person-organizational fit literature may provide some insights on the role of congruence in psychological contract perceptions. Typically, person-organization fit research focuses on the consistency between an employee’s values and the organization’s values (Kristoff-Brown, Zimmerman, & Johnson, 2005). Researchers have found that when consistency exists between employee and organization values, the employee is more likely to be satisfied and committed, and less likely to leave the organization, compared to when an inconsistency is present (Kristoff-Brown et al., 2005).

The above findings suggest that congruence between a preference for a psychological contract and the presence of a psychological contract should also be considered when examining organizational commitment, engagement, and turnover intentions. Congruence would exist if the employee both desires a psychological contract and also perceives one to be present. With that in mind, I hypothesize that preferences will moderate the effect of psychological contract presence on commitment, engagement, and turnover intentions. That is, the effect will be stronger when there is congruence between psychological contract presence and preference for one.
Hypothesis 2: The differences in ratings between those with and without a psychological contract for the variables of (a) commitment, (b) engagement, and (c) turnover intentions, will be greater among those who prefer a psychological contract.

Refinement of a Feature Measure

The third objective of Study 2 was to use the descriptions gathered from Study 1 to evaluate existing psychological contract measures and present a refined measure. Recall that there are three main approaches to measuring psychological contracts: evaluation, content, and feature-based. Next, I briefly conceptualize the three approaches and how they are typically measured.

The Evaluation-Based Approach

The evaluation approach examines the perceived breach or fulfillment of the psychological contract. Breach is typically operationalized as a discrepancy between what the employee perceives was promised to him or her and what was delivered by the employer. Breach is often measured with an overall evaluation measure or by examining promises in combination with delivered inducements (e.g., difference scores or polynomial regression; see Montes & Irving [2008] for an example). While breach is well documented to have negative consequences for employee work attitudes and behaviors (e.g., see meta-analysis by Zhao et al., 2007), the measurement of psychological contract breach has been questioned. For example, Montes and Zweig (2009) found in three studies that breach perceptions were more strongly influenced by delivered inducements than by the discrepancy between perceived promises and what was delivered. Controlling for preexisting expectations, they found that breach was even perceived in the absence of promises. Montes and Zweig (2009) concluded; “The study of employee attitudes and
behaviors may not benefit from further examination of the psychological contract breach construct as it is currently defined and operationalized” (p. 1253).

The Content-Based Approach

The content approach measures the presence of specific terms of the relationship (e.g., benefits, training). The contents are typically divided into two categories corresponding to Rousseau’s (1995) transactional and relational contract types. Transactional contracts are defined as contracts that have specific exchange terms that focus on the economic transaction between the employee and employer. Transactional contract measures often include statements related to fair pay and limited training (Coyle-Shapiro & Kessler, 2000; Rousseau, 2000). Relational contracts are defined as open-ended and emphasize trust and flexibility (Conway & Briner, 2005). Relational contract measures include statements about long-term job security, good career prospects, and concern for employee well-being (Coyle-Shapiro & Kessler, 2000; Rousseau, 2000).

Operationalizing psychological contract content into types is problematic for a variety of reasons. First, content is not easily categorized. For example, training has been categorized as belonging to relational contracts by some researchers, and transactional contracts by others (Arnold, 1996; Freese and Schalk, 2008). Second, the types may not be exclusive, so employees may experience contents in both contract types. Third, the measures often include vague items that can be interpreted differently by different participants (e.g., *fair pay* and *meaningful work*). Lastly, a variety of contents are not generalizeable across work settings (e.g., professional development opportunities, Conway & Briner, 2005).
The Feature-Based approach

The feature approach to measuring psychological contracts assesses the attributes and general nature of the relationship (e.g., long-term). Researchers argue that it seems only logical to first understand the features of the psychological contract before evaluating it or its contents (Conway & Briner, 2009; DelCampo, 2007). A primary benefit to measuring psychological contracts using a feature-based approach, in comparison to the content-based approach, is that by measuring the general nature of the relationship, the measure is applicable across work situations, work arrangements, industries and organizational sizes (Conway & Briner, 2005). Rousseau (2010) stated that of the three approaches, the feature-based approach is most informative in understanding industry and cross-national differences of psychological contracts. Table 4 highlights various statements made by other psychological contract researchers who argue the importance of, and preference for, the feature-based approach.

An additional benefit of the feature-based approach is that it mirrors the language observed in Study 1. The natural language used by the respondents in their discussions of their perceived psychological contracts matched that of the feature-based approach. Specifically, respondents defined their psychological contract perceptions and experiences in terms of the overall nature of the relationship (e.g., loyalty).

Existing Feature-Based Psychological Contract Measures

The first measure of its kind was developed by McLean Parks and Van Dyne (1995). Through personal communications, however, the first author reported that the measure was burdensome to use so she was not recommending it or sharing it with others (personal communication, October 23, 2006). The list has also been criticized for being
Table 4

Recommendations for a Feature-Based Measuring Approach

<table>
<thead>
<tr>
<th>Author(s)</th>
<th>Statement</th>
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<tbody>
<tr>
<td>Conway &amp; Briner</td>
<td>“A recent ‘features-based’ approach may increase our understanding of how the psychological contract affects attitudes and behavior. Given the potential of the approach for comparing different types of psychological contracts and employment relationships it clearly warrants further investigation” (p. 87).</td>
</tr>
<tr>
<td>(2009)</td>
<td>“Attempts to develop a features-based analysis of psychological contracts might provide valuable descriptive insights into psychological contracts” (p. 119).</td>
</tr>
<tr>
<td>DelCampo (2007)</td>
<td>“It seems only logical that in order to evaluate content, one must first understand the features of the psychological contract” (p. 435).</td>
</tr>
<tr>
<td></td>
<td>“Future research on psychological contracts could begin to focus more sharply on feature and evaluation-oriented measurement of the psychological contract” (p. 436).</td>
</tr>
<tr>
<td></td>
<td>“Further work in feature-oriented psychological contract research will provide more insight into how the agreement is communicated and what methods of communication are of most benefit” (p. 436).</td>
</tr>
<tr>
<td>Freese &amp; Schalk</td>
<td>“One reason why research into features attracted much attention is the problem involved when studying the content of the psychological contract is trying to describe the terms included. Psychological contracts may contain hundreds of items, which can be very specific for a certain organization or person. It is difficult to develop a standardized measure to study the content of the psychological contracts” (p. 271).</td>
</tr>
<tr>
<td>(2008)</td>
<td></td>
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<tr>
<td>Rousseau (2010)</td>
<td>“Assessing general features of psychological contracts is useful in comparative studies across industry and countries” (p. 212).</td>
</tr>
</tbody>
</table>
intuitively based because it was not created with employee consultations about their actual work experiences (Conway & Briner, 2009; Guest, 1998).

The next measure was designed by Janssens, Sels, & Van den Brande (2003, also reported in Sels, Janssens, & Van Den Brande, 2004). Their measure was created based on the theoretical and conceptual work by Macneil (1985), McLean Parks, Kidder, and Gallagher (1998), Rousseau and McLean Parks (1993), and Rousseau and Schalk (2000). The specific features measured in the survey included: exchange symmetry (i.e., balance of employee’s needs and employer’s needs; equal / unequal), contract level (i.e., degree to which the contract is similar for all employees; individual / collective), scope (i.e., degree to which psychological contract is job specific or expands to personal life; narrow / broad), stability (i.e., stableness throughout tenure; stable / flexible), tangibility (i.e., degree to which the terms are specific or abstract; tangible / intangible), and time-frame (i.e., perceived length of the relationship, long-term / short-term).

More recently, McInnis et al. (2009) included Janssens et al.’s (2003) features in their measure, along with three additional features: explicitness (i.e., how explicit the contract terms are communicated; explicit / implicit), formality (i.e., the degree to which the terms are regulated or based on trust; regulated / trust-based), and negotiation (i.e., degree to which the terms are negotiated; negotiated / imposed). They also expanded on Janssens et al.’s measure by measuring each pole of the feature dimensions. For example, Janssens and colleagues measured time-frame by assessing Long Term, which therefore assumed a low score on this item implied that the contract was short-term in nature. This approach assumes that the characteristics defining each of the opposite poles are bipolar and mutually exclusive. However, McInnis et al. measured both poles for each feature.
and found that the poles were not always bipolar and should be measured separately. The present study follows the recommendations of McInnis et al. (2009) by designing items to reflect each pole, and therefore allowing for an empirical examination of how the poles relate to each other.

McInnis et al. (2009) had conducted factor analysis on their feature-based measure and found a similar typology to that of the contract type measure, but was content free and therefore generalizable. For example, in Study 2, their feature-based measure included a factor that was characteristic of relational psychological contracts and one that was characteristic of transactional psychological contracts. They also found a factor that was organization-centered (e.g., unequal and imposed) and labeled Organization-centered. In their Study 1, McInnis et al. also found an Organization-centered factor, an Individualized factor (i.e., individualized, intangible, and implicit) and a Balanced factor (i.e., a combination of relational and transactional contract features).

The Individualized factor resembled I-Deals, a contract type identified by Rousseau as being individually negotiated by employees (Rousseau, Ho, & Greenburg, 2006).

The present study will explore the factor structure of the new revised measure to see if existing typology is found. The psychological contract types are an integral part of psychological contract theory and therefore should be reflected in a measure representing psychological contacts. With that in mind, and based on research suggesting that psychological contract measures have a factor structure reflecting the traditional types (McInnis et al., 2009), I anticipate that the factor structure of the presented measure will include a factor resembling relational contract types and a factor resembling transactional contract types.
Hypothesis 3: The factor structure of the revised feature measure will be composed of dimensions resembling relational contracts and transactional contracts.

Given that there is a large number of features included in the measure and McInnis et al. (2009) found several factors in their measure, I do not anticipate that only two factors will emerge. I have no specific predictions or theoretical reasoning on the nature of the other factors, but simply that others may be present. If other factors do emerge, they will be further examined in an exploratory manner.

While the McInnis et al. (2009) measure eliminated concerns of being too content-specific, their measure only included one item for each pole of the feature dimension. Given the constructs of each feature pole is quite narrow, they argued one item was sufficient. A review of the McInnis et al.’s items revealed, however, that several items included more than one idea. For example, the implicit item states; “were not clearly stated and had to be inferred from organizational policies and practices and/or interactions with agents of the organization”. In addition, several of the feature items provided a statement and an example making the item long and overly detailed. For example, the Flexible term stated “are made with the understanding that changes might be necessary in the future (e.g., “We promise to meet your needs for Z, but may have to be flexible in our methods.”).

Hinkin (2005) noted that researchers in general need to pay more attention to the development of their measures, and the field of psychological contracts is no exception (Freese & Schalk, 2008). The revised measure seeks to improve existing measures in two primary ways. First, the findings from Study 1 provided guidance on creating survey instructions that best represent the naturalistic language of employees. As noted earlier,
respondents in Study 1 spoke about their psychological contracts in terms of the overall employer-employee relationship, as opposed to using the terminology typically found in psychological contract measures (e.g., promises and obligations; Roehling, 2008). As a result, instead of asking participants to report on the promises and obligations that they feel their employer had made to them, participants in Study 2 were instructed to think about the overall relationship that they have with their employer. More details about the specific instructions for the revised measure are presented in the Measurement Development section.

Second, the interviews from Study 1 provided guidance on what specific features should be included in a psychological contract feature-based measure, and what features are missing in the existing measures. For example, it was noted earlier in Study 1 that communication is a key characteristic of the relationship that should be captured in a feature-based measure. In the following section, I describe the features identified in the existing literature (in alphabetical order) and, where relevant, discuss how they might be reconceptualized based on the findings from Study 1.

**Existing Features**

**Explicitness (Explicit / Implicit)**

The Explicitness feature dimension was initially created by McInnis (2007) and includes the poles labeled Explicit and Implicit. The *Explicit* and *Implicit* poles of the dimension are defined the same as they were in Study 1. *Explicit* refers to the degree to which the terms of the relationship are clearly stated. For example, a psychological contract is most likely to be rated high on explicitness if the relationship is perceived to be clearly understood by both parties and the terms are specified well in writing or
verbally. Implicit refers to the degree to which the terms of the relationship have to be inferred from policies and practices of the organization or through interactions with other employees. For example, an employee would perceive the relationship to be implicit in nature if the terms of the psychological contract were largely unstated and needed to be inferred.

**Flexibility (Static / Flexible)**

The Flexibility feature dimension was initially labeled as Stability to reflect the degree to which the psychological contract remains stable over an employee’s tenure (McLean Parks et al., 1998; Sels et al., 2004). McInnis et al. (2009) relabeled the dimension as Flexibility and defined Flexible relationships as evolving and adapting in response to changing conditions, and are open to modification, when needed. Static relationships are perceived to be static and fixed at the time of psychological contract formation, and remain that way over time and conditions.

**Formality (Regulated / Trust-based)**

Formality relates to the amount of regulation in the relationship and includes the poles Regulated and Trust-based. Regulated is the extent to which the terms of the relationship are regulated and monitored by the employer (e.g., clear checks and balances are implemented). Trust-based is the extent to which the relationship is based on mutual trust. For example, a relationship that is trust-based will be perceived as being honor-bound and one that relies on good faith between the parties.

**Level (Individual / Collective)**

Level refers to the degree to which employees perceive the psychological contract as being individualized. Janssens et al. (2003) were the first to empirically measure this
dimension based on Guest’s (1998) recommendations. The two poles of the dimension include *Individual* and *Collective*. Specifically, *Individual* is the degree to which the employee perceives the terms of the relationship as being individually created for each employee and *Collective* is the degree to which the terms of the relationship are collectively established to apply to all employees at a similar level in the organization. An individualized contract would be unique to that specific employee (McInnis et al., 2009) and a collectively regulated psychological contract would be perceived as the same for all employees in comparable positions within the organization (Sels et al., 2004).

**Negotiation (Negotiated / Imposed)**

The Negotiation dimension was initially developed by McInnis (2007), based on the feature dimension of Volition by McLean Parks et al. (1998). Volition was defined as the extent to which employees feel that they have participated in defining the psychological contract with their employer (McLean Parks et al., 1998). The focus was primarily on the formation of the psychological contract and the choice of whether or not to enter into the relationship (e.g., if you only had one job offer). Since then, McInnis relabeled the feature dimension as Negotiation, and included the poles *Negotiated* and *Unilateral*. McInnis considered the ongoing negotiations, as opposed to just formation to make it applicable across tenure lengths. She defined *Negotiated* as contracts that are developed through formal negotiations with employees (e.g., unions), and *Unilateral* contracts as those that are determined by the organization itself, without input from employees.

Based on Study 1 findings, however, there was reason to believe that the *Negotiation* feature dimension measure may reflect negotiation in the context of the legal
contract and not the psychological contract per se. To provide clarification, I revised *Negotiated* to reflect the degree to which the terms of the psychological contract relationship are negotiated with employees. *Unilateral* was relabeled *Imposed* and is defined as the degree to which the terms of the relationship are imposed unilaterally by the organization.

**Scope (Narrow / Broad)**

Scope refers to the breadth of the psychological contract and its boundaries in terms of what the relationship entails. In other words, scope relates to how permeable one’s employment relationship and other aspects of one’s life are (Janssens et al., 2003; McLean Parks et al., 1998). This feature dimension includes the poles *Narrow* and *Broad*. A *Narrow* psychological contract is defined as a relationship that is restricted to job-relevant terms (Battisti, Fraucaroli, Fasol, & Depola, 2007), and a *Broad* psychological contract includes personal issues as well. For example, an employee may perceive the psychological contract as broad if the employer cares about the employee’s personal well-being, growth and development, and life outside of the office.

**Symmetry (Equal / Unequal)**

Symmetry was initially defined by Janssens et al. (2003), based on Rousseau and Schalk’s (2000) psychological contract research across 12 different countries. They defined symmetry as relating to the acceptability of hierarchy in the relationship (Battisti et al., 2007). More recently the focus has been on equality (McInnis et al., 2009) and includes the poles *Equal* and *Unequal*. Specifically, *Equal* is defined as the degree to which the needs of the employer and employee are considered equally. *Unequal* is defined as the degree to which the relationship is biased in favor of the employer.
Janssens and colleagues stated that symmetry is designed to capture the unequal power positions of the employer and employee. However, during the interviews in Study 1, respondents spoke about hierarchy of authority being different from the symmetry of the relationship. For example, many respondents spoke about perceiving an equal symmetry relationship, although still acknowledging and accepting that the employer had more authority. Based on Study 1 findings, conceptualizing symmetry in terms of equality (McInnis et al., 2009), as opposed to hierarchy acceptability, was adapted in the present study.

**Tangibility (Tangible / Intangible)**

Tangibility was initially acknowledged by Macneil (1985) and formally defined by McLean Parks et al. (1998). They defined the Tangibility dimension as referring to contract terms being clearly observable by a third party. The poles of this dimension include *Tangible* and *Intangible*. *Tangible* is the degree to which the relationship focuses on concrete and measurable terms (e.g., work hours) and *Intangible* is the degree to which the relationship contains abstract terms, is loosely defined, and is difficult to measure (McInnis et al., 2009).

**Time-Frame (Long-term / Short-term)**

A psychological contract is to be perceived as *long-term* when the relationship is future-oriented and has a long-term focus. A *short-term* psychological contract is perceived as having a short-term horizon and/or is created for a limited period of time. Such a relationship would be perceived as focusing on the “here and now.” A *long-term* psychological contract is one that assumes a continuing relationship, is future-oriented, and has a long-term focus. McLean Parks et al. (1998) had originally divided Time-
Frame into duration (i.e., long-term versus short-term nature) and precision (i.e., clearly defined or unspecified). With precision being captured elsewhere (e.g., tangibility), researchers since McLean Parks et al. (1998) have focused on the duration of the psychological contract in defining this feature dimension (e.g., McInnis et al., 2009).

The above definitions were used for writing new items and revising existing items for the presented refined measure. The measure development process also included administering an item sorting task to graduate students with expertise in item development. I followed the recommendations of Spector (1992) and Hinkin (2005) and present the process of developing the revised feature-based measure in the section labeled Preliminary Steps in Measurement Development.

**Implications of the Nature of the Psychological Contract**

The previous discussion of the implications of psychological presence and preferences on commitment, engagement, and turnover intentions can be expanded by looking at the quality (features) of the psychological contract. The fourth and last objective of Study 2 examines how the features of the psychological contract relate to organizational commitment, employee engagement, and turnover intentions.

