

Impact of Psychological Contract Breach on Organizational Citizenship Behavior

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Abstract

The purpose of the current study was to investigate the role of psychological contract breach upon organizational citizenship behavior. Quantitative survey was used. Cross-sectional data i.e. one time primary data was collected from education institutions and their employees. Total 330 employees have participated. Sample was selected using non probability convenience technique. SPSS 25 was used for analysis of data. Cronbach alpha and EFA results indicated that scales were found reliable and valid. A correlation result shows negative and significant relationship among PCB and OCB while regression results shows that PCB has significant impact upon OCB. The current study has implications for educational institutions to fulfill their promise if they want their employees to deliver quality lecture to their student. Otherwise employees could have negative attitude and behavior.

Keywords: Psychological Contract Breach, Organizational Citizenship behavior, Educational Institutions.

Introduction

There is a strong relationship between employer and employee and employees are emotionally attached with their organisations and this emotional contract is called psychological contract the aim of this study is to investigate the impact of psychological contract breach between employee and Organisation citizenship behaviour. employees are expecting some perks and benefits from their employer and when employer does not fulfill the promise made with the employer if then there is a psychological breach of contract it has a direct impact on their productivity performance as well as organisational citizenship behaviour. Employees are the Assets of the organisations, organizations

have tangible and intangible assets then tangible assets are building infrastructure machinery while intangible assets are human resource, human capital and employees these resources are; specially human resources they help organisation to attain competitive advantage and attain a sustainable performance. Productive workers are like blessings for the organizations, if they are happy and satisfied it will help organization to have better performance (Adnan & Khan, 2015). The aim of the study is to investigate the impact of psychological breach of contract on organisational citizenship behaviour there is a gap in the literature and it needs to be fulfilled the current study has filled the gap which was prevailed in the literature.

According to Asiedu, Sarfo and Adjei (2014) there is much importance given to psychological contract breach (PCB) and organizational citizenship behavior (OCB) in health administration, human resource management, hospitals etc. according to Organ (1999) OCB of an employee is not linked with formal reward system of organization. Later on De Jong et al (2009) is his study also called it extra role behavior (ERB).

Literature review

Psychological Contract Breach

Psychological contract is the emotional bond between employer and employee in which satisfied employees work with high motivation and they are the productive employees of the organisation as compared to those who are less satisfied and they are less productive. It is also called mental contract. Perception of an employee that all the promise made by the employer have been fulfilled is called psychological contract while when promised are not fulfilled it is called psychological breach of contract. It has negative impact upon mental stability, loyalty and performance and OCB of the employee. In this regard social network play very important role in effecting PCB. According to Heffernan and Rochford (2017) when an employee enter a contract with an organization he thinks that his employer has some obligation to employees and employees towards employer. Human resource management system, performance evaluation, career development, training and development all leads towards development of PCB. When these obligation are not fulfilled or when an employee thinks there is breach in the

contract from employer side it will have negative impact upon employees. The behavior and attitude of the employee become starts changing. Zhao et al (2007) have explained this PCB though lens of affective event theory. This PCB has negative impact upon all performance related outcomes such as low level of commitment, loyalty, performance, involvement, productivity, and OCB.

Organizational Citizenship Behavior

Organizational citizenship behavior is discretionary and is not affiliated with formal rewards system of an organization (Heffernan and Rochford, 2017). In OCB extra role is involved which has been shown by the employee other than job duties. When perception of an employee is negative towards organizations it will leads towards lower OCB level and high in PCB and social well-being. Negative behavior of an employer demotivates the employees thus employees reduce their extra role activities. OCB is a multi dimensional variable. It has impact on many work behaviors. High level of OCB shows that employee is happy and willing to put extra efforts in the activities at workplace while low level of OCB reveals that employee is not happy and promise is not fulfilled. When level of OCB is low this shows that employees' keep a distance from their organizations. Thus in the current study researcher has hypothesized that when there is high level of PCB it will have low level of Ocb and when there is low level of psychological contract breach there is high level of OCB among employees. Ocb has several dimensions few of these are selected in the current study such as conscientiousness, civic virtue, sportsman

ship, courtesy and altruism (Zellars, Tepper & Duffy, 2002).

Hypotheses Development

Pate and Malone (2000) has found negative relationship between PCB and OCB. They argued that PCB has negative effect upon outcomes. It creates negative attitude and behavior among work force. Similarly Heffernan and Rochford (2017) also reported the negative association between the PCB and OCB. They stated that high level of psychological contract breach leads towards low level of trust, low level of OCB and low level of commitment. It is also believed by the researchers that OCB is essential for attaining the goals on time. Past studies has provided limited evidence upon the linkage between PCB and OCB (Allen Voss & Dryer, 2001) but the current study has tried to investigate the impact of PCB upon OCB.

