

**Is there a value for organisations to explore psychological contract  
breach in the aftermath of redundancy in Ireland in the current  
climate?**

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**A Dissertation submitted in partial fulfilment of the MA in Human  
Resource Management**

**Submitted to the National College of Ireland September 2013**

**Sandra Mongan: Is there a value for organisations to explore psychological contract breach in the aftermath of redundancy in Ireland in the current climate?**

**Abstract:**

The psychological contract has evolved to represent a contemporary framework of the employment relationship [Guest, 1998] and as such, a significant amount of energy has been invested by leading academics on this theme. The concept of psychological contract breach has also been explored where it is deemed to have become the norm as opposed to the exception [Robinson and Rousseau, 1994]. But an area not widely covered is the area of value for organisations to explore psychological contract breach in the aftermath of redundancy. Accordingly, the rationale for this research is based upon this gap where figures from the Central Statistics Office quote redundancy in Ireland to 31<sup>st</sup> December 2012 as 33,072.

To facilitate this research, competing perspectives have been provided from seminal authors while an inductive, qualitative methodology in the form of interviews provides a current body of thought in this area. Findings have informed three thematic issues for survivors underpinned by subjectivity and relationship and while similarities are illustrated between literary and practical findings, gaps are also identified and recommendations made.

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## **Acknowledgements:**

Huge thanks to my wonderful husband and three great children, Louise, Conor and Rachel, for all their support and their patience. I love you all, and now finally I'm finished.

To my tutor Rachel Doherty for her time, her patience and her good humour, all of which helped make this work that bit easier.

To all participants who provided me with an insightful body of opinion to support my work.

Finally then, to the most inspirational leader, supporter and friend I have ever known, thanks mother.

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# **Chapter 1**

## **Introduction**



## **1.1 Rationale**

Given the prevalence of redundancy in Ireland, as supported by figures released from the Irish National Organisation of the Unemployed of 33,072 to December 2012, it is clear that Ireland has evidenced a significant increase in redundancy figures in recent years . While many surveys have been conducted to gauge the impact of redundancy on survivors, and many statistics produced to determine its impact on unemployment, 13.5 % to July 2013, there is limited research on the value to employers post restructuring of exploring breach and ways to mitigate against it.

The rationale therefore for this research is to explore whether or not there is a value for organisations to tap into their body of survivors and determine what might be learned in the event of future change programs. In doing this, academic research of the psychological contract and breach thereof will be explored, led predominantly by Rousseau , a seminal academic in the field, together with Atkinson, Guest , and Morrison and Robinson amongst many others. Through this literature, the psychological contract, survivor syndrome and breach will be illustrated as a means of determining the implications for employers with qualitative research used to support current day interpretations. Thus, the combination of learned academic opinion combined with practical findings from an interview process, will support a more informed decision as to the worth of this process or not as the case may be.

## **1.2 Research Aims and Objectives:**

Given that the main academic research area of this work is redundancy, which has been chosen in light of its commonality in organisations today with redundancy becoming the norm as opposed to the exception [ Robinson and Rousseau, 1994] , this research will also include a main objective and a number of sub- objectives as follows.

**Overall Research Objective :** To investigate the impact of redundancy on the psychological contract of survivors of restructuring programs in three organisations from East to West coast of Ireland in current times.

**Sub-Objective 1 :** To explore whether the psychological contract is truly subjective and reciprocal from an employee perspective as cited by Rousseau [1989] or if it more accurately reflects reciprocity between employer and employee as espoused by Guest [1998]. With Rousseau legitimising the psychological contract based on individual interpretation, this area of subjectivity warrants further analysis if employers are to understand let alone value it.

**Sub-Objective 2 :** To analyse the gap in research findings from earlier research of the 80's when redundancy was a new phenomena to contemporary findings where redundancy has become the norm as opposed to the exception [ Robinson and Rousseau, 1994]. With breach of the psychological contract suggested to manifest itself in decreased productivity, reduced morale, absenteeism and organisational commitment issues [ Doherty and Horsted, 1996], analysis of current reactions to breach justifies analysis in light of continuing restructuring programs.

**Sub-Objective 3:** To analyse the value of after care for survivors of redundancy with research suggesting that employers need to put as much effort into working with survivors as they do with casualties [Doherty and Horsted, 1996]. In so doing, the overall research question regarding the value of exploring psychological contract breach post restructuring might be better informed.