With the features approach to measuring psychological contracts being relatively new, research examining the relations between contract features and work variables is limited to organizational commitment for the most part (Conway & Briner, 2009). Given that I also anticipate typologies emerging from the feature-based measure, I also review existing literature examining contract types with the work variables.
Organizational Commitment

Affective commitment and psychological contract features have been empirically examined by Battisti et al. (2007), Sels et al. (2004), and McInnis et al. (2009). Overall, the authors found that employees who score high on affective commitment are more likely to perceive the psychological contract as long-term (Battisti et al., 2007; McInnis et al., 2009; Sels et al., 2004), collectively based (McInnis et al., 2009; Sels et al., 2004), broad (McInnis et al., 2009), trust-based (McInnis et al., 2009), of equal symmetry (McInnis et al., 2009), stable (McInnis et al., 2009), negotiated (McInnis et al., 2009), and tangible in nature (McInnis et al., 2009). Contrary to McInnis et al.’s findings, Battisti and colleagues did not find significant relations between affective commitment ratings and the broad and tangible features of the psychological contract. McInnis and colleagues also found that feature perceptions contributed uniquely to the prediction of participants’ organizational commitment when contract type measures and perceived employer psychological contract fulfillment were controlled.

McInnis and colleagues (2009) are the only ones to have empirically examined the relations between normative commitment and perceived features of the psychological contract. Overall, they found across two samples significant positive relations between normative commitment ratings and the following features: stable, collective, broad, trust-based, equal symmetry, negotiated, tangible, and long-term. In terms of continuance commitment, there has only been one study, to my knowledge, that examined its link with psychological contract features. Specifically, McInnis (2007) found a significant positive relation between continuance commitment ratings and the following features: individualized, narrow, static, flexible, short-term, mutual, explicit, and negotiated.
Given that I predict typologies to emerge within the feature-based measure, I present my hypotheses in terms of the typologies, instead of individual features. For relational contracts, there are preliminary studies examining the relations between this type and the three commitment mindsets. Relational contract type ratings have been found to have significant positive relations with affective commitment (Hughes & Palmer, 2007; King, 2003; McInnis et al., 2009; Molm, Takashashi, & Peterson, 2000; Shore, Tetrick, Lynch, & Barksdale, 2006; Sloboda, 1999), but not always (e.g., Coyle-Shapiro & Kessler, 2000). To my knowledge, only two studies have examined relational contract type ratings and normative commitment and both found significant positive relations (King, 2003; McInnis, 2007). McInnis and colleagues (2009) also found their relational contract type factor (from their feature-based measure) related significantly positive with both affective and normative commitment. In terms of relations with continuance commitment, results are quite mixed including significant positive relations (Hughes & Palmer, 2007; King, 2003; McInnis, 2007), significant negative relations (Shore et al., 2006), and no significant relations found (Sloboda, 1999). These inconsistencies are most likely because different relational contract type scales were used, including different conceptualizations of the psychological contract itself (e.g., obligations versus expectations).

Beyond the above evidence, the norm of reciprocity suggests that employees seek to maintain a balance in the employer-employee relationship. With that in mind, an employee who perceives that his/her employer is creating a relational exchange relationship with him/her would most likely also be affectively committed (i.e., want to stay and enjoys the work). I also noted earlier that when employees receive benefits from
their organization they are more likely to feel morally obligated to reciprocate.

Consequently, I predict relational contract ratings will relate positively with normative commitment ratings as well. I also present parallel predictions for both affective and normative commitment because there is a strong significant correlation between the two commitment mindsets and they often correlate similarly to other work variables (noted earlier, Meyer et al., 2002). In terms of continuance commitment, I also hypothesize that relational contracts will relate positively with continuance commitment because employees will perceive the costs of leaving an organization that continues to invest favorably in them.

Based on these preliminary findings and the theoretical rationale of an employee’s desire to maintain a balanced relationship, I predict that the relational contract factor will relate positively to affective, normative, and continuance commitment. I also predict that relational contract scores will account for variance in commitment beyond that explained by perceived employer psychological contract fulfillment.

Hypothesis 4: The relational contract scores will correlate positively with (a) affective, (b) normative, and (c) continuance commitment, and will account for variance in these commitments beyond that explained by perceived employer contract fulfillment.

The empirical evidence linking transactional contract type ratings and affective commitment have been mixed. Relations between affective commitment and transactional contract type ratings have been found to be significantly positive, (Hughes & Palmer, 2007; Sloboda, 1999), significantly negative (King, 2003; Shore et al., 2006), and no significant relations found (Coyle-Shapiro & Kessler, 2000; McInnis, 2007). The referenced studies did not offer predictions about the relations so interpretations of the
results are difficult. McInnis (2007), however, did predict a negative relation between affective commitment ratings and contract features characteristic of transactional contracts (i.e., short-term, unequal, and narrow). The above empirical evidence is difficult to interpret as a whole as well because transactional contracts were measured differently in each study. For example, King (2003) noted that he found his transactional type scale to be unreliable so he only used the narrow subscale, thus not capturing the short-term nature of the type.

For normative commitment, two past studies have found significant positive relations between the commitment mindset and transactional contract ratings (King, 2003; McInnis et al., 2009). Authors from neither study offered predictions on the relations between normative commitment and transactional contract types. McInnis and colleagues did, however, predict and find features that are characteristic of transactional relationships rated significantly negative, not positive, with normative commitment (i.e., unequal and short-term).

From a theoretical perspective, the terms of a transactional psychological contract relationship are such that employees are expected to stay for a reasonable period of time, which is typically short-term. In other words, staying is an employee’s part in the relationship, and only that. With that in mind, the nature of commitment that employees are most likely to exhibit in transactional contracts is continuance commitment. The empirical research to date has found significant positive relations between transactional contract ratings and continuance commitment (Hughes & Palmer, 2007; King, 2003, Shore et al., 2006), although McInnis (2007) did not find a significant relation.
In terms of affective and normative commitment, the norm of reciprocity suggests that individuals who perceive the relationship as transactional in nature are less likely to exhibit an affective desire to work or feel that they have any obligation to contribute to the relationship beyond the legal contract. For example, if an employee perceives that the organization is only interested in a short-term relationship of limited involvement with him/her, that employee is likely not going to feel an affective attachment to the organization or a moral obligation to stay.

Given the mixed and inconclusive findings of past studies for affective and normative commitment, my presented predictions are theoretically based on the norm of reciprocity. I hope the findings from the present study will provide further theoretical and empirical clarity on the relations between transactional contracts and commitment mindsets. Specifically, I predict transactional psychological contract ratings will relate significantly positive with continuance commitment ratings and significantly negative with affective and normative commitment ratings. I also hypothesize that the transactional contract scores will account for variance in commitment beyond that explained by perceived employer psychological contract fulfillment.

*Hypothesis 5: The transactional contract scores will correlate positively with (a) continuance commitment and negatively with (b) affective and (c) normative commitment, and will account for variance in these commitments beyond that explained by perceived employer contract fulfillment.*

**Employee Engagement**

The present study is the first to examine how psychological contract features and types relate to employees’ engagement (i.e., vigor, dedication, and absorption). Within
the psychological contract framework of the norm of reciprocity, the characteristics of employee engagement suggest that individuals who score high on all three engagement dimensions most likely perceive the other psychological contract party as contributing to the relationship for the long-term and valuing their personal well-being (i.e., relational). As noted earlier, there is also research linking employee engagement to affective commitment (Meyer, Gagné, & Parfyonova, 2010) so I make parallel predictions for the relations of relational contract types with engagement to those made for affective commitment.

In terms of transactional contracts, I noted earlier that these contracts are perceived as being short-term, regulated, and non-negotiable. An employee who perceives the relationship as transactional most likely perceives that he/she is getting little from the relationship and therefore would be less likely to contribute to the relationship by engaging in his/her work. For example, if the employer is perceived to be only in the relationship for the short-term, the employee would most likely reciprocate similarly. Similar to my predictions for organizational commitment, I hypothesize that the contract types will account for variance in engagement beyond that explained by perceived employer contract fulfillment.

*Hypothesis 6: The relational contract scores will correlate positively with (a) vigor, (b) dedication, and (c) absorption engagement, and will account for variance in these engagement dimensions beyond that explained by perceived employer contract fulfillment.*
Hypothesis 7: The transactional contract scores will correlate negatively with (a) vigor, (b) dedication, and (c) absorption engagement, and will account for variance in these engagement dimensions beyond that explained by perceived employer contract fulfillment.

Turnover Intentions

Although empirical evidence for the relations between turnover intentions and contract types is limited, Raja, Johns, and Ntalianis (2004) found that employees’ turnover intention ratings correlated significantly negative with relational contracts and correlated significantly positive with transactional contracts. Beyond this evidence, there is a theoretical reason to expect that individuals who perceive the relationship as relational in nature most likely also see the relationship as long-term and worth remaining. Individuals who perceive the relationship as transactional, however, most likely perceive the relationship as short-term and therefore would likely not want to contribute to the relationship and therefore would leave. As a result, I predict the relational contract factor will correlate significantly negative with turnover intentions. In addition, I predict that a transactional contract factor will correlate significantly positive with turnover intentions.

Hypothesis 8: The relational contract scores will correlate negatively with turnover intentions, and will account for variance in turnover intentions beyond that explained by perceived employer contract fulfillment.

Hypothesis 9: The transactional contract scores will correlate positively with turnover intention, and will account for variance in turnover intentions beyond that explained by perceived employer contract fulfillment.
Prior to describing the methods used in Study 2, I first present the preliminary steps involved in developing the revised feature-based psychological contract measure. The purpose of this section is to provide the details of the revised measure that I used to assess psychological contract features in this study, and consequently to examine the proposed hypotheses.

**Preliminary Steps in Measure Development**

The objective of this section is to present the steps involved in developing the revised feature-based psychological contract measure. The measure was created based on the interview findings from Study 1 and the previously presented literature review. First, I revised the survey instructions and the leading statement of McInnis et al.’s (2009) survey. Second, I defined the feature dimensions that would be included in the survey. Third, I developed the specific items to represent each dimension in the survey. The fourth and last step involved implementing an item sorting task to graduate students with expertise in item development. The purpose of the item sorting task was to evaluate content adequacy (Hinkin, 1998) and identify needed item refinements.

**Survey Instructions and Leading Statement**

The survey instructions in McInnis et al.’s (2009) measure are lengthy and complex. They asked participants to think about the explicit and implicit commitments that they had received from their employer:

*Employers sometimes make commitments or promises to their employees. These commitments may have been communicated to you explicitly (e.g., verbally or in writing) or implicitly (e.g., simply through the statements or behaviors of the organization or its agents).*
Please take a moment to consider the commitments you believe your employer has made to you. How would you characterize these commitments?

Note that we are not asking what you think the commitment should be. We are interested in how you would describe the commitment as it is.

Recall in Study 1, respondents did not speak about their psychological contract experiences in terms of commitments. Psychological contract researchers have argued that the psychological contract must be recognized for what it is—a social exchange interaction (Conway & Briner, 2005; Coyle-Shapiro & Conway, 2005; Cullinane & Dundon, 2006; Meckler, et al., 2003). The overall goal of all psychological contract measures should simply be to guide participants in thinking about their relationship and exchanges with their other psychological contract party. With that in mind, the instructions in Study 2 asked participants to think strictly about the relationship. By asking participants to think about the general relationship, I hope to tap back into the social exchange elements of the concept. In the present study, the following instructions were provided:

*How would you describe the nature of the relationship that you have with your employer?*

Based on Study 1 findings, the term employer was simply used to allow the participants to think of whatever organization representative(s) resonated most with them.

The leading statement for the survey items is “The relationship...” This statement replaces that of McInnis and colleagues (2009); “The commitments (explicit or implicit) made by my employer...” to again parallel the emphasis on the relationship.
Defining Feature Dimensions

Deductive scale development was selected as the most appropriate approach for item generation (Hinkin, 2005). In line with this approach, theoretical definitions for each feature were first created based on my thorough review of the literature, theory, and Study 1 findings. These definitions were then used as a guide to develop the items (Schwab, 1980) and assure content validity (Hinkin, 1998). The definitions for the nine feature dimensions were presented earlier in the Introduction. The revised measure also includes two new feature dimensions labeled Communication (Restrictive / Ongoing) and Respect (Respect / Impersonal). These features were identified during the interviews in Study 1 as being important attributes of the psychological contract and worthy of inclusion in a measure.

(i) Communication (Restrictive / Ongoing)

Respondents frequently spoke about the degree of communication that they had with the individual/individuals who they defined as the other party in the relationship. Communication is a key component of any relationship including relationships among friends, romantic partners, family members, and coworkers. As a result, it appears appropriate and relevant to consider the degree of communication between an employee and his/her perceived other psychological contract party. The Communication feature dimension includes two poles: Restrictive and Ongoing. Restrictive is defined as the degree to which the employee and employer communicate with each other on a restrictive basis about the relationship. Ongoing is defined as the degree to which the employee and other party communicate with each other on a regular basis about the relationship.
(ii) Respect (Respect / Impersonal)

The issue of respect in the employer-employee relationship was a common theme throughout Study 1. A psychological contract was perceived to have a respectful nature if the respondents felt that they were recognized appropriately for their work, appreciated for their work, and that their opinions were valued by their other psychological contract party. The poles of this feature dimension were labeled Respect and Impersonal. Specifically, Respect is defined as the extent to which the relationship is based on mutual respect and appreciation for each other, and Impersonal is the extent to which the relationship is largely only a business relationship and avoids concerns for feelings. Although this new respect dimension has some similarity to other dimensions described earlier (e.g., Formality, Scope), it is unique in the sense that it focuses on how the two parties treat one another (e.g., appreciation).

In total, 11 feature dimensions, each with two poles, were included in the revised survey (i.e., 22 features). While each feature is conceptually distinguishable, some do closely resemble each other and there may be some overlap. However, the literature review and findings of Study 1 do support the inclusion of each feature in the measure. Nevertheless, it is conceivable that the features may consolidate into broader typologies, which was hypothesized earlier (i.e., relational and transactional).

Developing Items

The proposed items were created in accordance to Spector’s (1992) and Hinkin’s (1998, 2005) recommendations. Specifically, the items were designed to be short, concise, consisting of one idea, and written in simple language that is familiar to the targeted respondents. The goal was to have two items representing each of the 22
features. By having more than one item for each feature pole, the presented measure minimized the problems of each statement encompassing more than one idea and being lengthy, such as those designed by McInnis et al. (2009).

To account for item attrition during the scale development process, the number of items created exceeded that needed for the final measure. Although Hinkin (1998) recommended creating twice as many items as that needed, it was difficult to do so because of the narrowness of the features’ constructs. As a result, only three items for each of the 22 features were created.

A Likert-type response scale with five points was chosen for the item scaling. A five-point scale has been used in the past and has shown to generate sufficient variance among responders (e.g., McInnis et al., 2009).

**Item Sorting Task**

An initial pool of items was presented to 10 graduate students in Industrial/Organizational Psychology at The University of Western Ontario. The graduate students were selected because they had experience in test development. Student experts were first invited to participate in an item-sorting task and were provided with a definition for psychological contracts (see Appendix I for the recruitment email). Those who agreed to participate were given a detailed written description of the sorting task and an example (Schrieshem, Powers, Scandura, Gardiner, & Lankau, 1993). They were instructed to read a document that contained the definitions of all 22 psychological contract features (Appendix J). The students were also provided with a list of 66 randomly-ordered written items to reflect the features. Next, the students were asked to assign each item to a feature (as defined). For example, for the item entitled “Long-term
focus”, students were asked to indicate which feature they believed most closely resembled that item (i.e., the intended feature pole being Long-term). If they felt that an item resembled more than one feature, they were instructed to pick two, listing them in order of preference. The item-sorting packet also included a spot for additional feedback if the student had any suggestions or comments about an item (e.g., typos).

The proportion of experts who assigned an item to its intended feature was used as an index of content adequacy (Hinkin, 1998). A criterion for an item to be retained was that at least 70% of the experts assigned the item correctly to its intended feature. If more than two items for each feature met the 70% criteria, the two items with the highest level of agreement were obtained. For example, the Implicit feature had two items with 100% agreement and one with 70% agreement, so only the two items with 100% agreement were retained.

In total, 19 of the 22 features had at least two items with at least 70% agreement. The features that did not reach at least 70% agreement included Regulated, Intangible, and Restrictive. Because there are a large number of features and several are quite similar conceptually, it was not surprising that not all features met the 70% agreement criteria. In these three cases, the best two items were selected, based on how well they represented the feature conceptually and how well they fit within the context of the leading statement (i.e., “The relationship is...”). A list of the retained items is presented in Appendix K.

Method

Procedure

Ethics approval was obtained by The University of Western Ontario (see Appendix L). Participants were recruited through an online research project called
StudyResponse². StudyResponse was selected because the participant pool represents individuals from a variety of occupations and organizations. StudyResponse requires that the researcher request a given number of participants and recruitment continues until that number is reached. For Study 2, I requested 600 participants. StudyResponse then emailed potential participants a series of questions to determine if they met study criteria. Criteria to participate included that the individual be working full-time in North America. Participants also could not be self-employed and had to be with their current employer for at least six months (similar to Study 1). Five hundred and ninety-three individuals were identified by StudyResponse as meeting the criteria and were next sent the recruitment email (see Appendix M). The recruitment email included a brief description of the study and a website link to the online survey if they wished to participate. In order to view the survey, participants first entered their assigned StudyResponse ID number. StudyResponse emailed a reminder a week after the initial invitation to participate. Five hundred and twenty seven of those invited to participate completed the survey (88.9% response rate). Participants received a $5 online gift certificate to Amazon.com for participating in the study.

**Identifying Non-purposeful Responders**

There are a variety of practices to identify potential non-purposeful responders (i.e., individuals who may have responded carelessly to the survey questions; Meade &

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² The StudyResponse Project connects academic researchers with adult participants. For a small fee, researchers provide StudyResponse with their selection criteria, online survey, and desired sample size, and StudyResponse facilitates the recruitment process and payment to participants. The StudyResponse Project is hosted by Syracuse University’s School of Information Studies. The project examines the relations between study characteristics and quality responding in online surveys. Compared to other online recruitment programs, StudyResponse is also regarded as reputable for having participants who are interested in contributing to research, as opposed to earning money.
Craig, 2011). The first practice I used was the length of time participants took to complete the survey. Participants who took less than five minutes to complete the survey, the average length of time to read the survey, were identified as being potentially non-purposeful responders. One hundred and fifty four were excluded from the analyses based on the time criteria.