H_{1a}: There is significant negative relationship between PCB and OCB

H_{2a}: there is effect of PCB upon OCB.

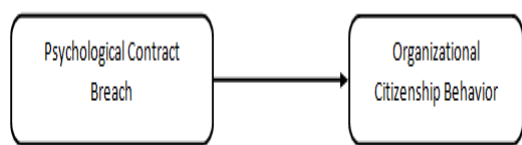


Figure 1: Theoretical framework

Research Methods

Quantitative survey design was adopted. Cross-sectional data from different teachers working in health related colleges, departments and faculties was collected. Cross-sectional data is one time data collected. It is the primary data which was not collected before. It has several benefits such as low time and less costly. Unit of

analysis were individuals from different public and private sector educational institutions.

Population and Sampling Technique

Total population of the current study was 3200. Non probability sampling technique and convenience sampling technique was used for selecting the sample size. Yamane (1967) formula was used to calculate the sample size. Total 330 completed questionnaires were used in the analysis.

Measures

The scale of psychological contract of breach was adopted from Robinson and Morrison, (2000) with 5 items and scale of organizational citizenship behavior was adopted from Podsakoff (2000; 2009) having 24 items. All scales were measured on 5 point likert scale.

Data Analysis Technique

SPSS 25 was used for testing of hypotheses. Reliability was checked through Cronbach alpha while correlation analysis and regression were also used to test hypotheses 1 and 2.

Table 1

Reliability Results

Variables	Items	Cronbach Alpha	Loadings
Psychological Contract Breach	5	0.89	0.84-0.853
Organizational Citizenship Behavior	11	0.789	0.495-0.709

The results revealed that the alpha value of PCB is 0.89 which is considered very good (Field, 2013). Alpha value of OCB is 0.789 which is also considered good and acceptable as per Hair et al (2017). There were 24 items of OCB but 12 items have low item total correlation values these were considered as problematic items and were deleted from the analysis the remaining 11

items of OCB were retained in the analysis See Table 1. It is assumed that scales used in the current study were reliable and valid. The results of exploratory factor analysis showed that loadings of PCB are between 0.840 to 0.853. The loadings of OCB also in range of 0.495 t 0.709, two more items of OCB were excluded due to lower factor loadings.

Table 2

Correlation

Independent variable	Dependent variable	r	p
Psychological Contract Breach	Organizational Citizenship Behavior	-0.70	0.000

The relationship between PCB and Ocb is found negative and significant $r = - 0.70$, $p < 0.01$, it indicates that when there is increase in PCB then OCB level of employees could decrease on the other hand with low level of PCB there would be increase in level of OCB. The current study has got support from Heffernan and Rochford (2017) and Allen et al (2001) also reported the negative and significant relationship between these two variables. Thus H_{1a} is accepted.

Table 3

Regression Analysis

DV	IV	R	R ²	F	β	p	Support
OCB	Constant	0.70	0.48	320.78		0.000	Yes
	PCB				-0.70	0.000	

The results indicated that PCB shows $R^2=0.48$, i.e. 48% variance upon organizational citizenship behavior, model fitness i.e. goodness of fit $F=320.78$, $p < 0.01$

is found best fit. Beta value is $\beta = - 0.70$, $p < 0.01$ means that one unit change in PCB could bring down OCB upto 70% percent. The results also supported the H_{2a} .

Discussion and Conclusion

The purpose of the existing study was to determine the impact of psychological breach of contract upon organizational citizenship behavior. For this purpose data was collected from 330 employees from different public and private educational institutions. It was revealed that PCB has significant negative role of OCB. It means that when the employee perceives that there is violation of contract from employer side they will have negative behavior and attitude. They would like to limit and keep the distance from their organizations they could not happily accept the challenges and tasks. Employees could not involve themselves in activities of the organizations. The results of the current study are in line with Allen et al (2001) and Heffernan and Rochford (2017). Thus provides support to both of the hypotheses. It is concluded that organizations should fulfill the promise and provide their employees with perks and benefits so that they become productive members of the organizations and help the organizations to attain competitive advantage and sustainable performance.

Limitations and future Research Directions

This study has several contributions but few limitations are essential to address. One could be careful while generalizing the results to other sectors. The sample size of the current study belong to educations sector it is recommended that other sectors such as

health, pharmaceutical, corporate and manufacturing sector should be considered in future. There is immense need to add some mediators in the model such as decision making, followership etc.

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