### **1.3 Chapter Layout**

Therefore, having identified the rationale for this research in chapter one, the conceptual framework of the psychological contract will be provided in chapter two, drawing upon the various perspectives of Rousseau, Guest, Morrison, and Robinson amongst many others. With the psychological contract defined by Rousseau [1989] as residing in the eye of the beholder, this definition is testament to its interpretative nature with various competing perspectives illustrated. Additionally the origin and

relevance of the psychological contract will be outlined together with contract types, drivers, breach implications and consequences thereof .

Chapter three analyses best practice methodology for this research question based upon the wisdom of Silverman, Saunders, Lewis and Thornhill, Collis and Hussey, and Corbin and Strauss to inform an approach. As such, the interview process was chosen. Rationalising this choice as against alternative options is also illustrated in this section where ultimately, the ethos of the research instrument being our servant as opposed to our ruler [ Silverman, 2010] was adopted . To this end, participants from three organisations one in the East, one in the West and one in the Midlands was captured, with a total of twelve interviews conducted. All three organisations were involved in manufacturing albeit with varying product lines and all interviewees, with the exception of one, came from similar mid-senior management backgrounds. Questions devised at the outset were derived from [ Collis and Hussey, 2009] with questions tailored as interviews progressed based on emergent themes [Saunders *et al* 2009]. Thereafter a reflective summary of each interview was conducted with thematic findings emergent across all three organisations.

Chapter four goes on to provide these findings in thematic format as they emerged, covering three broad areas to include trust, communication and career progression. Where competing alternatives for findings were discovered, they too are included in this section and as such provide for a more robust view of events. Descriptive analysis of interviewee reaction and response are used to illustrate the context in which these findings were elicited , highlighting both positive and negative results.

Finally then, chapter five presents conclusions and recommendations with surprise findings endeavouring to support if not advance theory in this area in contemporary climates. Limitations of this work are discussed while the methodology employed is also critically re- evaluated, all of which support recommendations for future research.

# **Chapter 2**

## **Literature Review**

**What do the academics tell us?**

**2.1 Relevance of Psychological Contract :** The guiding concept of this literature review is to explore psychological contract breach and how/why employers might mitigate against its negative impact for survivors of restructuring programs. Why employers would want to do this is rationalised by the need to retain specific expertise, maintain positive corporate image and drive mandate. How they might do this will be discussed in later chapters. Accordingly the concept and relevance of the psychological contract and the variables which influence it need to be explored in an effort to manage it in the face of breach. Hence, this review is influenced by exploratory studies, led pre-dominantly by [Rousseau 2001, 1990, 1989], a seminal expert in the area of the psychological contract. Through her work she emphasised its relevance in framing the employment contract while conceptualising it on reciprocal promises. It is no co-incidence then that the psychological contract gained momentum over time to reflect a contemporary view on the move from contracts of old to more informal arrangements, while conscious of varying interpretations informing different perspectives [Cullinane and Dundon, 2006]. But while recognising its popularisation, the concept of 'breach' and its consequences also need to be explored to include dichotomy of opinion across its many variables. In so doing, the objective of this thesis might be better informed.

**2.2 Origins of Psychological Contract:** Finding its origin in the post industrialisation era of social exchange, it was [Argyris, 1960] who initially popularised the concept of the employment relationship. Subsequently Levinson, Price, Munden and Solley [1962] defined it as a myriad of mutual expectations of which parties may not themselves be even dimly aware but which nonetheless dictate their relationship. This relationship, originally portrayed from an employee perspective, looks for fair and balanced exchange through work done for payment made [Adams 1965, Blau 1964]. However, this concept was subsequently challenged, and perhaps rightly so, whereby [Schein, 1965] crucially platformed the needs of both organisation and individual. Positing the psychological contract as a determinant of the rationale for employee contribution above and beyond legally binding requirements, his work informed later research on dual perspective with [Guest, 1998] most vocal in this area. Ultimately however, it was Rousseau [1989] who had the greatest influence on

psychological contract research when she defined it as an 'individual belief 'regarding terms and conditions between the parties. Furthermore, in this work, she compounds its complexity by suggesting that the contract emerges when one party believes that a contribution has been made for a promise of a return, thereby creating an obligation for future benefits.