The second method used to identify potential non-purposeful responders was the use of instructional manipulation checks (IMC). IMCs ask participants to pick a particular answer for a question. IMCs have been found to increase statistical power and reliability in data sets (Oppenheimerl, Meyvis, & Davidenko, 2009). Four IMCs were included in the present study. For example, a sample item in the psychology contract feature measure included “Answer strongly agree for this item” and a sample item in the employee engagement measure included “Pick daily for this item.” If a participant did not get at least three of the four IMCs correct, they were identified as being a potential non-purposeful responder. Consequently, 82 participants were excluded from the analysis.

Three duplicate StudyResponse ID numbers were also present. As recommended by Enanoria (2005), the first survey completed with the ID number was kept as the eligible one, and the duplicate one was excluded from the analyses. In total, 55% of the received surveys qualified for inclusion in the analyses (N=291).

Participants

The mean age of participants was 38.27 (S. D. = 9.75) and 41.1% were male. The majority of participants reported their race to be Caucasian (79.5%), followed by African American (6.2%), Asian (6.7%), Hispanic (3.8%), and Native American (3.3%). The mean length of time in their current organization was four years and ten months. The
percentage of participants who were currently working in a management position was 42.4%.

A variety of organizational sizes was represented: 2 to 10 employees (8.2%), 11 to 50 employees (10.6%), 51 to 100 employees (17.8%), 101-250 employees (18.8%), 251 to 500 employees (11.5%), and over 500 employees (33.2%). All participants possessed at least a high school diploma with 63.8% having at least a four year college diploma. A full list of occupations is provided in Table 5.

Representativeness of Sample

Responders and non-responders were compared on the demographic variables to determine if non-response error was a concern in the present study (Newell, Rosenfeld, & Harris, 2004). Data for non-responders were obtained by StudyResponse and were categorized as individuals who met criteria to participate but did not accept the invitation to participate. Independent sample t-tests confirmed differences between the two groups on gender, \( t(454) = -2.49, p < .05 \), with the responder sample including more females, compared to the non-responders.

Non-response bias may be present if demographics that significantly differ between responders and non-responders are systematically related to the study variables of interest (Rogelberg & Stanton, 2007). Non-response bias was not found, however, because gender did not significantly correlate with commitment, engagement, or turnover intentions in the sample.

Additional comparisons were made to determine if the sample represented the population of interest (Simsek & Veiga, 2011), a common concern in online survey research. The representativeness of the participant pool (i.e., those who received the
Table 5

Occupations of Participants

<table>
<thead>
<tr>
<th>Occupation Category</th>
<th>Number of Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounting or financial</td>
<td>15</td>
</tr>
<tr>
<td>Administration support</td>
<td>27</td>
</tr>
<tr>
<td>Agriculture Forestry Fishing</td>
<td>2</td>
</tr>
<tr>
<td>Architecture</td>
<td>1</td>
</tr>
<tr>
<td>Art/entertainment</td>
<td>2</td>
</tr>
<tr>
<td>Banking</td>
<td>3</td>
</tr>
<tr>
<td>Biotechnology/Pharmaceuticals</td>
<td>2</td>
</tr>
<tr>
<td>Child care/day care</td>
<td>2</td>
</tr>
<tr>
<td>Construction Mining Trades</td>
<td>3</td>
</tr>
<tr>
<td>Consulting</td>
<td>7</td>
</tr>
<tr>
<td>Customer service</td>
<td>8</td>
</tr>
<tr>
<td>Education/Training</td>
<td>12</td>
</tr>
<tr>
<td>Engineering or design</td>
<td>11</td>
</tr>
<tr>
<td>Employment placement</td>
<td>2</td>
</tr>
<tr>
<td>Government/Policy</td>
<td>3</td>
</tr>
<tr>
<td>Health or safety</td>
<td>10</td>
</tr>
<tr>
<td>Hospitality/Tourism</td>
<td>6</td>
</tr>
<tr>
<td>Insurance</td>
<td>5</td>
</tr>
<tr>
<td>Legal</td>
<td>3</td>
</tr>
<tr>
<td>Library</td>
<td>1</td>
</tr>
<tr>
<td>Managerial</td>
<td>29</td>
</tr>
<tr>
<td>Marketing or merchandising</td>
<td>1</td>
</tr>
<tr>
<td>Military</td>
<td>1</td>
</tr>
<tr>
<td>Non-Profit/Social Services</td>
<td>5</td>
</tr>
<tr>
<td>Personnel/Human Resources</td>
<td>2</td>
</tr>
<tr>
<td>Production manufacturing building or construction</td>
<td>17</td>
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<tr>
<td>Research</td>
<td>7</td>
</tr>
<tr>
<td>Restaurant/Food Service</td>
<td>4</td>
</tr>
<tr>
<td>Retail/Wholesale</td>
<td>9</td>
</tr>
<tr>
<td>Technology (Web design computer networks)</td>
<td>16</td>
</tr>
<tr>
<td>Telecommunications</td>
<td>2</td>
</tr>
<tr>
<td>Transportation/Warehousing</td>
<td>2</td>
</tr>
<tr>
<td>Other or non-specified</td>
<td>71</td>
</tr>
</tbody>
</table>
recruitment email) was compared to the target population (i.e., the U.S.A employed population, using Bureau of Labor Statistics, 2010). In general, the participant pool contained slightly fewer males (42.8%) compared to the percentage of males in the general working population (52.8%). The participant pool also would be characterized as being more educated with only 8.6% having a high school diploma or less, compared to 32.9% of the general working population. In general, race and occupational types were well represented.

**Survey Components**

The present survey organized the measures into three sections. The first section measured legal and psychological contract perceptions. The second section measured psychological contract features, using the revised measure. Those who reported perceiving a psychological contract were next asked to describe the nature of the current relationship. Participants who did not perceive a psychological contract, but desired one, were next asked to indicate how much they would like to see each feature included in the relationship.

For participants who did not perceive the presence of a psychological contract and did not desire a psychological contract, it was irrelevant to ask them to complete the psychological contract feature measure. Instead, they were asked to complete a measure of similar length that was being pilot tested for another research project. The measure evaluated job resources and work demands and was simply used to ensure survey length was identical for all participants and was therefore not analyzed in the present study.

Lastly, all participants completed the third section which included demographic information and workplace variables relevant to the hypotheses (i.e., organizational
commitment, employee engagement, turnover intentions, contract fulfillment). In terms of demographic information, participants were asked their age, length of organizational tenure, organizational size, job title, and whether or not they worked in a management position. All participants had also completed demographic information when they registered with StudyResponse. Demographic information obtained from StudyResponse included gender, education level, race, and occupation industry. To maintain anonymity, demographic information was matched with participants based on their StudyResponse ID number only.

Measures

Contract Perceptions

The first question addressed the existence of a legal contract; “Did you sign or verbally agree to a legally binding contract when you accepted employment with your current employer?” The response options were “Yes” and “No”. The second question addressed the existence of the psychological contract, “Have you established a relationship with your employer that goes beyond what is (or would be) covered in a legal contract?” Again, the response options were “Yes” or “No”. The third question measured the participant’s preference for a psychological contract;

“Some employees might feel that a legal contract is sufficient to define the terms of the relationship with their employer. Others may feel the need to broaden the terms of the relationship to go beyond what is included in the legal contract. Which form of relationship would you prefer to have with your employer?”

The corresponding response options were “One governed by a legal contract only” and “One that goes beyond the terms of a formal legal contract”. The term psychological contract was excluded from the last two questions intentionally. Recall in
Study 1 that most respondents were unfamiliar with the term psychological contract and a primary goal of this study was to ensure the survey reflected the natural language of employees. The three specific questions are reported in Part 1 of Appendix N.

**Psychological Contract Features**

Psychological contract features were measured using the revised measure presented earlier and in Appendix K. Participants indicated the degree to which each feature was perceived in the relationship, from 1 = strongly disagree to 5 = strongly agree.

**Organizational Commitment**

Affective ($\alpha = .83$) and normative commitment ($\alpha = .85$) were assessed using measures developed by Meyer, Allen, and Smith (1993). Affective commitment items included; “This organization has a great deal of personal meaning to me” and normative commitment items included; “This organization deserves my loyalty” Continuance commitment ($\alpha = .91$) was measured using Powell and Meyer’s (2004) measure. A sample continuance commitment item included; “I have invested too much time in this organization to consider working elsewhere.” All three commitment components included six statement each using a seven-point scale (1 = strongly disagree to 7 = strongly agree).

**Employee Engagement**

Employee engagement was measured using Schaufeli et al.’s (2002) measure. The measure is composed of three dimensions: Vigor (e.g., “When I get up in the morning, I feel like going to work”), Dedication (“I find the work that I do full of meaning and purpose”), and Absorption (“When I am working, I forget everything else...”)
Participants were asked to rate how often, if ever, in the past two months, they experienced 17 different feelings (1 = never to 7 = daily). Six items were included for the Vigor (α = .87) and Absorption (α = .86) scales and five items for the Dedication scale (α = .89).

**Turnover Intentions**

Turnover intentions (α = .83) were measured using four items developed by Chalykoff and Kochan (1989) on a seven point scale (1 = strongly disagree to 7 = strongly agree). Participants were also asked to indicate how long they plan to continue working with their current employer: less than one year, one to three years, four to five years, more than five years, or more than 10 years. Only the four-item measure was used in subsequent analyses.

**Perceived Psychological Contract Fulfillment**

Participants were asked to evaluate the extent to which they perceived their employer had fulfilled the psychological contract (α = .79) and the extent to which they felt they had fulfilled their psychological contract to their employer (α = .62; Rousseau, 2000). The measure included four items in total with a five point scale (1 = not at all to 5 = to a great extent). Only the two perceived employer psychological contract fulfillment items were used for purposes of the present study.

**Analytic Procedures**

**Perceptions and Preferences Concerning Psychological Contracts**

To quantify Study 1 findings, I examined the frequencies of (i) perceived legal contracts, (ii) perceived psychological contracts, and (iii) preferences for a psychological
contract (as opposed to only a legal contract). I also used these ratings to create eight profile groups to assess their joint frequencies.

**Implications of the Presence and Preference for a Psychological Contract**

The hypotheses in this section were tested using a 2 (psychological contract: present vs. absent) x 2 (preference: legal vs. psychological) ANOVA to examine the predicted main effect of psychological contract presence (Hypothesis 1) and the interaction between psychological contract presence and preference (Hypothesis 2) for organizational commitment, employee engagement, and turnover intentions.

**Refinement of the Feature Measure**

For each feature dimension, the two poles were measured separately. Recall that McInnis et al. (2009) found that the dimensions in their feature measure were not all bipolar and recommended that future measures continue to examine each pole individually. First, the two items reflecting each pole were summed to create a composite score. To evaluate the relations between the two poles of each dimension, zero-order correlations were conducted among the two composite scores.

To address Hypothesis 3 (i.e., the presence of relational and transactional types), a principal components analysis with varimax rotation was performed to assess the factor structure of the measure. A parallel analysis was conducted to determine the number of factors to retain.

**Implications of the Nature of the Psychological Contract**

Factor scores were obtained from the principal components analysis and used to examine how the contract types related to commitment (Hypotheses 4 and 5), employee engagement (Hypotheses 6 and 7), and turnover intentions (Hypothesis 8 and 9). Testing
the first part of each hypothesis (i.e., the relations between the contract score and the work variable) involved calculating zero-order correlations. The second part of each hypothesis stated that the contract scores would account for variance in the work variable beyond that explained by perceived psychological contract fulfillment. To evaluate the second part of each hypothesis, hierarchical linear regression analyses were performed, with perceived employer contract fulfillment ratings entered in Step 1. I also found demographic information (i.e., management status, tenure, and age) that predicted commitment, engagement, and turnover intentions so they were also controlled in Step 1 prior to entering the feature scores in Step 2.

**Results**

**Perceptions and Preferences Concerning Psychological Contracts**

Although I did not develop specific hypotheses, I was interested in confirming Study 1 findings that not all employees perceive both a legal contract and psychological contract. I first quantified perceptions of legal contract perceptions. Sixty-six percent of the participants (n = 193) reported perceiving a legal contract in their current work situation. The other 33.7% of participants (n = 98) reported that they did not perceive a legal contract.

The two groups were compared on demographic information for additional information on how they may differ. Participants who reported having a legal contract were more likely to report being in a management position, $\chi^2 (1) = 11.03, p < .01$, had worked longer with their current employer, $t(258) = 3.58, p < .001$, were more educated, $t(184) = 3.43, p < .01$, and younger, $t(151) = -3.63, p < .001$, compared to those who did
not report having a legal contract. There were no significant differences between the two groups on organizational size or gender.

Second, 59.3% of the participants (n = 172) reported that a psychological contract was present, while 40.7% of participants (n = 118) reported that one was not perceived to be present. Again, demographic information was compared between the two groups. Participants who perceived that a psychological contract existed were less likely to be in a management position, $\chi^2 (1) = 28.11, p < .001$, and had worked longer with their current employer, $t(272) = 5.53, p < .001$, compared to participants who did not perceive a psychological contract. There were no significant differences between the two groups on organizational size, age, gender, or education level.

I was also interested in quantifying Study 1 findings that not employees prefer a psychological contract, in comparison to a legal contract. Approximately half of the participants (50.5%) reported that they preferred a psychological contract (n = 147), while the other half (49.5%) reported that they preferred only a legal contract (n = 144). The only significant demographic difference found between the two groups was that those who preferred a legal contract had been with their current employer longer, compared to those who preferred a psychological contract, $t(235) = 4.18, p < .001$.

There were eight potential contract profile groups based on scores for each of the following: legal contract presence (Yes or No), psychological contract presence (Yes or No), and psychological contract preference (Yes-prefer psychological or No-prefer legal). The contract groups include the following: Contract Group (CG)1 (YNN), CG 2 (YNY), CG 3 (YYN), CG 4 (YYY), CG 5 (NNN), CG 6 (NNY), CG 7 (NYN), and CG 8 (NYY). The profiles frequencies are presented in Figure 2. The largest group was CG 3 with 76
Figure 2. Frequencies of contract groups

of the participants (26.1%). The second largest group was CG 4 with 71 participants (24.1%), followed by CG 6 \((n = 39)\), CG 5 \((n = 34)\), CG 1 \((n = 33)\), CG 8 \((n = 21)\), CG 2 \((n = 12)\), and CG 7 \((n = 4)\). Therefore, participants belonging to the two largest groups perceived both a legal contract and psychological contract.

**Implications of the Presence of and Preferences for a Psychological Contract**

The means and standard deviations for commitment, engagement, and turnover intention ratings are presented in Table 6. The results of the ANOVAs conducted to test Hypotheses 1 and 2 are reported in Tables 7 (commitment) and 8 (engagement and turnover intentions).

Hypothesis 1 stated that those who perceive a psychological contract are more likely to rate high on (a) commitment (affective, normative, continuance),
Table 6

Means and Standard Deviations across Contract Perceptions

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes (N = 80)</td>
<td>No (N = 67)</td>
<td>Yes (N = 92)</td>
<td>No (N = 51)</td>
<td></td>
</tr>
<tr>
<td>---------------------------------</td>
<td>-------------</td>
<td>----------------</td>
<td>------------------------</td>
<td></td>
</tr>
<tr>
<td>Affective Commitment</td>
<td>M = 4.54</td>
<td>M = 3.72</td>
<td>M = 4.73</td>
<td>M = 4.08</td>
</tr>
<tr>
<td></td>
<td>SD = .77</td>
<td>SD = 1.51</td>
<td>SD = 1.30</td>
<td>SD = 1.52</td>
</tr>
<tr>
<td>Normative Commitment</td>
<td>M = 4.70</td>
<td>M = 3.48</td>
<td>M = 4.67</td>
<td>M = 3.91</td>
</tr>
<tr>
<td></td>
<td>SD = .70</td>
<td>SD = 1.41</td>
<td>SD = 1.28</td>
<td>SD = 1.51</td>
</tr>
<tr>
<td>Continuance Commitment</td>
<td>M = 5.20</td>
<td>M = 3.61</td>
<td>M = 4.46</td>
<td>M = 3.83</td>
</tr>
<tr>
<td></td>
<td>SD = .86</td>
<td>SD = 1.36</td>
<td>SD = 1.54</td>
<td>SD = 1.46</td>
</tr>
<tr>
<td>Engagement-Dedication</td>
<td>M = 5.39</td>
<td>M = 4.49</td>
<td>M = 5.51</td>
<td>M = 4.68</td>
</tr>
<tr>
<td></td>
<td>SD = .80</td>
<td>SD = 1.44</td>
<td>SD = 1.11</td>
<td>SD = 1.52</td>
</tr>
<tr>
<td>Engagement-Absorption</td>
<td>M = 5.18</td>
<td>M = 4.20</td>
<td>M = 5.13</td>
<td>M = 4.18</td>
</tr>
<tr>
<td></td>
<td>SD = .95</td>
<td>SD = 1.25</td>
<td>SD = .98</td>
<td>SD = 1.42</td>
</tr>
<tr>
<td>Engagement-Vigor</td>
<td>M = 5.37</td>
<td>M = 4.52</td>
<td>M = 5.41</td>
<td>M = 4.70</td>
</tr>
<tr>
<td></td>
<td>SD = .91</td>
<td>SD = 1.19</td>
<td>SD = .97</td>
<td>SD = 1.32</td>
</tr>
<tr>
<td>Turnover Intentions</td>
<td>M = 4.18</td>
<td>M = 3.99</td>
<td>M = 3.65</td>
<td>M = 3.83</td>
</tr>
<tr>
<td></td>
<td>SD = .91</td>
<td>SD = 1.77</td>
<td>SD = 1.68</td>
<td>SD = 1.59</td>
</tr>
</tbody>
</table>
Table 7

Main Effects and Interactions for Organizational Commitment

<table>
<thead>
<tr>
<th></th>
<th>Affective</th>
<th>Organizational Commitment</th>
<th>Continuance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>F(1, 289) = 22.80***</td>
<td>F(1, 289) = 44.43***</td>
</tr>
<tr>
<td>Main Effect PC Present</td>
<td></td>
<td>F(1, 289) = 3.15, ns</td>
<td>F(1, 289) = 1.98, ns</td>
</tr>
<tr>
<td>Interaction (Present x Preference)</td>
<td></td>
<td>F(1, 289) = 0.33, ns</td>
<td>F(1, 289) = 2.44, ns</td>
</tr>
</tbody>
</table>

Note: PC = Psychological Contract, * p < .05, ** p < .01, *** p < .001 (two-tailed).

Table 8

Main Effects and Interactions for Employee Engagement and Turnover Intentions

<table>
<thead>
<tr>
<th></th>
<th>Dedication</th>
<th>Employee Engagement</th>
<th>Turnover Intentions</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>F(1, 289) = 35.58***</td>
<td>F(1, 289) = 50.43***</td>
<td>F(1, 289) = 36.40***</td>
</tr>
<tr>
<td>Main Effect PC Present</td>
<td></td>
<td>F(1, 289) = 1.15, ns</td>
<td>F(1, 289) = 0.08, ns</td>
</tr>
<tr>
<td>Interaction (Present x Preference)</td>
<td></td>
<td>F(1, 289) = 0.06, ns</td>
<td>F(1, 289) = 0.01, ns</td>
</tr>
</tbody>
</table>

Note: PC = Psychological Contract, * p < .05, ** p < .01, *** p < .001 (two-tailed).
(b) engagement (dedication, absorption, and vigor), and low on (c) turnover intention ratings, compared to those who do not perceive that a psychological contract is present.

Hypothesis 2 stated that the effect will be stronger when there is congruence between psychological contract presence and preference. To parallel the information presented in Tables 7 and 8, the findings for the hypotheses are presented individually for each work variable.

For affective commitment, a significant main effect was found for psychological contract presence, $F(1, 289) = 22.80$, $p < .001$, supporting Hypothesis 1(a). No other effects were significant, $p_s > .08$, failing to support Hypothesis 2(a) that preferences would play a significant role in the relations. For normative commitment, a significant main effect was found for psychological contract presence $F(1, 289) = 44.43$, $p < .001$, supporting Hypothesis 1(a). Hypothesis 2(a) was also not supported because no other effects were significant, $p_s > .12$.

For continuance commitment, a significant main effect of presence was found, $F(1, 289) = 47.92$, $p < .001$, supporting Hypothesis 1(a). The main effect of presence was qualified by a significant interaction between presence and preference, $F(1, 289) = 8.98$, $p < .01$, but the pattern of means was not consistent with Hypothesis 2(a). When a psychological contract was present, continuance commitment was significantly higher in those preferring a legal contract ($M = 5.20$) compared to those preferring a psychological contract ($M = 4.46$), $t(147) = 3.96$, $p < .001$. When a psychological contract was not present, there was no difference in continuance commitment between those preferring a legal contract ($M = 3.61$) and those preferring a psychological contract ($M = 3.83$), $t(116) = -0.83$, $ns$. The results are reported in Figure 3.
For engagement, a significant main effect was found for psychological contract presence, with dedication, $F(1, 289) = 35.58, p < .001$, absorption, $F(1, 289) = 50.43, p < .001$, and vigor engagement ratings, $F(1, 289) = 36.40, p < .001$, thus supporting Hypothesis 1(b). Hypothesis 2(b) was not supported because no other effects were significant, $ps > .28$.

For turnover intentions, there were no significant main effects or an interaction, thus providing no support for Hypothesis 1(c) or Hypothesis 2(c).

Overall, six of the seven predicted main effects for presence were significant, supporting Hypothesis 1. Hypothesis 2 was not supported and while there was a significant interaction observed for continuance commitment, it was opposite to my prediction. Continuance commitment ratings were higher for those preferring a legal contract, and not for those preferring a psychological contract.
Refinement of the Feature Measure

A significant positive correlation was found between the explicit and implicit composite scores ($r = .36, p < .01$) and between the static and flexible composite scores ($r = .18, p < .05$). No significant relations were found among the two poles for the remaining nine dimensions. These findings challenge the notion that the features should be conceptualized as having bipolar ends and measured by only one pole on the continuum.

A parallel analysis was performed to determine the number of factors in the data set (Hayton, Allen, & Scarpello, 2004). The Monte Carlo PCA for Parallel Analysis Program developed by Dr. Marley W. Watkins was used (available at http://monte-carlo-pca-for-parallel-analysis.findmysoft.com/). This program identifies the most meaningful number of factors by comparing the eigenvalues in the present study to those randomly generated from the program using the same number of variables and participants. Only the four initial eigenvalues from the factor analysis were greater than those generated from the program’s randomized eigenvalues which lead me to conclude that only four factors should be extracted. An examination of the initial factor analysis screee plot also supported the extraction of four factors. Only psychological contract feature items with factor loadings of 0.40 or greater were retained for further analyses (Hinkin, 1998). The four factors accounted for 49.05% of the total variance. The four factors with their corresponding feature items are presented in Table 9 and examined below.
<table>
<thead>
<tr>
<th>Psychological contract feature item</th>
<th>Factor I</th>
<th>Factor II</th>
<th>Factor III</th>
<th>Factor IV</th>
</tr>
</thead>
<tbody>
<tr>
<td>is fixed (while in my current position). (Static1)</td>
<td><strong>.69</strong></td>
<td>.07</td>
<td>.17</td>
<td>.12</td>
</tr>
<tr>
<td>includes terms that are uniform across employees at my level. (Collective1)</td>
<td><strong>.68</strong></td>
<td>.23</td>
<td>.05</td>
<td>.01</td>
</tr>
<tr>
<td>includes terms that are formally developed and regulated. (Regulated1)</td>
<td><strong>.68</strong></td>
<td>.03</td>
<td>.34</td>
<td>-.05</td>
</tr>
<tr>
<td>applies equally to employees in the same position. (Collective2)</td>
<td><strong>.66</strong></td>
<td>.22</td>
<td>.12</td>
<td>.04</td>
</tr>
<tr>
<td>focuses on conditions of employment. (Narrow1)</td>
<td><strong>.66</strong></td>
<td>.21</td>
<td>.23</td>
<td>-.04</td>
</tr>
<tr>
<td>focuses on facts rather than feeling. (Impersonal2)</td>
<td><strong>.65</strong></td>
<td>.16</td>
<td>.14</td>
<td>-.02</td>
</tr>
<tr>
<td>is explicitly defined. (Explicit2)</td>
<td><strong>.64</strong></td>
<td>.17</td>
<td>.43</td>
<td>.06</td>
</tr>
<tr>
<td>is balanced in favor of the needs of my employer. (Unequal2)</td>
<td><strong>.58</strong></td>
<td>-.08</td>
<td>-.13</td>
<td>-.42</td>
</tr>
<tr>
<td>is objective and impersonal. (Impersonal1)</td>
<td><strong>.57</strong></td>
<td>-.11</td>
<td>.21</td>
<td>.48</td>
</tr>
<tr>
<td>involves little discussion between me and my employer. (Minimal1)</td>
<td><strong>.56</strong></td>
<td>-.16</td>
<td>-.08</td>
<td>.42</td>
</tr>
<tr>
<td>is well defined and tangible in nature. (Tangible1)</td>
<td><strong>.52</strong></td>
<td>.26</td>
<td>.52</td>
<td>-.04</td>
</tr>
<tr>
<td>includes terms I could not negotiate. (Imposed2)</td>
<td><strong>.52</strong></td>
<td>-.11</td>
<td>.06</td>
<td>.23</td>
</tr>
<tr>
<td>includes terms that are specified clearly in writing or verbally. (Explicit1)</td>
<td><strong>.51</strong></td>
<td>.19</td>
<td>.47</td>
<td>-.27</td>
</tr>
<tr>
<td>is implied by the way things are done. (Implicit1)</td>
<td><strong>.48</strong></td>
<td>.38</td>
<td>-.10</td>
<td>.18</td>
</tr>
<tr>
<td>is future-oriented. (LongTerm2)</td>
<td>.23</td>
<td><strong>.71</strong></td>
<td>.04</td>
<td>.05</td>
</tr>
<tr>
<td>is based on mutual respect. (Respect1)</td>
<td>.04</td>
<td><strong>.71</strong></td>
<td>.25</td>
<td>.00</td>
</tr>
<tr>
<td>is based on trust between myself and my employer. (TrustBased1)</td>
<td>.10</td>
<td><strong>.68</strong></td>
<td>-.07</td>
<td>-.01</td>
</tr>
<tr>
<td>involves appreciation and valuing of each other’s opinions. (Respect2)</td>
<td>.10</td>
<td><strong>.63</strong></td>
<td>.36</td>
<td>.00</td>
</tr>
<tr>
<td>is long-term in focus. (LongTerm1)</td>
<td>.31</td>
<td><strong>.60</strong></td>
<td>-.13</td>
<td>.07</td>
</tr>
<tr>
<td>involves ongoing communication between me and my employer. (Ongoing1)</td>
<td>.12</td>
<td><strong>.57</strong></td>
<td>.18</td>
<td>.07</td>
</tr>
<tr>
<td>is about more than “just the money”. (Broad2)</td>
<td>-.07</td>
<td><strong>.54</strong></td>
<td>.14</td>
<td>-.05</td>
</tr>
<tr>
<td>was shaped by ongoing interactions. (Implicit2)</td>
<td>.03</td>
<td><strong>.49</strong></td>
<td>.28</td>
<td>.29</td>
</tr>
<tr>
<td>is open to modification if necessary. (Flexible1)</td>
<td>-.10</td>
<td><strong>.48</strong></td>
<td>.41</td>
<td>.33</td>
</tr>
<tr>
<td>goes beyond the economic terms of employment. (Broad1)</td>
<td>-.04</td>
<td><strong>.45</strong></td>
<td>.40</td>
<td>.14</td>
</tr>
<tr>
<td>reflects a negotiated agreement. (Negotiated2)</td>
<td>.21</td>
<td>.10</td>
<td><strong>.67</strong></td>
<td>.12</td>
</tr>
<tr>
<td>includes terms that are flexible and accommodating to changing conditions. (Flexible2)</td>
<td>.08</td>
<td>.26</td>
<td><strong>.63</strong></td>
<td>.05</td>
</tr>
<tr>
<td>is openly discussed and evaluated. (Ongoing2)</td>
<td>.08</td>
<td>.26</td>
<td><strong>.63</strong></td>
<td>.05</td>
</tr>
<tr>
<td>includes terms that reflect an equal partnership. (Equal2)</td>
<td>.34</td>
<td>.29</td>
<td><strong>.61</strong></td>
<td>.19</td>
</tr>
<tr>
<td>assumes a limited-term relationship. (ShortTerm2)</td>
<td>.28</td>
<td>-.30</td>
<td><strong>.59</strong></td>
<td>.51</td>
</tr>
<tr>
<td>includes terms that were developed through negotiation. (Negotiated1)</td>
<td>.18</td>
<td>.23</td>
<td><strong>.52</strong></td>
<td>.19</td>
</tr>
<tr>
<td>is static and predictable in nature. (Static2)</td>
<td>.46</td>
<td>.13</td>
<td><strong>.48</strong></td>
<td>.12</td>
</tr>
<tr>
<td>contains measurable terms. (Tangible2)</td>
<td>.38</td>
<td>.24</td>
<td><strong>.40</strong></td>
<td>.00</td>
</tr>
<tr>
<td>is loosely defined and includes intangible terms. (Intangible1)</td>
<td>-.08</td>
<td>.24</td>
<td>.06</td>
<td><strong>.71</strong></td>
</tr>
<tr>
<td>is unregulated and honor-bound. (TrustBased2)</td>
<td>-.01</td>
<td>.17</td>
<td>.13</td>
<td><strong>.63</strong></td>
</tr>
<tr>
<td>has a short time horizon. (ShortTerm1)</td>
<td>.21</td>
<td>-.32</td>
<td>.56</td>
<td><strong>.59</strong></td>
</tr>
<tr>
<td>is open and contains abstract terms. (Intangible2)</td>
<td>.07</td>
<td>.30</td>
<td>.08</td>
<td><strong>.56</strong></td>
</tr>
<tr>
<td>is something rarely talked about. (Minimal2)</td>
<td>.33</td>
<td>-.05</td>
<td>.00</td>
<td><strong>.55</strong></td>
</tr>
<tr>
<td>favors the interests of the employer. (Unequal1)</td>
<td>.46</td>
<td>-.03</td>
<td>.06</td>
<td><strong>.52</strong></td>
</tr>
<tr>
<td>is fairly unique. (Individual1)</td>
<td>.01</td>
<td>.14</td>
<td>.29</td>
<td><strong>.52</strong></td>
</tr>
<tr>
<td>includes employer-imposed terms without input from me. (Imposed1)</td>
<td>.39</td>
<td>-.25</td>
<td>-.05</td>
<td><strong>.49</strong></td>
</tr>
</tbody>
</table>
Factor I accounted for 15.95% of the total variance and included the following features: static, collective, regulated, narrow, explicit, unequal, tangible, imposed. As predicted, this factor closely resembled transactional contract types and was labeled *Transactional*.

Factor II accounted for 12.38% of the total variance and included features such as long-term, respect, trust-based, broad, implicit, and flexible. As predicted, this feature resembled relational contract types and was labeled *Relational*. The two largest factors closely resembled Rousseau’s transactional and relational contract types, thus providing support for Hypothesis 3.

Factor III accounted for 11.07% of the total variance and was defined by the following features: flexible, ongoing, equal, short-term, negotiated, static, and tangible. This factor appears to reflect a short-term relationship that is equitable and negotiated and was labeled *Short-term Balanced*. Factor IV accounted for 9.65% of the total variance and was defined by the following features: intangible, trust-based, short-term, minimal, unequal, individual and imposed. This factor appears to reflect a short-term relationship that is employer-focused and was labeled *Short-term Employer-Focused*. The third and fourth factors were potentially two versions of temporary and flexible work arrangements that exist in today’s uncertain economy.

**Implications of the Nature of the Psychological Contract**

Table 10 presents the correlations between the factor scores and ratings of organizational commitment, employee engagement and turnover intentions. The corresponding regression analyses for Hypothesis 4 to 9 are presented in Table 11. Note that regression analyses were only calculated in cases where a significant correlation was
Table 10

Correlations between Psychological Contract Feature Factors and Organizational Commitment, Employee Engagement and Turnover Intentions

<table>
<thead>
<tr>
<th>Psychological Contract Feature Factors</th>
<th>Organizational Commitment</th>
<th>Employee Engagement</th>
<th>Turnover Intentions</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Affective</td>
<td>Normative</td>
<td>Continuance</td>
</tr>
<tr>
<td>Transactional</td>
<td>-0.01</td>
<td>0.14</td>
<td>0.39***</td>
</tr>
<tr>
<td>Relational</td>
<td>0.49***</td>
<td>0.55***</td>
<td>0.33***</td>
</tr>
<tr>
<td>Short-term Balanced</td>
<td>0.03</td>
<td>0.15</td>
<td>0.24**</td>
</tr>
<tr>
<td>Employer-Focused</td>
<td>-0.26**</td>
<td>0.14</td>
<td>0.14</td>
</tr>
</tbody>
</table>

*Note: *p < .05, **p < .01, ***p < .001 (two-tailed).
Table 11
Regression Analyses Predicting Commitment, Engagement, and Turnover Intentions

<table>
<thead>
<tr>
<th></th>
<th>Affective Commitment</th>
<th>Normative Commitment</th>
<th>Continuance Commitment</th>
<th>Engagement</th>
<th>Engagement</th>
<th>Engagement</th>
<th>Engagement</th>
<th>Turnover Intentions</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>β</td>
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<td>β</td>
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<tr>
<td><strong>Control Variables</strong></td>
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</tr>
<tr>
<td>Employer PC fulfillment</td>
<td>.47***</td>
<td>.43***</td>
<td>.29***</td>
<td>.43***</td>
<td>.28**</td>
<td>.32***</td>
<td>-.35***</td>
<td></td>
</tr>
<tr>
<td>Management Status</td>
<td>-.21**</td>
<td>-.19***</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Tenure</td>
<td>.07</td>
<td>.30**</td>
<td>.10</td>
<td>.19*</td>
<td>.22**</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Age</td>
<td></td>
<td>.23**</td>
<td></td>
<td></td>
<td></td>
<td>.23**</td>
<td>-.12</td>
<td></td>
</tr>
<tr>
<td><strong>Feature Factors‡</strong></td>
<td></td>
<td></td>
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<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transactional</td>
<td></td>
<td></td>
<td>.31***</td>
<td>.17*</td>
<td>.19*</td>
<td>.16*</td>
<td>.21**</td>
<td></td>
</tr>
<tr>
<td>∆ R²</td>
<td></td>
<td></td>
<td>.09***</td>
<td>.03*</td>
<td>.04*</td>
<td>.03*</td>
<td>.04**</td>
<td></td>
</tr>
<tr>
<td>Relational</td>
<td>.33***</td>
<td>.49***</td>
<td>.28**</td>
<td>.33***</td>
<td>.21*</td>
<td>.28**</td>
<td>-.31**</td>
<td></td>
</tr>
<tr>
<td>∆ R²</td>
<td>.08***</td>
<td>.16***</td>
<td>.05**</td>
<td>.07***</td>
<td>.03*</td>
<td>.06**</td>
<td>.07**</td>
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<tr>
<td>Short-term Balanced</td>
<td></td>
<td></td>
<td>.13</td>
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<td></td>
<td></td>
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<tr>
<td>∆ R²</td>
<td></td>
<td></td>
<td>.02</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Employer-focused</td>
<td>-.14</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>.19***</td>
</tr>
<tr>
<td>∆ R²</td>
<td>.02</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>.31***</td>
</tr>
</tbody>
</table>

*The following features were each entered in separate stepwise regression after controlling for the variables in Step 1.
* p < .05, ** p < .01, *** p < .001 (two-tailed)
found first. Appendix O contains the means, standard deviations, and reliabilities of all study variables.

Hypothesis 4 predicted relational contract scores would correlate positively with (a) affective, (b) normative, and (c) continuance commitment, and would account for variance in these commitments beyond that explained by perceived employer contract fulfillment. As predicted, the Relational contract score correlated significantly positive with affective ($r = .49$, $p < .001$), normative ($r = .55$, $p < .001$), and continuance commitment ($r = .33$, $p < .001$). The Relational contract scores also accounted for variance beyond that explained by perceived employer contract fulfillment, in affective ($\Delta R^2 = .08$, $\beta = .33$, $p < .001$), normative ($\Delta R^2 = .16$, $\beta = .49$, $p < .001$), and continuance commitment ($\Delta R^2 = .05$, $\beta = .28$, $p < .01$). Hypothesis 4 was therefore supported.