**2.3 Psychological Contract and Perspective :** The basis of [Rousseau ,1989] far reaching definition is premised on reciprocity formulated at an employee level where attitudes and behaviours originate. While an interesting concept, it is attenuated by its reciprocal suggestion when as cleverly argued by Guest [1998], it cannot be reciprocal if posited from the perspective of one party alone. He argues that it is not a measure or a theory, but rather a hypothetical construct residing within the individual, while also advocating employee/employer perspective . Furthermore Guest [1998] cites the subjective nature of perspective whereby parties have their own agenda and are perhaps not aware of the agenda of the other party, resulting in an analytical nightmare for employers. But for [Rousseau ,1989] this question is trivialised by more pertinent issues such as differentiating between expectation and promise and psychological and implicit contracting. With individual perspective a foregone conclusion for her, she promotes 'promise' as having a more precise meaning and being more contractual than expectation. But ultimately, this subjectivity philosophy is paramount to her assertion that the psychological contract does not necessarily need parties to it to agree, contrary to implicit contracts driven by social consensus [Rousseau ,1989]. This represents a salient point for employers where implicit is enshrined in legislation as against a psychological contract rooted in perception.

**2.4 Schema, Promise and Expectation :** Irrespective of definitional ambiguity, and notwithstanding the assertion by Guest and Conway [2002] that there is no clear consensus, generic themes have emerged to reflect promise, obligation, expectation, mutuality and contract type. Initially, Rousseau [1991] explored the building blocks of the psychological contract, positing them as schema, promise and mutuality, with mutuality and promise further developed by [ Guest 1998 , Robinson *et al* 1994 ], albeit with plausible competing perspectives. In further work Rousseau [1991] contends that the psychological contract is activated through pre-employment

experiences and recruitment processes with past experiences guiding future expectation or schema. This concept is premised on the organisation of conceptually related elements based upon individual belief that an agreement is mutual therewith binding the relationship to a specific course of action . But perhaps a more contemporary and realistic opinion of Guest [1998] is that mutuality is not a given when parties may be unaware of the perceptions of the other party and therefore cannot be compliant with these expectations.

Ultimately however, as the changing culture of traditional contracts break down with promises and expectations colliding with reality in the face of untenable security expectation [Guest,1998], the psychological contract is taking on new meaning. Depicted by him as capturing the spirit of contemporary employment relationships through its individualisation of employment contracts he validates its worth, with the potential to integrate more positive concepts of trust, fairness and exchange.

**Figure 3 – Guest’s Psychological Contract Model [1998]**

Causes	Content	Consequences
Organisational Culture	Fairness	Job Satisfaction Org. Commitment
HRM Policy/Practice	Trust	Sense of Security Employee Relations
Experience		Motivation
Expectation	Delivery of the deal	Org. Citizenship
Alternatives		Absence Intention to quit

**2.5 Drivers of the Psychological Contract :** Thus for employers to understand the relevance of the psychological contract, they must also acknowledge its drivers with trust and fairness emerging as generic themes [Guest, 2004]. Premised on the decline of an industrial relations era and a move toward a more positive employee relations timeframe, he explores the conceptual framework of the psychological contract . Recognising its ability to enable focus on employee attitudes, behaviours and concerns to drive organisational linkages and positive exchange, he links these variables to content, context and consequences of the employment relationship itself. Thus he validates these contemporary relationships as a sustainable force into the future.

Additional drivers focus on the area of subjectivity with comparisons drawn between [Rousseau, 1989] who advocates subjectivity in all contracts and [Guest 1998, Herriot and Pemberton,1995] arguing for dual perspective of both employer and employee. In her research Rousseau [1989] contends that perception is an individual belief, complicated by its construct since it is both limited and broad in equal measures. She contends that psychological contract exist at an individual employee level, and is careful not to anthropomorphize the organisation. But as against this theory, dual perspective is cited by Guest [1998] who recognises employer and employee voice while [Herriot and Pemberton 1997, 1996,1995] advocate transparency, explicitness and the re-negotiation of the psychological contract as a continuum of the employment relationship. Simplistic, yet obvious, they argue that it should be contextualised, cyclical, processual, subjective and interactive as part of its natural evolutionary cycle.