Hypothesis 5 predicted that transactional contract scores would correlate positively with (a) continuance commitment and negatively with (b) affective and (c) normative commitment, and would account for variance in these commitments beyond that explained by perceived employer contract fulfillment. As predicted, Transactional contract scores correlated significantly positive with continuance commitment ratings ($r = .39$, $p < .001$), and explained variance beyond perceived employer contract fulfillment, management status, and tenure, ($\Delta R^2 = .09$, $\beta = .31$, $p < .001$). Hypothesis 5 also predicted that Transactional contract scores would correlate significantly negative with affective (Hypothesis 5b) and normative commitment ratings (Hypothesis 5c), but this was not found. Overall, Hypothesis 5 was partially supported.

In analysis conducted for exploratory purposes, the relations between Short-term Balanced and Short-term Employer-Focused contract scores and commitment were
examined. Short-term Balanced scores correlated significantly positive with continuance commitment \( (r = .24, p < .01) \), but did not explain unique variance of continuance commitment beyond perceived employer contract fulfillment, management status, and tenure. The Short-term Employer-Focused factor correlated significantly negative with affective commitment \( (r = -.26, p < .01) \), but did not explain variance beyond perceived employer contract fulfillment.

Hypothesis 6 predicted that relational contract scores would correlate positively with (a) vigor, (b) dedication, and (c) absorption, and would account for variance in these engagement dimensions beyond that explained by perceived employer contract fulfillment. As predicted, Relational contract scores correlated significantly positive with dedication \( (r = .46, p < .001) \), absorption \( (r = .30, p < .001) \), and vigor ratings \( (r = .37, p < .001) \). The Relational contract scores also accounted for variance beyond that explained by perceived employer contract fulfillment, in dedication \( \Delta R^2 = .03, \beta = .17, p < .05 \), absorption \( \Delta R^2 = .03, \beta = .21, p < .05 \), and vigor engagement \( \Delta R^2 = .06, \beta = .28, p < .01 \). Hypothesis 6 was therefore supported.

Hypothesis 7 stated that transactional contract scores would correlate negatively with vigor, dedication, and absorption engagement ratings, beyond that explained by employer contract fulfillment. Support was not found for Hypothesis 7 because Transactional contract scores were found to correlate significantly positive, not negative, with dedication \( (r = .24, p < .01) \), absorption \( (r = .24, p < .01) \), and vigor engagement ratings \( (r = .25, p < .01) \). The Transactional contract scores also accounted for variance beyond perceived employer contract fulfillment and the demographic variables in
dedication ($\Delta R^2 = .03, \beta = .17, p < .05$), absorption ($\Delta R^2 = .04, \beta = .19, p < .05$), and vigor engagement ratings ($\Delta R^2 = .03, \beta = .16, p < .05$).

In analysis conducted for exploratory purposes, the Short-term Balanced contract scores did not correlate significantly with the three engagement dimensions and the Short-term Employer-Focused contract scores correlated significantly positive with the absorption engagement dimension ($r = .27, p < .01$), and accounted for variance beyond perceived employer contract fulfillment and age ($\Delta R^2 = .09, \beta = .31, p < .001$).

Lastly, Hypothesis 8 predicted a significant negative correlation between relational contract scores and turnover intentions and Hypothesis 9 predicted a significant positive correlation between transactional contracts scores and turnover intentions, beyond that explained by perceived employer contract fulfillment. Hypothesis 8 was supported with Relational contract scores correlating significantly negative with turnover intentions ($r = -.39, p < .01$), and accounting for variance in turnover intentions beyond that explained by perceived employer contract fulfillment and age ($\Delta R^2 = .07, \beta = -.31, p < .01$). Hypothesis 9 was also supported with the Transactional contract scores correlating significantly positive with turnover intentions ($r = .19, p < .05$), and accounting for variance in turnover intentions beyond that explained by perceived employer contract fulfillment and age ($\Delta R^2 = .04, \beta = .21, p < .01$).

In analysis conducted for exploratory purposes, the Short-term Employer-Focused contract scores correlated significantly positive with turnover intention ratings ($r = .40, p < .001$) and accounted for unique variance ($\Delta R^2 = .09, \beta = .31, p < .001$). The Short-term Balanced contract scores did not correlate significantly with turnover intention ratings.
Discussion

The four objectives to Study 2 included quantifying the prevalence of and preference for psychological contracts, identifying the impact of these contract perceptions on work variables (i.e., employee commitment, engagement, and turnover intentions), refining a psychological contract feature-based measure, and identifying how contract perceptions (as measured using the revised feature measure) predict work variables. Similar to Study 1, I present the findings in terms of their contributions to psychological contract measurement and theory. Initial recommendations for future researchers and limitations are also presented. Additional comments on the study’s findings will be elaborated on in Chapter Four: General Discussion, along with Study 1.

Psychological Contract Measurement

Study 2 contributes to the measurement of psychological contracts by presenting a revised feature-based measure. By focusing on the relationship, the measure instructions parallel theory and Study 1 findings. In terms of the specific items, the revised measure encompasses more relationship characteristics compared to existing measures (e.g., features such as respect and communication). As predicted, the revised measure also reflected two primary contract types, relational and transactional. As a result, the revised feature-based measure is superior to contract type measures because it is generalizable across a variety of work settings, yet still captures the typologies in psychological contract theory.

Two additional factors were found in the measure and resembled short-term relationships that may be a result of uncertain and turbulent work environments common today. While the Short-term Balanced factor was characteristic of being beneficial to both
parties, the only significant prediction found with this factor was continuance commitment. The fourth factor, Short-term Employer-Focused, negatively predicted affective commitment and positively predicted turnover intentions and absorption engagement. The positive prediction with absorption is most likely because the relationship is perceived to be trust-based and individualized in nature as well.

The first objective of Study 2 illustrated that psychological contract measures should recognize that psychological contracts are not universal and that differences will exist among employees. In psychological contract research, participants are typically asked to complete a survey, regardless of their perceptions of one, which questions the validity of the study findings. Study 2 addressed these concerns by first asking participants if they indeed perceived a psychological contract. Then, they were asked to complete a feature-based psychological contract measure to examine the true nature of the employer-employee relationship. Only participants who reported having a psychological contract were included in the analysis comparing the feature measure ratings with commitment, engagement, and turnover intentions.

**Psychological Contract Theory**

Similar to Study 1 findings, the present study found that not all individuals perceived that a psychological contract was present and not all individuals desired one. Interestingly, only 66% of the sample perceived the presence of a legal contract. This may suggest that employees feel that they are not legally protected in the relationship which warrants further investigations in future studies.

In terms of organizational characteristics, no significant differences were found for organizational size. With that in mind, management in organizations of all sizes have
the ability to form psychological contracts with their organizations, something that has been questioned in the past because of differences in available resources (e.g., paid tuition; Conway & Briner, 2005).

Study 2 further contributes to psychological contract theory by examining the implications of contract perceptions and commitment, engagement and turnover intentions. Six of the seven predicted main effects for presence were significant and, while I had predicted that psychological contract preference would be influential, this was not supported. The only significant interaction found was for continuance commitment, and it was in the opposite direction. Among employees who perceived a psychological contract, continuance commitment was higher for those who preferred a legal contract only. Continuance commitment did not differ with preference for those who did not perceive themselves as having a psychological contract. It is possible that employees who have a psychological contract do not perceive it as a potential cost of leaving.

As predicted, the Relational contract scores correlated positively with commitment and engagement, and negatively with turnover intentions, and accounted for variance in these ratings beyond that explained by perceived employer contract fulfillment and demographic variables. Also as predicted, the Transactional contract scores correlated positively with continuance commitment and turnover intentions, and accounted for variance in these two beyond that explained by perceived employer contract fulfillment and demographic variables. Contrary to my hypotheses, Transactional contract scores correlated positive with engagement ratings, and did not correlate negatively with affective and normative commitment. These results suggest that
when contracts are perceived as transactional, work behaviors may not be as negative as theory predicted. Further research of transactional perceptions with other work variables such as work performance and organizational outcomes should be considered (e.g., customer satisfaction, sales volume, etc).

**Study Limitations**

Limitations of Study 2 relate to the sample, measure, and study design. First, Study 2 findings are limited in terms of the sample. A number of practices were in place to identify potential non-purposeful responders including the time it took participants to complete the survey and instructional manipulation checks. Combined, the two practices identified 44% of participants as being potentially non-purposeful. This percentage may be an overestimation of non-purposeful responders but I cannot know with certainty which individuals were intentionally being careless when completing the survey. Reports of careless responding in organizational research range from 15% (Meade & Craig, 2011) to 46% (Oppenheimer et al., 2009), so a percentage of 44 may not be that uncharacteristic of online samples.

In terms of the measure, the list of features was derived from the sample in Study 1. Recall that participants in Study 1 were of a limited demographic (e.g., age, tenure). With that in mind, the list of features may not be exhaustive. Future research should be conducted with a broader sample to see if additional features become salient.

Lastly, the study design limits me from drawing conclusions regarding causal relationships between contract perceptions and work attitudes and behavioral intentions. I emphasized in Study 1 that psychological contracts evolve over time and are best studied at multiple time points throughout the employee’s tenure. The main emphasis of Study 2,
however, was to focus on contract presence and preferences and to design a feature measure. Now knowing that the revised feature measure is informative, future researchers are encouraged to measure contract perceptions over time as theory recommends, using the revised measure.

Conclusions

Study 2 adequately addressed four primary objectives that were derived from Study 1 findings. Overall, the findings supported initial results in Study 1 that employees have diverse perceptions of legal and psychological contracts. Future researchers are encouraged to consider these diverse perceptions when measuring and theorizing about psychological contracts. The revised measure also contributes to measurement and theory by identifying a way to adequately capture psychological contract types, yet be universal across work situations and capture the overall relationship.

Next, the findings from the two studies are integrated. The implications of both studies are presented with a focus on what the results mean for future research, management, and employees themselves.
CHAPTER FOUR: GENERAL DISCUSSION

The primary objective of the present research was to explore how psychological contract measurement and theory can best capture the true experiences of employees. As psychological contract research has continued to grow in popularity over the past 50 years (Conway & Briner, 2009), many researchers have questioned whether or not the construct is truly capturing how employees view the employer-employee relationship and their contracting experiences (Seeck & Parzefall, 2008). I approached these measurement and theoretical concerns in a unique way by implementing a mixed methods research design. Collectively, the two studies provided a new perspective on how best to measure psychological contracts and what a theory of psychological contract should entail.

This chapter is organized into five sections. I first summarize the research findings by focusing on the collective conclusions drawn from both studies. In the second section, I revisit my overarching research question and address whether or not it was sufficiently addressed and what new questions emerged along the way. Many researchers using qualitative approaches, including those in the field of organizational research, recommend revisiting the original research question (Gephart, 2004; Willig, 2008). In the third section, limitations and directions for future research are presented. The fourth section examines the implications of the findings for management. Lastly, in the fifth section I provide guidelines and recommendations to empower employees themselves in their contracting experiences.
Summary of Research Findings

Psychological Contract Measurement

The interview findings supported recent claims that the feature-based approach is superior to the evaluation and content-based approaches for measuring psychological contracts (e.g., DelCampo, 2007, see Table 4 for additional support). Both studies sequentially contributed to the revised measure’s instructions, leading statement, and specific feature dimensions. By listening to the respondents’ contracting experiences and reviewing existing psychological contract research, I was able to design survey instructions that tap back into the exchange element of the relationship, a key component of psychological contract theory (Cullinane & Dundon, 2006; Meckler, Drake, & Levinson, 2003). Of primary importance is that the factor structure of the revised measure also supported the existing typology found in psychological contract theory (i.e., relational and transactional). The factor structure also revealed two new forms of relationships that may be developing as a function of the changing economy. As I noted in Study 2, I encourage researchers to continue using the feature-based measure to assess contract types because it is content free, transferable across a variety of organizational situations, and reflects the types of contracts prevalent in today’s workplaces.

From a practical standpoint, the revised feature measure can also be used by management as a diagnostic tool to gain insights on their employees’ perceptions. For example, management may administer the measure and find that the majority of employees rate the relationship low on trust. Managers can then use such findings to identify ways to improve their employer-employee relationships, and subsequent employees’ work attitudes and behaviors. I present more specific management
implications later in the chapter. Overall, the feature-based measure was designed to be applicable in the eyes of employees completing it and also managers using it in a variety of organizations.

The present research also illustrated the benefits of implementing and combining different methodologies to gain a deeper understanding of how best to measure psychological contracts. I agree with Taylor and Takleab (2004) that researchers need to be more creative in their methodologies when investigating psychological contracts. Study 1 showed how informative employees can be to researchers in understanding psychological contract theory in today’s work environment. For example, the present research was the first to ask employees directly about whether or not the concept of psychological contracts resonated with them and why. The interview findings played an influential role in then designing and testing the revised feature-based measure. Another example of a different methodology is Montes and Zweig’s (2009) use of experimental designs to learn more about psychological contract breach measures and whether or not they are accurately tapping into the construct. Overall, examining psychological contracts from different lenses and methodologies, I believe, is essential in ensuring the measures remain valid and relevant, in the eyes of employees and management.

**Psychological Contract Theory**

Researchers in organizational research emphasize the importance of theory and use it to make sense of workplace phenomenon and to guide their research (Edwards, 2010). Despite the value theory in grounding research, organizational researchers rarely test some of the assumptions underlying their theories (Edwards, 2010). Psychological contract theory is no exception and, as a result, has many unresolved issues that prevent
the theory from moving forward in any meaningful and practical way (Cullinane & Dundon, 2006). In Study 1, I focused on examining key assumptions of psychological contract theory directly, such as who represents the other psychological contract party and how core perceptions change over time. In Table 3, I presented a variety of theoretical assumptions that I found to be supported (e.g., psychological contracts are perceived to be evolving over time). I also found a variety of theoretical assumptions that were not supported by the interview findings (e.g., psychological contracts are universally desired). Study 2 further quantified these findings and identified the implications of these psychological contract perceptions.

As noted earlier, the existing psychological contract literature focuses primarily on contract breach (Conway & Briner, 2005). Study 2 contributed to the extant field by examining the relations between contract feature perceptions and organizational commitment (affective, normative, and continuance), engagement (dedication, absorption, vigor), and turnover intentions. My predictions regarding the relations between the work variables and contract type perceptions were generally supported. Relational contract scores, and to a lesser extent Transactional contract scores, accounted for variance in commitment, engagement, and turnover intentions beyond that explained by employer contract fulfillment perceptions and demographic information. Overall, these findings contribute to a greater understanding of the implications of psychological contract perceptions in the workplace. I hope the revised measure encourages researchers to use a feature-based approach to further explore the influences of psychological contracts on work attitudes and behaviors.
Research Question Revisited

Recall that my overarching research question stated; “How can psychological contract measurement and theory best capture employee experiences?” I believe the present research addressed some important issues within this question but that, in doing so, it also raised some new questions. For example, respondents in Study 1 frequently compared their psychological contract to others internally (e.g., coworkers) and externally to the organization (e.g., peer). I argued that contract comparisons must have been salient in the minds of respondents because no interview questions asked about comparisons. To my knowledge, there is no measure that addresses contract comparisons among peer groups and coworkers. As noted earlier, Ng and Feldman (2008) recently introduced a measure termed contract unreplicability, but it measures how the employee’s current organization compares to other organizations. Further exploring contract comparisons was beyond the scope of Study 2 but would be of value to be considered for future research. These additional insights gathered in Study 1 illustrated that qualitative approaches provide the luxury of identifying what psychological contract issues are most salient in the minds of employees. If psychological contract researchers incorporate similar methodologies in their work, the field as a whole has a greater chance of uncovering new insights that may go unnoticed by using traditional survey-based measures.

Limitations and Directions for Future Research

First, a limitation of both studies was that the designs did not permit an exploration of psychological contracts over time. The importance of viewing psychological contracts as evolving relationships has been stated numerous times
throughout this research project and by past researchers (Conway & Briner, 2005). Study 1 did ask respondents to speak about their psychological contracts over time, but only retrospectively. Study 2, however, did not address the changing nature of psychological contracts at all. Because the evolving nature of psychological contracts was not a primary focus in the present research, I’m unable to contribute much to the understanding of that key characteristic of psychological contracts. Notwithstanding, I think the design of the present study does provide valuable insights into new approaches for studying psychological contracts across time. For example, I recommend future researchers consider mixed methods designs that involve studying one sample across time, and using a variety of methods at each time point (e.g., interviews and surveys). Termed a concurrent nested strategy (Creswell, 2003), such a design could contribute to a comprehensive understanding of contract perceptions over time.

A second limitation relates to lack of organizational contextual factors that were accounted for in both studies. Context factors can include the organization (size, structure, industry), worker (age, gender, education), and the external environment (e.g., labour market, country; Johns, 2006; Rousseau & Fried, 2001). For example, Study 1 was limited to recent graduates who had limited tenures. Findings from Study 2 suggested that tenure, and to a lesser extent age, were significantly related to contract perceptions. For example, individuals with a longer tenure were more likely to report perceiving a psychological contract, but less likely to desire one, compared to individuals with a shorter tenure. The significant difference across tenure levels found in the present research is informative to theory and worth addressing in future research. I discuss the role of tenure shortly from a practical viewpoint in terms of management implications.
A limitation in terms of organizational context is that only industry and organizational size were accounted for in the two studies. The present findings suggest that organizational size plays a role in some aspects of psychological contract theory (e.g., who the other party in the psychological contract is; Study 1), but not others (e.g., whether or not a psychological contract is perceived or desired; Study 2). I recommend that size continue to be included in future research. Another organizational factor that warrants further consideration, but was excluded in the present research, is union presence. One respondent in Study 1 noted that a presence of a union in his organization made it difficult for him to perceive a psychological contract because his union ensured all contract terms were explicit and collective. Interestingly, the respondent’s comments resonate with those made by Levinson (1965). Levinson noted that unions can prevent psychological contract relationships from developing because organizations may not be able to offer opportunities that go beyond the legal contract. Unions exist in a number of sectors including education, public service, manufacturing, and transportation (Human Resources and Skills Development Canada Union Membership in Canada, 2010). Although empirical evidence examining the relations between union membership and psychological contracts is limited, Turnley, Bolino, Lester, and Bloodgood (2004) did find that perceived psychological contract breach related positively to union commitment. What would be interesting to know is whether or not the high ratings in union commitment are detrimental to other commitments (e.g., work group or organization). Beyond the initial evidence of Turnley and colleagues, little is known about the role union membership may play in psychological contract perceptions. Future research could examine whether belonging to a union or not influences the presence of a psychological
contract (i.e., yes or no), and if yes, what type of contract is perceived (i.e., relational or transactional). Overall, a key component of theory refinement is identifying the boundaries of the theory (Gray & Cooper, 2010). The present study identified some contextual boundaries that should be considered in future psychological contract research.

A third limitation relates to measurement concerns in Study 2 but has broader implications for psychological contract measures in general. While Study 1 respondents were provided with a definition of psychological contracts, this was not the case for Study 2. In Study 2, participants were asked about the presence of “a relationship with your employer that goes beyond what is (or would be) covered in a legal contract”. The survey statement was somewhat vague to avoid the use of psychological contract terminology specifically and to represent a more natural language that was gathered from the interviews in Study 1. In doing so, however, it is difficult to know with certainty that participants were interpreting the survey questions as I, the researcher, had intended. With that in mind, one method that may be particularly informative in future psychological contract research is cognitive testing (Fowler & Cosenza, 2009). Cognitive testing is a method that involves asking participants to read a survey and complete a cognitive thought process task. The goal of cognitive testing is to understand the thought process involved when answering survey questions, in order to improve the measure. For example, the participants may be asked to think out loud concurrently while completing a survey or they may be asked afterwards to participate in a discussion with the researcher about the survey in general (Fowler & Cosenza, 2009; Singleton & Straits, 2002). Cognitive testing is rare in organization perception research but certainly of value.
(Tetrick, personal communications, April 15th, 2011). I recommend that cognitive testing be introduced in future research because it has the potential to provide much needed insights on adequately capturing a natural terminology that resonates best with employees.

**Management Implications**

Psychological contract research is often criticized for not providing practical guidelines and implications for managers (e.g., Coyle-Shapiro & Shore, 2007). Conway and Briner (2005) noted that practical advice to managers is typically given as afterthoughts in articles which mostly focus on contract breach issues. Nadin and Cassell (2007) also noted that many recommendations involve human resource management practices that not all budgets can support (e.g., increase professional development workshops). While there have been short comings of management implications in the past, the present research does provide meaningful insights. My guidelines and recommendations for management focus on three initiatives: encouraging open communication, providing psychological contract training to management, and implementing supportive organizational programs that foster psychological contracts.

First, both studies illustrated that employees do not universally perceive and/or desire a psychological contract. With that in mind, management should meet with employees, continuously throughout their tenure, to determine how they view the employer-employee relationship. Employees’ needs may change and it is important that management monitor these changes (Rousseau & Greller, 1994). I noted earlier that a desirability for a psychological contract decreases as tenure increases. By meeting with employees regularly, management can gain a better perspective about how these desires
change over time. Also noted earlier is that management can use the revised feature-based measure as a complementary tool to gain greater insights on their employees’ perceptions, along with face-to-face interactions. These reality checks are essential to ensuring the relationship reflects the needs and desires of both parties.

While open communication is important to building positive employer-employee relationships, the actual terms of the psychological contract do not necessarily need to be made explicit. Two books on psychological contracts have been written for a practitioner audience (i.e., Makin, Cooper, & Cox, 1996; Wellin, 2007). Both books suggest that management should make the psychological contract explicit. Wellin (2007) goes into detailed guidelines on how a leader can initiate a psychological contract with his/her subordinate. My concern is that the time spent laying out clear guidelines of what the relationship entails is only beneficial in stable work environments. As found in Study 2, the factor structure of the feature-measure revealed two short-term contract types that are prevalent in today’s organizations. Even if the work environment is stable, psychological contracts perceived as mostly explicit in Study 2 were defined as transactional contracts. Recall that Transactional contract scores did not positively predict affective and normative commitment, but did positively predict continuance commitment and turnover intentions. Based on these study findings, I recommend management communicate openly with their employees about the psychological contract, but by doing so does not need to imply that all terms be made explicit.

In line with the recommendation for open communication, I also recommend that employer representatives who are in supervisory roles receive training on psychological contracts in the workplace. I recommend that employer representatives receive training
on the general importance of the psychological contract, how it influences work attitudes and behaviors, and how they can communicate the terms of the relationship with employees. Lester and colleagues (2007) made a similar suggestion for organizations that are undergoing changes that may adversely impact psychological contract perceptions (e.g., breach). In Study 1, only about half of the respondents gathered information about the psychological contract from the other psychological contract party. Several stated that they did not feel comfortable speaking with the other party directly. With that in mind, and to ensure open communication, it is in management’s best interest to receive training on psychological contract relationships with their employees.

My last recommendation relates to implementing organizational programs and structures that support psychological contracts. Specifically, management should consider what they can do to foster the development of positive employer-employee relationships. For example, one respondent in Study 1 noted that her organization assigns each new employee to a senior employee, termed a counselor. For this respondent, a positive relationship developed quickly with the counselor, despite the fact that the organization was large and turnover was high within her department. She reported that her counselor was perceived as the other party in her psychological contract. I recommend that organizations implement similar programs and policies that encourage employees and employer representatives in developing positive and personal relationships.

Employee Implications

Existing literature lacks guidelines and suggestions to empower employees themselves in managing their psychological contract relationships at work. Similar to management, I encourage employees to take the initiative to form a relationship with
another party that goes beyond the legal contract. Respondents in Study 1 noted that they felt the psychological contract played a more influential role on their daily work activities, compared to the legal contract. Furthermore, in Study 2, employees who perceived a psychological contract were more likely to score high on commitment and engagement ratings, compared to those who did not perceive a psychological contract. Employee commitment and engagement have been linked to not only retention and performance but to employee’s physical and psychological well-being (Bakker, Albrecht, & Leiter, 2011; Meyer et al., 2012; Meyer & Maltin, 2010). Consequently, if employees can manage to develop psychological contracts, positive work experiences and well-being likely will result.

Recall in Study 1 that respondents identified a variety of other parties (e.g., supervisors and work groups) and there was no reason to believe that one specific party was superior to the others. With that in mind, I encourage employees to form a broader working relationship with an employer representative. This representative should a) be a valuable resource for organizational information, b) have the power to make and fulfill promises, and c) be someone with whom the employee feels comfortable communicating. I also encourage employees to be open with this employer representative about their contract perceptions and what they desire to obtain and give in the relationship. Overall, I feel that employees have much to gain in their work experiences by being aware of the psychological contract and playing an active role in the employer-employee relationship.

**Conclusions**

The present research tackled a number of unresolved issues identified in psychological contract research. By implementing a mixed methods design, I was able to
offer new insights in how best to measure and theorize psychological contracts. Psychological contracts are a key component in understanding employee work behaviors and a variety of work outcomes. That being said, the literature is not without its flaws. I aimed to fill several gaps and provide researchers, management, and employees with the tools and resources they need to make psychological contracts valuable in today’s work environments.
References


http://www.andrew.cmu.edu/user/rousseau/0_reports/PCI3.pdf.


Sturges, J. & Guest, D. (2001). Don’t leave me this way!: An exploration of the influences likely to affect graduates’ decisions to stay with or quit their employer in the early years of their career. *British Journal of Guidance and Counselling, 29*, 447-462.


## Appendices

### Appendix A

Research Questions Referenced in Past Research

<table>
<thead>
<tr>
<th>Research Question #1: How do employees define the psychological contract?</th>
<th>Author(s)</th>
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<tr>
<td></td>
<td>Conway &amp; Briner (2005)</td>
<td>“While the differences between expectations, obligations, and promises are very important…they are not clearly elaborated or widely discussed in the literature on psychological contracts, reflecting the field’s apparently limited concern for definitional or conceptual clarity and precision” (p. 25).</td>
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<td>“While efforts to distinguish between promises, obligations, and expectations are important, these distinctions may be hard to identify in practice and further clarification is required” (p. 25).</td>
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<td>“Promises offer more conceptual clarity and precision than obligations and expectations and are also more closely aligned with the idea of a contract. For these reasons we will use promises as the main belief constituting psychological contracts” (p. 26).</td>
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<td>“Rather than being minor problems that can easily be sorted out they [definitional issues] represent fundamental confusions in the foundations of the concept” (p. 36).</td>
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<td>“If we do not know what exactly the psychological contract refers to, it becomes difficult to clearly interpret or make sense of theoretical statements made about the psychological contract” (p. 114).</td>
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<td></td>
<td>Conway &amp; Briner (2009)</td>
<td>“Promises are thus viewed as having a more precise meaning and being more contractual than expectations, which are viewed as having a more general meaning” (p. 81).</td>
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<td>“How researchers interpret these terms is not a trivial issue. It determines the way in which they advance psychological contract theory and approach questions such as how psychological contracts form and how they operate” (p. 80).</td>
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<td></td>
<td>Cullinane &amp; Dundon (2006)</td>
<td>“Different authors have tended to adopt different perspectives regarding what the psychological contract is, and what it is supposed to do” (p. 115).</td>
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Appendix A continued

Research Question #1 continued: *How do employees define the psychological contract?*

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| Guest (1998)       | “We run into problems as soon as we start to examine definitions of the psychological contract” (p. 650).  
“The first problem that emerges from a comparison of these definitions, focusing on the words that are emphasized, is that the psychological contract may be about perceptions, expectations, beliefs, promises and obligations….one response might be to claim that it includes all of them; but then we run into problems of parsimony” (p. 651).  
“Content validity is in doubt because of problems of establishing whether the psychological contract is concerned with expectations, promises, or obligations” (p. 658). |
| Rousseau (2010)    | “Recommendation: In all, I suggest that the evidence above indicates that obligations are preferred over expectations and promises in assessing a psychological contract’s content-particularly with respect to the employer’s side of an individual worker’s psychological contract” (p. 210). |

Research Question #2: *Do employees perceive the psychological contract to be explicit, implicit, or both?*

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| Conway & Briner (2005) | “There is relatively little agreement about how explicit a promise can be before it stops becoming part of the “psychological” contract and is better considered simply the legal or employment contract” (p. 27).  
“Research on the contents of psychological contracts has largely concentrated on explicit promises; we know very little about the contents of implicit psychological contracts” (p. 112).  
“How implicit do psychological contracts have to be in order to be considered psychological contracts” (p. 112).  
“If the psychological contract is defined quite loosely so that it includes a wide range of beliefs about the exchange that it means that almost any workplace perception could be thought of as the psychological contract. At present the psychological contract includes a wide range of beliefs from explicit promises to subtle, possibly unconsciously held, expectations. If any sort of belief can be part of the psychological contract then the concept is weakened as an analytic or explanatory tool” (p. 114).  
“It becomes difficult if not impossible to make distinctions between implicit promises that are part of the psychological contract and the vast array of vague expectations, hopes, hunches, and desires individuals have anyway” (p. 117). |
Appendix A continued

Research Question #2 continued: *Do employees perceive the psychological contract to be explicit, implicit, or both?*

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<tr>
<td>Conway &amp; Briner (2009)</td>
<td>“Survey methods typically gather information about promises in general and do not typically request participants to make distinctions between explicit and implicit promises” (p. 94).&lt;br&gt;“A major task facing psychological contract researchers is therefore to unpack and clarify the meaning of implicit promises” (p. 112).</td>
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<td>Guest (1998)</td>
<td>“There has been rather too much emphasis in the mainstream US. research on the explicit rather than implicit promises, perhaps because, despite their centrality in the underlying concept, the latter are hard to identify” (p. 658).</td>
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<tr>
<td>Suazo, Martinez, and Sandoval (2009)</td>
<td>“Despite the surge in research on the psychological contract over the past two decades, there has been little integrative research that has examined psychological contracts in conjunction with legal contracts” (p. 154).&lt;br&gt;“We argue in this paper that there is a great deal of confusion among many employees in the United States about the differences between psychological and legal contracts, and this confusion is due in large part to misunderstanding about what constitutes a psychological and legal contract. Understanding the differences is important because there are typically different consequences associated with each type of contract” (p. 154).</td>
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Research Question #3: *Who is/are the other party/parties in the psychological contract?*

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<tr>
<td>Cassar &amp; Briner (2009)</td>
<td>“Psychological contract theory is very clear about one of the parties involved—the employee—yet it is less clear about who or what constitutes the other party” (p. 679).</td>
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<tr>
<td>Conway &amp; Briner (2005)</td>
<td>“While the employee as one of the parties to the contract is relatively easy to identify, who or what, represents the organization or the employer? Is it a specific line manager? The managing director? The human resources department” (p. 32)?</td>
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<td>Conway &amp; Briner (2009)</td>
<td>“Where there is an obvious and single individual employer (e.g., small organization), it is relatively straightforward to represent the employer. However, what happens in larger organizations, where there is no single individual that encapsulates or represents the employer” (p. 84)?&lt;br&gt;“Psychological contract theory gives no clear guidelines as to who or what represents the organization” (p. 104).</td>
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Appendix A continued

Research Question #3 continued: Who is/are the other party/parties in the psychological contract?

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<tr>
<td>Coyle-Shapiro &amp; Shore continued (2007)</td>
<td>“Since the organization is made up of multiple potential exchange partners (i.e., agents), it is not clear who the employee considers when answering questions about this relationship” (p. 167).</td>
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<td>“What happens when employees experience contradictory treatment from different agents” (p. 168).</td>
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<td>“At present, there is no research that explicitly asks employees who they have in mind (i.e, which organizational agents) when they answer questions about the EOR [Employee-Organization Relationship)” (p. 168).</td>
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<td>“Theorizing is weak and empirically, who represents the organization has yielded a number of different positions” (p. 172).</td>
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<td>Millward &amp; Brewerton (2000)</td>
<td>“Even if we were to hold onto the single-sided view of the psychological contract as a cognitive-perceptual idiographic entity we still need to reckon with the issue of with whom the individual sees him or herself as holding the contract” (p. 20).</td>
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<td>“In a small organization, there is likely to be little doubt. In a large and complex multinational or transnational organization, however, the question is less likely to be so straightforward” (p. 21).</td>
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<td>“Despite the large number of potential “representatives” who might take on the persona of “employer” research has nonetheless tended to be pursued largely without questioning who, exactly, the other party might be in the exchange relationship” (p. 22).</td>
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Research Question #4: Do employees perceive the psychological contract as a mutual exchange relationship?

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<tr>
<td>Conway &amp; Briner (2005)</td>
<td>“While there is agreement across definitions that the psychological contract is about the ‘deal’ or the exchange relationship between employer and employee, the nature of this exchange is not always clear” (p. 31).</td>
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<td>“Psychological contract theory and research has entirely neglected to focus attention on specifying the exchange” (p. 121).</td>
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<td>“Psychological contract theory is extremely vague when it comes to specifying what the exchange is between employee and the organization” (p. 124).</td>
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### Appendix A continued

Research Question #4 continued: *Do employees perceive the psychological contract as a mutual exchange relationship?*

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<tr>
<td>Cullinane &amp; Dundon (2006)</td>
<td>“While much of the psychological contract literature seems to presuppose some level of an equal two-way exchange process between individuals, who freely construct their own sense of expectations and obligations, the ultimate prognosis (and actual outcome) can be very different from that suggested in much of the literature” (p. 123).</td>
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<tr>
<td>Rousseau (2010)</td>
<td>“Research is needed into the role of power and active negotiation in the dynamics of psychological contracting” (p. 213).</td>
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Research Question #5: *What sources are used to gather information about the psychological contract?*

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<th>Author(s)</th>
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<tr>
<td>Conway &amp; Briner (2005)</td>
<td>“Researchers disagree about the extent to which an employees’ psychological contract is shaped by factors external or internal to the organization” (p. 34).</td>
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<td>“To what extent are psychological contracts formed by factors external to the organization, such as friends, family, outside employment interests” (p. 120)?</td>
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<td>“Should distinctions be made between parts of the psychological contract that are not shaped by the organizations and those that are” (p. 120)?</td>
</tr>
<tr>
<td>Conway &amp; Briner (2009)</td>
<td>“Employee psychological contract beliefs must be grounded in the behavior of the employee’s current organization; beliefs arising from elsewhere are not part of the psychological contract” (p. 85).</td>
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<td>Dabos &amp; Rousseau (2004)</td>
<td>“Research is needed to investigate the conditions under which individuals rely on particular sources of information regarding the employment relationship” (p. 68).</td>
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<tr>
<td>Montes &amp; Zweig (2009)</td>
<td>“An important goal for future research is to explore where perceptions of promises come from, if not from the actions or statements of the organization” (p.1257).</td>
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Appendix A continued

**Research Question #6: Do core perceptions of the psychological contract change over time?**

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<th>Author(s)</th>
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<tr>
<td>Conway &amp; Briner (2005)</td>
<td>“Definitions of the psychological contract have largely ignored the ongoing aspect of psychological contracts” (p. 32).</td>
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<tr>
<td>Conway &amp; Briner (2009)</td>
<td>“Because there is so little research into the psychological contract as an unfolding process, it is not clear how the psychological contract operates in this respect, in terms of what the key events may be, how the psychological contract changes, and how such changes affect immediate and longer term emotional, cognitive, and behavioral responses, and so on” (p. 106). “Very little psychological contract research investigates how psychological contracts change” (p. 116).</td>
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<tr>
<td>Guest (1998)</td>
<td>“While it is possible to acknowledge that with longer service the psychological contract is likely to become broader and deeper, there remains the conceptual problem of establishing at what point in the relationship between an individual and an organization a psychological contract can be said to exist” (p. 651).</td>
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Appendix B

Interview Questions

Phase 1 Questions:

1. “Tell me about your job including the work that you are doing. I would like you to go into as much detail as possible so I have a clear understanding of your work experience.”

   Most applicable research question: Who is/are the other party/parties in the psychological contract? (#3). Note: I want to start the interview with a fairly open question to get the respondent relaxed and for the interviewer to gather context relevant information.

   Follow-up questions to ask if more information is needed: Walk me through a typical day. What is your job title? What are your roles and responsibilities? How big is your organization? Is that a size that you intentionally were looking for? How has your role and responsibilities changed over the years with the company?

2. “I would like to learn about the recruitment and selection process that you experienced with your current organization. Please briefly walk me through the recruitment process and interview stage that you experienced before being hired.”

   Most applicable research questions: Who is/are the other party/parties in the psychological contract? (#3) Again, this question will be useful to identify the context of the employer-employee relationship, particularly the length of the relationship.

   Follow-up questions to ask if more information is needed: Who offered you the job when you were hired? Who interviewed you for the job? How much do you communicate with this individual(s) now?

3. “Tell me about the terms of the employment at the time you started working. Specifically, did the organization provide you with a clear written statement of the terms of employment? And if they did, what was included?”