Nonetheless, while conscious of many variables, predominantly led by US research of the 90's, more current research on this side of the world highlights measurement, personality type and culture as mediators of psychological contract violation. With Conway and Briner [2002] citing violation as an 'within person' process, they used daily diaries to monitor the responses of employees to broken or exceeded promises. Advocating daily mood analysis, they suggest analysis soon after the violation occurs in order to capture the essence of its impact, while furthermore contending that the importance of the promise determines the perception of violation. Yet this suggestion



could very well yield a diatribe of negativity in the aftermath of restructuring where sensitivity is high, rationale less so, therefore maybe counter-productive to its objective. Additionally, the implicitness and explicitness of the promise are also factored, aligned to affective reactions where promises are broken, concluding that the psychological contract can be used to understand moods and emotions, and by implication cognition and behaviour. Meanwhile a more contemporary school of thought positing personality as a driver of how breach is perceived is argued by Tailman and Bruning [2008], positing openness, agreeableness and conscientiousness as mediators of perceived contract breach while cynicism and scepticism are hailed as drivers of violation. But to apply this argument may perhaps trivialise its findings where negative responses are viewed as less important because they were elicited from the cynics. Finally then the concept of 'culture' as a mediator of the psychological contract [Chen, Tsui, and Zhong, 2008] suggests that certain cultures harbour less sensitivity to in-equality. A paradoxical concept perhaps since it promotes the acceptance of in-equality and one difficult to validate in the face of breach of contract. Or perhaps, one that is not reflective of culture from a citizenship perspective, but more specifically from a contract type perspective as follows.

**2.6 Contract Type :** Contract type, to reflect relational and transactional contracting are highlighted by [Rousseau 1994,1990,1989, Robinson *et al* 1994] as additional mediating variables of the psychological contract. Relational contracts [Rousseau, 1990] deal with employment relationships over an extended period of time reflecting loyalty, tenure of service and seniority. Conversely, transactional contracts reflect short term work arrangements where payment for work done is the main driver of the relationship. In support of this theory [Robinson *et al* 1994] studied a group of business school alumni graduates who were surveyed at both recruitment stage and again two years later. Results demonstrated that while employee perception of their obligation to their employer had reduced as time evolved, expectation of obligation from their employer had increased. Through this study they concluded that while expectation had developed at recruitment stages and changed over time, that violation of these perceptions had affected both transactional and relational contracts for employees but to a lesser extent for employers [Robinson *et al* 1994]. This theory, in part, supports Rousseau [1989] contention that the longer the employment

relationship, the deeper perception of a relationship is felt by employees premising this relational element on the concept of organisational commitment, while also acknowledging its affects on transactional contracting. Underpinning this argument is a point made by Robinson and Rousseau [1994] who contend that the greater the emphasis that an employee places on the employment relationship the greater the negative influence and consequences of violation. To apply this logic translates into how much value is placed on the relationship and given the subjectivity of perception and interpretation, makes transactional or relational time frames irrelevant while augmenting personal perspective.

Similarly, [Schwyhart and Smith, 1972] studied the area of job involvement and its relationship on other variables within the employment contract, recognising the link between satisfaction and performance as per the theory of [Katz & Kahn 1966]. In doing so, they measured the degree to which employees identified themselves psychologically with their work and their self-image. Fundamentally they concluded that involvement is fostered by attitude and expectation rather than previous experience and if satisfied with the job, then employees tend to be satisfied with the organisation. With no mention of length of service as a mediator of this satisfaction, once again time frames become irrelevant in the face of individual opinion.

## **2.7 Breach :**

Thus, advocacy of analysis of the psychological contract brings with it the need to analyse contract breach and according to Conway and Briner [2009] is the most compelling reason for linking the psychological contract to results. While conscious of an employers ability to breach contract obligation , this research is nonetheless informed by employee perspective where as suggested by Robinson [1996] , contracts change almost daily. Driven by the changing nature of business, breach can occur at times without even being noticed, thus violation becomes commonplace.