   Most applicable research questions: Do employees perceive the psychological contract to be explicit, implicit, or both? (#2); What sources are used to gather information about the psychological contract? (#5)

   Follow-up questions to ask if more information is needed: Did the organization state or imply any other terms beyond what was in the written contract? Did you negotiate any terms? If yes, are these terms unique to you, compared to your coworkers? How do the terms of agreement differ from those in similar positions at different organizations? How important do you consider the legal contract, in your current work situation?

4. “Let’s talk a bit more about the terms of employment. And by terms of employment I’m talking about your job, working conditions, office life, etc. How did you gather information about your job, working conditions, and office life? In other words, what or who were the primary sources you used to gather this information. First, let’s talk about what types of information you gathered about your employment.”
Appendix B continued

*Most applicable research questions:* Do employees perceive the psychological contract to be explicit, implicit, or both? (#2); What sources are used to gather information about the psychological contract? (#5)

*Follow-up questions to ask if more information is needed:* What evidence do you have that the obligation exists (i.e., specific examples)? How important are these terms to you?

5. “The last question that I have for you for the first phase of interview questions is have you experienced any changes to the terms of the employment since you were hired?”

*Most applicable research questions:* Do employees perceive the psychological contract as a mutual exchange relationship? (#4); Do core perceptions of the psychological contract change over time? (#6)

*Follow-up questions to ask if more information is needed:* What changes do you anticipate in the future? How might you react to these changes? Are these changes important to you?

Phase 2 Interview Questions

“That completes the first phase of interview questions so let’s move to the next phase. I have a paragraph that I would like to read to you first.”

“I’m going to ask you to think about the relationship that you have with your employer. Within the psychology and organizational literature, there is a term that is often used to describe this relationship. This term is called the psychological contract. The psychological contract is used to describe the implicit and explicit commitments and promises that both employees and employers make to each other. For example, an employer may promise the employee four weeks paid vacation or flexible work hours. Examples of employee promises to the employer include working over time and being loyal. Psychological contracts are best to be thought of as perceptions about how you think about the relationship that you have with your employer. The questions that I have for you today are aimed directly at getting your perspective as to whether the notion of psychological contracts resonates with you, in the context of your current job.”

1. “The first question that I have for you is have you heard the term psychological contract before?”

*Most applicable research questions:* How do employees define the psychological contract? (#1)

*Follow-up questions to ask if more information is needed:* Where have you heard the term before? Is your previous understanding of the term psychological contract the same or different from the definition that I just gave you?
Appendix B continued

2. “Based on the definition and description that I just gave you, do you consider yourself to have a psychological contract with your employer? And if so, please describe the nature of this psychological contract and how you experience it. First, do you consider yourself to have a psychological contract with your employer?”

*Most applicable research questions:* How do employees define the psychological contract? (#1)

*Follow-up questions to ask if more information is needed:* Reassure the respondent that it is ok to say no. If the respondent asks any questions about who the employer is, I will tell the respondent that we will talk about that shortly. If he/she responds yes, ask him/her to explain. If the respondent says no, ask him/her to explain. How important is the psychological contract to you? Of the psychological contract and legal contract, is there one that plays a larger role on your work attitudes and work behavior?

3. “How would you define your employer? Specifically, who or what represents the employer, for you, within the context of the legal contract and within the context of the psychological contract? Let’s talk about the legal contract first. How would you define your employer in the context of the legal contract?”

*Most applicable research questions:* How do employees define the psychological contract? (#1), Who is/are the other party/parties in the psychological contract? (#3)

*Follow-up questions:* Do you see any differences between who you define as the employer for the legal contract versus the psychological contract?

4. “A key characteristic of the psychological contract is that it represents a reciprocal and mutual exchange relationship between two parties (e.g., similar to a romantic relationship). For example, both parties give and receive in the relationship. I would like to get your perspective on whether you think this is true in your work situation. How do you experience the reciprocal and mutual exchange nature of the psychological contract?”

*Most applicable research questions:* How do employees define the psychological contract? (#1), Who is/are the other party/parties in the psychological contract? (#3).

*Follow-up questions to ask if more information is needed:* What have you promised your employer? What has your employer promised you? How would you describe the balance of power in the relationship? How important is balance to you? How does the balance of power, compare to that of your legal contract?

5. “This next question may be particularly difficult to answer with certainty, but I’d like to get your thoughts on it. How would you describe your relationship with your employer, beyond the legal contract.”

*Most applicable research questions:* How do employees define the psychological contract? (#1), Do employees perceive the psychological contract as a mutual exchange relationship? (#4)
Appendix B continued

Follow-up questions to ask if more information is needed: If the respondent says no, ask to explain that a bit more. If the respondent says yes, ask him/her to describe the nature.

6. “Do you think that your employer stated or implied any other terms beyond what was in the legal contract? We talked about this earlier—that is, how you gather information about your job, work conditions, and office life. I would like to revisit it now. Beyond the terms in the legal contract, can you provide a few examples of explicit or implicit promises that your employer made to you, but were not included in the legal contract?”

Most applicable research questions: How do employees define the psychological contract? (#1); Do employees perceive the psychological contract to be explicit, implicit, or both? (#2); What sources are used to gather information about the psychological contract? (#5)

Follow-up questions to ask if more information is needed: Were these promises explicit or implicit? How were these promises conveyed to you (or what led you to consider these to be additional terms)? Consider both sides: What have you done for your employer beyond the legal contract? Discuss the importance of these promises.

7. “Another key characteristic of the psychological contract is that it is ongoing and evolves over time. I would like to get your perspective as to whether this is true for your current work experiences. Have you experienced the psychological contract over time with your employer?”

Most applicable research questions: Do employees perceive the psychological contract as a mutual exchange relationship? (#4); Do core perceptions of the psychological contract change over time? (#6)

Follow-up questions to ask if more information is needed: Have any new promises been made to you? Have you made new promises? When did you perceive that a psychological contract was present? At what speed did the relationship develop?

8. “On the online survey, I asked you to indicate how long you plan to stay with your current employer and I noticed that you mentioned ____ (e.g., less than one year), is that correct? Please elaborate on this.”

Most applicable research questions: This question will add to the interviewer’s understanding of context.

9. “The next thing that I would like to discuss with you is breach, both within the context of the legal contract and psychological contract. Within the psychological contract literature, breach is a hot topic and the impact of breach. For example, research has found that if an employee perceives that his or her employer has not fulfilled their promises, the employee is most likely to feel less committed to the organization, less satisfied with their jobs, less likely to trust the organization, less likely to perform extra tasks, and more likely to want to leave the organization. Have you had similar experiences with breach?”
Appendix B continued

Most applicable research questions: Do employees perceive the psychological contract as a mutual exchange relationship? (#4); What sources are used to gather information about the psychological contract? (#5); Do core perceptions of the psychological contract change over time? (#6)

Follow-up questions to ask if more information is needed: If the respondent has not experienced breach before, ask how he/she might feel if this occurs.

10. “One final topic and question that I have for you relates to commitment in your organization. How would you describe the nature of this commitment?”

Most applicable research questions: Who is/are the other party/parties in the psychological contract? (#3), and this question will add to the interviewer’s understanding of context.

Follow-up questions to ask if more information is needed: Who or what do you feel the most commitment towards (e.g., supervisor, team, occupation)? How has your commitment changed throughout your tenure?
Appendix C

Ethics Approval for Study 1

Department of Psychology
The University of Western Ontario
Room 7418 Social Sciences Centre,
London, ON, Canada N6A 5C1
Telephone: (519) 661-2997 Fax: (519) 661-3961

Use of Human Subjects - Ethics Approval Notice

<table>
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<tr>
<th>Review Number</th>
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<th>End Date</th>
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<td>09 12 03</td>
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<td>John Meyer/Kate Melonis</td>
<td>10 02 28</td>
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<tr>
<td>Protocol Title</td>
<td>Early experiences between employees and employers: Part 2</td>
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This is to notify you that The University of Western Ontario Department of Psychology Research Ethics Board (PREB) has granted expedited ethics approval to the above named research study on the date noted above.

The PREB is a sub-REB of The University of Western Ontario's Research Ethics Board for Non-Medical Research Involving Human Subjects (NMREB) which is organized and operates according to the Tri-Council Policy Statement and the applicable laws and regulations of Ontario. (See Office of Research Ethics website: http://www.uwo.ca/research/ethics/)

This approval shall remain valid until end date noted above assuming timely and acceptable responses to the University’s periodic requests for surveillance and monitoring information.

During the course of the research, no deviations from, or changes to, the protocol or consent form may be initiated without prior written approval from the PREB except when necessary to eliminate immediate hazards to the subject or when the change(s) involve only logistical or administrative aspects of the study (e.g., change of research assistant, telephone number etc). Subjects must receive a copy of the information/consent documentation.

Investigators must promptly also report to the PREB:
- a) changes increasing the risk to the participant(s) and/or affecting significantly the conduct of the study;
- b) all adverse and unexpected experiences or events that are both serious and unexpected;
- c) new information that may adversely affect the safety of the subjects or the conduct of the study.

If these changes/ adverse events require a change to the information/consent documentation, and/or recruitment advertisement, the newly revised information/consent documentation, and/or advertisement, must be submitted to the PREB for approval.

Members of the PREB who are named as investigators in research studies, or declare a conflict of interest, do not participate in discussions related to, nor vote on, such studies when they are presented to the PREB.

Clive Seligman Ph.D.
Chair, Psychology Expedited Research Ethics Board (PREB)

The other members of the 2009-2010 PREB are: David Dozois, Bill Fisher, Riley Hinson and Steve Lupker

CC: UWO Office of Research Ethics

This is an official document. Please retain the original in your files
Appendix D

Recruitment Email

You are being invited to participate in a new research project that examines early work experiences, and their impact on the relationship that develops, or fails to develop, between employees and their employers. The researchers hope to be able to use this information to provide recommendations on how the entry process can be managed for the benefit of companies and their new employees.

You will receive a $20 gift card at Starbucks for sharing your insights. As a participant, you will be asked about your experiences, to date, with your current employer. The interviews will be up to one hour in length, and will be conducted at The University of Western Ontario, or by phone.

Interviews will take place in December and January. If you wish to participate, or learn more about the study, please contact the researcher, Kate McInnis (1-519-709-1417 or kmcinnis3@uwo.ca) to set up an interview time.
Appendix E

Interview Protocol

Opening Phase

Purpose and Overview - Adapted from recommendations by Anderson and Killenberg (2009) and Keats (2000):

Script:

*Hi, is this ____? OR Hi, may I please speak to ____?*

*Hi, this is Kate from The University of Western Ontario. Is this still a good time for you to speak to me?*

*Can you hear me ok?*

I will next thank the respondent for completing the online survey questions that I had emailed two days previously (i.e., the Letter of Information, consent form, mailing address for gift card for phone interviews, and demographic information). I will ask the respondent if he or she had any questions about the consent form. If yes, I will answer any questions. Verbal consent for the study and audio recording the information will next be obtained.

Script:

*First, thank you for completing the online survey that I sent you earlier. Did you have any questions about it?*

*And second, is it ok if I record our conversation for data collection purposes?*

The respondents will next receive a brief overview of the purpose of the interview (i.e., a summary of the Letter of Information that they received earlier).

Script:

*As I mentioned in the online survey, today I have 10 questions for you about your current work experiences. I would like you to keep in mind that you are the expert on this topic, so there are no right or wrong answers-tell me everything that you know. The purpose of today’s discussion is for me to learn about your experiences, in as much detail as possible. Just keep in mind it’s really your experiences and thoughts that we will be talking about today.*

*The answers from all the people that I interview, and I’m interviewing about 30 people, will be combined for the report. Nothing you say will ever be identified with you personally or the company that you work for. As we go through the interview, if you have any questions about why I’m asking something, please feel free to ask. Or if there is anything you don’t want to answer, just say so. (Patton, 2002, p.407)*

*Do you have any questions before we begin?*
Appendix E continued

The interview questions are organized into two phases, and we’re going to start with the first phase of questions.

Main body of Questions

The core interview questions are presented in Appendix B. Below are a list of probing questions and follow-up questions to use when I feel that more information is needed from the respondent. I have assembled this list based on the recommendations of Keats (2000), Kvale (1996), Patton (2002) and Shipley and Woods (1996).

Tell me more about that.
Can you explain a little more about....?
Can you give me a more detailed description of what happened?
Do you have additional examples of this?
I’m not sure that I got that exactly. Could you explain a little more fully?
Why do you think that?
Why do you think that occurred?
Previously you said... Could you explain that to me a little more fully now in the light of what you have just told me?
I’m interested in getting back to what you were talking about a few minutes ago.
You said ______. What do you mean by ______. I just want to make sure I’m accurately understanding what you mean because you brought up a good point.
I don’t want to let that question go by without asking you to think about it just a little bit more because I feel you’ve really given some important detail and insights on the other questions and I’d like get your reflections about this question.

Encouragement probes to use:
Thank you-your answer is very useful
Thank you-your answer is very informative
Your comment on ___ is particularly helpful.
It’s really helpful that you provided a detailed description of your experience.
I really appreciate your willingness to express your opinions about that.

Closing Phase

Purpose and overview-Adapted from recommendations by Anderson and Killenberg (2009) and Keats (2000):

I will alert the respondent that the interview is coming to a close. I will ask if there is anything else that the respondent would like to add about their experiences, that we have not had the chance to discuss yet. Once the respondent is done adding any additional information, I will next ask if the respondent has any questions for me.

Script:

Is there anything else you would like to add about your current work experiences? Was there anything that we didn’t cover today that you think is relevant?
Appendix E continued

*If you think of anything else, feel free to contact me in the future.*

*Do you have any questions for me, about the research the project?*

I will thank the respondents again for participating and ensure them that their insights were very much appreciated and will be valuable to my research. I will also confirm that the mailing address they provided in the online survey is the correct address to mail them the gift card.

**Script:**

*I would like to confirm your mailing address—the one you provided online—for the gift card that I will be mailing to you today.*

I will ask the respondents if it would be ok if I contacted them in the future for additional information or data verification purposes. If the respondent agrees, I will confirm what email address or phone number would be best to reach them. I will also confirm my email address if the respondent wishes to contact me in the near future. If the respondent says no, I will thank him or her again for speaking with me today.

**Script:**

*Would it be ok if I contacted you in the future either to verify my findings after I’ve finished all the interviews or to ask you more questions?*

*Thank you again for participating. Your insights were very much appreciated and valuable to my research.*

The audio recorder will be stopped once both the respondent and myself have hung up the phone (or said good bye in person).
Appendix F

Letter of Information and Informed Consent

PROJECT TITLE: Early experiences between employees and employers: Part 2

INVESTIGATORS: Dr. John Meyer (meye@uwo.ca) & Kate McInnis (kmcinni3@uwo.ca)

You are being invited to participate in a study that examines the relationship between employees and employers. If you agree to participate, you will be asked to respond to a series of questions on your experiences. For data collection purposes, your responses will be recorded using an audio tape recorder.

There are no known risks associated with participating in the present study. You will receive a verbal explanation at the end of the session today and you will have the opportunity to ask questions about the study.

Participation in this study is voluntary. You can choose not to answer a question, or withdraw at any time. All responses are strictly confidential and your name will not appear anywhere on the materials. If the results of this study are published no information that discloses your identity or your employer will be released or published. Audio tape recordings will only be heard by the study researchers. All research records will be stored in a locked office only accessible by the study investigators.

If you have any questions about your rights as a participant, you may contact the Director of the Office of Research Ethics at The University of Western Ontario (ethics@uwo.ca or 519-661-3036).

I, ____________________ have read the Information/Consent document, have had the nature of the study explained to me and I agree to participate. I also understand that my responses will be recorded for data collection purposes only. All questions have been answered to my satisfaction.

_______________________  ______________________
Respondent’s Signature    Date

_______________________
Investigator’s Name

_______________________  ______________________
Investigator’s Signature    Date
Appendix G

Categories and Corresponding Labels

Category: Coworker comparison

<table>
<thead>
<tr>
<th>Legal contract compared to others</th>
<th>Coworker commitment</th>
<th>Negotiation compared to others</th>
<th>Psychological contract compared to coworkers’</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reason for leaving for coworkers</td>
<td>Recruitment process compared to coworkers’</td>
<td>Relationship with other psychological contract party compared to coworkers’</td>
<td>Unfulfilled promises of coworkers</td>
</tr>
<tr>
<td>Unfulfilled promises of past coworkers</td>
<td>Employee behavior compared to coworkers</td>
<td>Work environment compared to others in organization</td>
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</table>

Category: Current work relations vs. past

<table>
<thead>
<tr>
<th>Commitment nature compared to other employers</th>
<th>Relationship with current employer compared to other employers</th>
<th>Work environment compared to past organizations</th>
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</table>

Category: Defining the employer

<table>
<thead>
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<th>Employer defined in the legal contract</th>
<th>Employer defined in legal contract if one was signed</th>
<th>Employer defined in the psychological contract</th>
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</thead>
</table>

Category: Defining the psychological contract

<table>
<thead>
<tr>
<th>Psychological contract versus legal contract distinction</th>
<th>Psychological contract clarification of term</th>
<th>Psychological contract familiarity</th>
<th>Employer defined in psychological contract</th>
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Category: Employer behavior

<table>
<thead>
<tr>
<th>Employer</th>
<th>Employer Behavior</th>
<th>Manager</th>
<th>Anticipated future employer behavior</th>
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</table>

Category: Employee work attitudes

<table>
<thead>
<tr>
<th>Commitment changes over tenure</th>
<th>Commitment Foci</th>
<th>Commitment nature</th>
<th>Organization size preference</th>
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</thead>
<tbody>
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<td>Thoughts of leaving the company</td>
<td>Leaving the company reasoning</td>
<td>Likeness of job</td>
<td>Organization size preference</td>
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<td>Thoughts of leaving the company early in tenure</td>
<td>Future plans</td>
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### Appendix G continued

#### Category: Employee characteristics and behaviors

<table>
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<tr>
<th>Job roles/responsibilities</th>
<th>Role change</th>
<th>Tenure</th>
<th>Employee behavior</th>
</tr>
</thead>
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<tr>
<td>Education</td>
<td>Personal outcome of work environment</td>
<td>Family</td>
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#### Category: Expectations in the relationship

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<th>Expectation of employee behavior by employer</th>
<th>Expectation of employer behavior by employee</th>
<th>Unfulfilled expectations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unspoken expectation of employee behavior by employer</td>
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#### Category: Industry

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<th>Turnover in industry</th>
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#### Category: Legal contract

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<th>Terms of employment clarification of term</th>
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<th>Importance of legal contract</th>
<th>Importance of legal contract power balance</th>
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<td>Inconsistencies</td>
<td>Importance of written agreement terms</td>
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<td>Written agreement</td>
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<td>Written agreement online</td>
<td>Written agreement terms</td>
<td>Written agreement clear</td>
<td>Contract clear</td>
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<td>Contract forgotten</td>
<td>Employee contract terms</td>
<td>Terms of employment clarification of term</td>
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#### Category: Organization information and characteristics

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<th>Organization</th>
<th>Organization Size</th>
<th>Department composition</th>
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<td>Department size</td>
<td>Team composition</td>
<td>Policies clear</td>
<td>Work environment</td>
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<td>Performance appraisal</td>
<td>Performance evaluation</td>
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#### Category: Source of information

<table>
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<th>Source of information of work environment</th>
<th>External sources of information</th>
<th>Source of company information</th>
<th>Source of information of work environment</th>
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</thead>
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<tr>
<td>Source of contract information clarification</td>
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</table>
### Appendix G continued

#### Category: Psychological contract changing nature

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<th>Psychological contract development speed</th>
<th>Ongoing nature</th>
<th>Day 1 psychological contract</th>
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#### Category: Psychological contract characteristics

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<th>Importance of psychological contract</th>
<th>Power balance</th>
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<tr>
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<td>Employer promise example</td>
<td>Reciprocal and mutual nature</td>
<td>Reciprocal and mutual nature clarification</td>
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#### Category: Recruitment and selection

<table>
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<th>Hire source</th>
<th>Internship process</th>
<th>negotation</th>
<th>Pre-employment contact positive</th>
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<td>Pre-employment expectations</td>
<td>Recruitment process</td>
<td>Recruitment process for internship</td>
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#### Category: Relations in the work place (excluding with other psychological contract party)

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<th>Communication with employer</th>
<th>Communication with hire source</th>
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<td>Communication with human resources</td>
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#### Category: Relationship between employee and other psychological contract party

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<tr>
<th>Fair treatment</th>
<th>Give and receive</th>
<th>Respect</th>
<th>Loyalty</th>
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<tr>
<td>Trust</td>
<td>Relationship with employer</td>
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<td>Communication with other psychological contract party</td>
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#### Category: Stated or implied or implicit

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<th>Source of stated or implied terms</th>
<th>Stated or implied clarification</th>
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<td>Implicit terms</td>
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#### Category: Unfulfilled/Overfulfilled promises

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<th>Unfulfilled promise anticipated reaction</th>
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<td>Overfulfilled promises</td>
<td>Unfulfilled legal promise reaction</td>
<td>Unfulfilled legal promise</td>
<td>Unfulfilled legal promise anticipated reaction</td>
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### Appendix H

Findings across Respondents

<table>
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<tr>
<th>Name</th>
<th>Tenure</th>
<th>Organization size (# of employees)</th>
<th>PC Present?</th>
<th>PC &amp; Legal Different?</th>
<th>Most Important</th>
<th>Implicit terms?</th>
<th>Explicit terms outside Legal?</th>
<th>Other PC Party 1 person</th>
<th>&gt;1 person</th>
<th>Same as Legal employer?</th>
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<td></td>
<td>√</td>
<td></td>
</tr>
<tr>
<td>Dan</td>
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<td>√</td>
<td>√</td>
<td>√</td>
<td></td>
<td>√</td>
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<td>√</td>
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<td>Jen</td>
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<td></td>
<td></td>
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<td>√</td>
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Appendix I
Recruitment Email for Item Sorting Task

Dear----

I'm currently looking for I/O grad students to assist with an item development task for a psychological contract measure. As you might know, I conducted interviews as part of my dissertation and the findings have provided us with some insights into how best to measure psychological contracts (i.e., the relationship that employees perceive that they have with their employer). Before we administer our revised measure to a working sample, we first want to verify that our new items do in fact represent the psychological contract features that we intend them to correspond to.

The task first involves reading the definitions of several psychological contract features (see the attached Word document). Next, you'll be asked to assign a psychological contract feature to each of the 67 items, using the attached Excel sheet. The materials are formatted to be easily printable and I would be happy to print a copy for you. You can slide it under my office door when you’re done (SSC 8404).

It should take no more than 30 minutes to complete. I would be happy to buy you a drink next time we're out or appetizers at the grad club sometime. I'm hoping to compile the results next Friday (April 8th) so if you have time before then, your input would be appreciated!

Thanks!
Kate
Appendix J

Psychological Contract Feature Dimensions

Explicitness:
1) **Explicit**: The degree to which the terms of the relationship are clearly stated (e.g., during recruitment, selection, or socialization processes).
2) **Implicit**: The degree to which the terms of the relationship have to be inferred from policies and practices of the organization or its agents, or through interaction with other employees.

Flexibility:
3) **Flexible**: The extent to which the terms of the relationship can evolve and adapt in response to changing conditions.
4) **Static**: The extent to which the terms of the relationship are static and fixed at the time of formation.

Formality:
5) **Regulated**: The extent to which the terms of the relationship are regulated and monitored by the employer.
6) **Trust-based**: The extent to which the relationship is based on mutual trust.

Level:
7) **Individual**: The degree to which the employee perceives the terms of the relationship as being individually created for each employee.
8) **Collective**: The degree to which the terms of the relationship are collectively established to apply to all employees at a given level.

Negotiation:
9) **Negotiated**: The degree to which the terms of the relationship are negotiated with employees.
10) **Imposed**: The degree to which the terms of the relationship are imposed unilaterally by the organization.

Scope:
11) **Narrow**: The extent to which the relationship is restricted to job-relevant terms (e.g., attendance rates, vacation time).
12) **Broad**: The extent to which the relationship addresses personal issues (e.g., growth & development).

Symmetry:
13) **Equal symmetry**: The degree to which the needs of the employer and employee are considered equally.
14) **Unequal symmetry**: The degree to which the relationship is biased in favour of the employer.
Appendix J continued

**Tangibility:**
15) **Tangible:** *The degree to which the relationship focuses on concrete and measureable terms (e.g., work hours).*
16) **Intangible:** *The degree to which the relationship contains abstract terms and difficult to measurable concepts (e.g., opportunity).*

**Time-frame:**
17) **Short-term:** *The degree to which the relationship is short-term in duration*
18) **Long-term:** *The degree to which the relationship is long-term in duration*

**Communication:**
19) **Minimal:** *The degree to which the employee and employer communicate with each other on a minimal basis about the relationship.*
20) **Open/Ongoing:** *The degree to which the employee and employer communicate with each other on a regular basis about the relationship.*

**Respect:**
21) **Respect:** *The extent to which the relationship is based on mutual respect and appreciation for each other.*
22) **Impersonal:** *The extent to which the relationship is largely impersonal.*
Appendix K

Psychological Contract Feature Items

Leading Statement: How would you describe the nature of the relationship that you currently have with your employer?

Explicitness:
Explicit:
1) includes terms that are specified clearly in writing or verbally.
2) is explicitly defined.

Implicit:
1) is implied by the way things are done.
2) was shaped by ongoing interactions.

Flexibility:
Flexible:
1) is open to modification if necessary.
2) includes terms that are flexible and accommodating to changing conditions.

Static:
1) is fixed (while in my current position).
2) is static and predictable in nature.

Formality:
Regulated:
1) includes terms that are formally developed and regulated.
2) includes terms that are easily monitored by myself and my employer.

Trust-based:
1) is based on trust between myself and my employer.
2) is unregulated and honor-bound.

Level:
Individual:
1) is fairly unique.
2) differs from that for other employees.

Collective:
1) includes terms that are uniform across employees at my level.
2) applies equally to employees in the same position.
Appendix K continued

**Negotiation:**
Negotiated:
1) includes terms that were developed through negotiation.
2) reflects a negotiated agreement.

Imposed:
1) includes employer-imposed terms without input from me.
2) includes terms I could not negotiate.

**Scope:**
Narrow:
1) focuses on conditions of employment.
2) is limited to job-focused terms.

Broad:
1) goes beyond the economic terms of employment.
2) is about more than “just the money”.

**Symmetry:**
Equal symmetry:
1) involves balanced consideration of both parties’ needs.
2) includes terms that reflect an equal partnership.

Unequal symmetry:
1) favors the interests of the employer.
2) is balanced in favor of the needs of my employer.

**Tangibility:**
Tangible:
1) is well defined and tangible in nature.
2) contains measurable terms.

Intangible:
1) is loosely defined and includes intangible terms.
2) is open and contains abstract terms.

**Time-frame:**
Short-term:
1) has a short time horizon.
2) assumes a limited-term relationship.

Long-term:
1) is long-term in focus.
2) is future-oriented.
Appendix K continued

**Communication:**
Minimal:
1) involves little discussion between me and my employer.
2) is something rarely talked about.

Open/Ongoing:
1) involves ongoing communication between me and my employer.
2) is openly discussed and evaluated.

**Respect:**
Respect:
1) is based on mutual respect.
2) involves appreciation and valuing of each other’s opinions.

Impersonal:
1) is objective and impersonal.
2) focuses on facts rather than feeling.
Appendix L

Ethics Approval for Study 2

Department of Psychology
The University of Western Ontario
Room 7418 Social Sciences Centre,
London, ON, Canada N6A 5C1
Telephone: (519) 661-2067/Fax: (519) 661-3961

Use of Human Subjects - Ethics Approval Notice

<table>
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<th>Review Number</th>
<th>Approval Date</th>
<th>Principal Investigator</th>
<th>Protocol Title</th>
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This is to notify you that The University of Western Ontario Department of Psychology Research Ethics Board (PREB) has granted expedited ethics approval to the above named research study on the date noted above.

The PREB is a sub-REB of The University of Western Ontario’s Research Ethics Board for Non-Medical Research Involving Human Subjects (NMREB) which is organized and operates according to the Tri-Council Policy Statement and the applicable laws and regulations of Ontario. (See Office of Research Ethics web site: http://www.uwo.ca/research/ethics/)

This approval shall remain valid until end date noted above assuming timely and acceptable responses to the University’s periodic requests for surveillance and monitoring information.

During the course of the research, no deviations from, or changes to, the protocol or consent form may be initiated without prior written approval from the PREB except when necessary to eliminate immediate hazards to the subject or when the change(s) involve only logistical or administrative aspects of the study (e.g. change of research assistant, telephone number etc). Subjects must receive a copy of the information/consent documentation.

Investigators must promptly also report to the PREB:

a) changes increasing the risk to the participant(s) and/or affecting significantly the conduct of the study;
b) all adverse and unexpected experiences or events that are both serious and unexpected;
c) new information that may adversely affect the safety of the subjects or the conduct of the study.

If these changes/adverse events require a change to the information/consent documentation, and/or recruitment advertisement, the newly revised information/consent documentation, and/or advertisement, must be submitted to the PREB for approval.

Members of the PREB who are named as investigators in research studies, or declare a conflict of interest, do not participate in discussion related to, nor vote on, such studies when they are presented to the PREB.

Clive Seligman Ph.D.
Chair, Psychology Expedited Research Ethics Board (PREB)

The other members of the 2010-2011 PREB are: Mike Atkinson (Introductory Psychology Coordinator), David Dozois, Vicki Esses, Riley Hinson Albert Katz (Department Chair), and Tom O’Neil (Graduate Student Representative)

CC: UWO Office of Research Ethics
This is an official document. Please retain the original in your files.
Appendix M

Recruitment Email: Letter of Information and Informed Consent

Dear StudyResponse Project Participant:

You are being invited to participate in a research study exploring employee-employer relationships. As you know, work relationships are changing and we are interested in how you and others like yourself view your current relationship with your employer. If you agree to participate, you will be asked to respond to a survey, entitled “Employee work experiences”, which will take approximately 15-20 minutes to complete. If you choose not to respond within the first week, we will send you a reminder in one week. If you decide to participate, you will receive a $5 online gift certificate.

Participation in this study is voluntary. You can choose not to answer a question, or withdraw at any time. All responses are strictly confidential and your name will not appear anywhere on the questionnaire.

Your StudyResponse ID number is [ ] (also shown in the subject line of this message). This ID must be entered into the survey to receive the gift certificate.

Your participation in this project would be gratefully appreciated. If you have read the above information and agree to participate in the survey, please click on the web-link below to begin the survey.

http://www.surveymonkey.com/s/N3DDQ86

Note that instructions on how to discontinue your participation in StudyResponse and stop receiving emails from us appear at the end of this message.

If you have any questions regarding the survey, please feel free to contact the researcher. If you have questions about your rights as a participant, you may contact the Director of the Office of Research Ethics at The University of Western Ontario (ethics@uwo.ca or 519-661-3036).

Sincerely,
Kate McInnis, MSc., PhD Candidate
Industrial/Organizational Psychology
University of Western Ontario
London, Ontario, Canada
Appendix N

Study 2 Survey Components

Instructions: Please respond to each question independently and as honestly and accurately as possible. There are no right or wrong answers.

Please note that as an accuracy check some survey items will ask you to select a particular response. Simply follow the instructions and select the identified response.

Part 1: Contract Perceptions (all questions completed by all participants)

1. Did you sign or verbally agree to a legally binding contract when you accepted employment with your current employer?
   - Yes
   - No

2. Have you established a relationship with your employer that goes beyond what is (or would be) covered in the legal contract?
   - Yes
   - No

3. Some employees might feel that a legal contract is sufficient to define the terms of the relationship with their employer. Others may feel the need to broaden the terms of the relationship to go beyond what is included in the legal contract.

   What form of relationship would you prefer to have with your employer?
   - One governed by a legal contract only
   - One that goes beyond the terms of a formal legal contract.

Part 2: Psychological Contract Measure

Participants were directed to one of three surveys, depending on their responses in Part 1

(i) Current Psychological Contract Measure

Completed by participants who perceived that a psychological contract was present

Leading Statement: How would you describe the nature of the relationship that you currently have with your employer?

Specific items can be found in Appendix K
Appendix N continued

(ii) Desired Psychological Contract Measure

*Completed by participants who did not perceive a psychological contract, but desired one*

Leading Statement: *The following statements describe the potential nature of the broader working agreement that you desire with your current employer. Please indicate how much you would like to see these features included in your working agreement.*

Specific items can be found in Appendix K

(iii) Job Resources and Demands Measure

*Completed by participants who did not perceive a psychological contract and did not desire one (this measure was selected because it is of similar length to the psychological contract measures, and was not included in the analyses)*

**Part 3: Dependent Variables and Demographics (all questions completed by all participants)**

Work variables: Organizational commitment, employee engagement, turnover intentions, psychological contract employer and employee fulfillment, psychological contract comparison (excluded from the analyses), contract replicability (excluded from the analyses)

Demographic variables: Organizational size, job title, organizational tenure, age

Psychological contract employer and employee fulfillment
Appendix O

Means, Standard Deviations, Reliabilities, and Correlations for All Study Variables

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Note: * p < .05, ** p < .01, *** p < .001. Legal Contract Present: 1 = Yes, 2 = No; Psychological Contract Present: 1 = Yes, 2 = No; Psychological Contract Preference: 1 = Prefer legal only, 2 = Prefer psychological contract.
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<td>Turnover Intentions</td>
<td>-.34*</td>
<td>-.40***</td>
<td>-.22***</td>
<td>-.26***</td>
<td>(.86)</td>
<td></td>
</tr>
<tr>
<td>Staying Intentions</td>
<td>.53***</td>
<td>.24***</td>
<td>.39***</td>
<td>.29***</td>
<td>-.59***</td>
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</tbody>
</table>

*Note: * p < .05, ** p < .01, *** p < .001.*
Curriculum Vitae

KATE McINNIS

EDUCATION

The University of Western Ontario, London, Ontario
• Dissertation entitled: *Psychological contracts in the workplace: A mixed methods design project* (Supervisor: Dr. John Meyer)

The University of Western Ontario, London, Ontario
• Thesis entitled: *Beyond the Dotted Line: Psychological Contracts and their Relations with Organizational Commitment.* (Supervisor: Dr. John Meyer)

Bachelor of Arts, Honours Arts Psychology  Sept. 2000- June 2005
University of Waterloo, Waterloo, Ontario
• Specialization in Management Sciences, Co-operative Education Program, Dean’s List
• Honours Thesis entitled: *Stability of Personality of Bicultural Individuals* (Supervisor: Dr. Daniel Heller)

PUBLICATIONS


CONFERENCE PRESENTATIONS


Conference presentations continued


**GRADUATE WORK EXPERIENCE**

**Psycho-Vocational Test Administrator**
Dr. Brenda Tomini and Associates, London, Ontario

**Vocational Consultant**
Job Coach Canada, Toronto, Ontario
Dec. 2010-Dec. 2011

**Researcher and Consultant**
The Research Unit for Work and Productivity, The University of Western Ontario

**Strategic Planning Advisor**
Jackson Leadership Systems, Toronto, Ontario
Oct 2011

**Executive Assessment Analyst**
Carswell Partners, Inc., London, Ontario
Dec. 2009
UNDERGRADUATE WORK EXPERIENCES  
(Co-Operative Education Placements)

Marketing Coordinator  
Epilepsy Ontario (Huron-Perth-Bruce), Clinton, Ontario

Career Awareness Advisor  
Sept. - Dec. 2003  
Human Resources and Social Development Canada, Gatineau, Quebec

Project Manager Assistant: Change Management Team  
Jan. - April 2003  
Department of Justice and Indian Residential Schools Resolution Canada, Ottawa, Ontario

Legal Team’s Researcher  
May- Sept. 2002  
Indian Residential Schools Resolution Canada, Ottawa, Ontario

RELEVANT VOLUNTEER EXPERIENCE

Career Advisor  
WomanPower Inc, London, Ontario

Career Leader Volunteer Coordinator  
Aug. 2007-May 2009  
The University of Western Ontario, Career Centre @ Western, London, Ontario

Career Leader  
The University of Western Ontario, Career Centre @ Western, London, Ontario

Student Career Assistant  
University of Waterloo, Co-operative Education and Career Services, Waterloo, Ontario

PROFESSIONAL SERVICE/COMMITTEES  
(The University of Western Ontario)

Department of Psychology’s Appointments Committee (2010-2011)  
I/O Psychology Southwestern Ontario Student Conference Organizer (2006; 2009)  

PROFESSIONAL AFFILIATIONS

Canadian Psychological Association (2005-2012)  
Society for Industrial and Organizational Psychology (2005-2012)