Anecdotal themes surrounding relational and transactional contracting, expectation versus obligation, procedural justice and trust emerge as the primary variables influencing violation [Robinson ,1996]. Similarly, magnitude, delay, inequity, and

reciprocal imbalance are contended by [Cassar, Buttigieg and Briner, 2005]. But a more contemporary view is put forward by [Tailman and Bruning, 2008] where personality type drives scepticism, cynicism and negativity. Informed perhaps by the [Menninger,1958] assessment of the impact of unconscious motives on psychological contract behaviours, these concepts highlight the complexity of tangible as well as intangible variables which make up the psychological contract. Accordingly and in an effort to understand what constitutes violation, this work will now continue to explore contract breach from an employee perspective .

Given the [Rousseau,1989] philosophy that psychological contracts are subjective, residing in the eye of the beholder, complicated by Shore and Tetrick [1994] assertion that employment relations are implicit but varied, then the likelihood of violation becomes the norm [Robinson and Rousseau, 1994]. Drawing distinction between unmet expectation and perceptions of inequity Robinson and Rousseau [1994] discuss violation as occurring where one party perceives the other to have failed to meet promised obligations . Accordingly, violation of the psychological contract illicit more intense feelings than unfulfilled expectations while broken promises are expected to illicit more significant repercussions than unmet expectations.

Additionally they contend that violation is an every day phenomena, which at times goes unnoticed, but which is impacted more as an employment relationship develops, involving issues such as procedural justice and trust . While [Morrison and Robinson, 1997] support this opinion, they draw a further distinction between violation and perceived breach, reflecting later work on cognitive and emotional states as posited by Atkinson [2006]. Viewing perceptions of breach as reflecting the cognitive assessment of the fulfilment of the psychological contract, violation perceptions are seen as reflecting the emotional response to these assessments. In her opinion, Atkinson [2006] cites violation as what is 'felt' or the emotional element , with breach being the 'acknowledgement', or cognitive dimension. Hence violation or even the perception of violation re-enforces the subjective nature of the psychological contract.

So given its idiosyncratic nature, premised on personal beliefs and perceptions, violation is difficult to qualify with parties accepting the same contract terms, but not

necessarily the same understanding [Robinson and Rousseau, 1994]. With varying and conflicting views as to what they owe the other party, and cognisant that violation undermines the employment relationship [Rousseau, 1989], the analytical nightmare referred to by Guest [1998] becomes reality for employers. Compounding this difficulty is the distinction between formal and psychological contracts, and violation versus unmet expectation [Robinson and Rousseau, 1994]. With unmet expectations manifesting itself in employees dis-satisfaction and underperformance as opposed to violation which evokes anger and betrayal, the psychological contract is subject to interpretation while formal contracts are grounded in law. Absenteeism, morale issues, sabotage, theft and retaliation are extreme reactions where employees seek revenge against this violation [Greenberg 1990, Fisher & Baron 1982]. Thus violation is an emotional experience, arising from a cognitive interpretation process with violation from a perceived breach dependent on employee perception of fairness judgements [Morrison and Robinson, 1997].

This fairness judgement is however, also perception driven, but is influenced by two dimensions of organisational justice representing reactive and process content dimensions [Greenberg, 1987]. The former focuses on attempts to avoid perceived unfair states and the latter promotes procedural justice. With procedural justice offsetting perhaps some of the negative consequences of restructuring programs [Robinson and Rousseau, 1994], the concept of advance notice, consultation periods and severance payments per the framework of the Redundancy Payments Acts 1967, are mechanisms employed in support of fair procedure. But while a proactive arm of the law for an organisation, in the absence thereof, perhaps the at-will employment and termination of employees as referred to by [Rousseau and Anton, 1991] could well become commonplace. While Irish Contract Law protects termination without cause, making it subject to legal remedy, the 1967 framework which heretofore had supported the practice of organisational justice, has to some degree been diluted in the face of current rationalisation programs. Given the changes in legislation as at December 2012 when all rebates to employers in respect of redundant employees were eliminated, the protective arm of the law changed its focus. Replacing the requirement for all employers to justify redundant positions as opposed to personnel, where compensation was withheld if the letter of the law was not strictly applied, a

can of worms has been opened for opportunistic organisations. But given its recent introduction, its true effects are yet to be publicly evidenced although are perhaps already privately in operation.

**2.8 Trust and the Psychological Contract:** Meanwhile, Robinson [1996] and Robinson and Rousseau [1994] posit trust as a focal point on which the psychological contract is premised, with perceived breach occurring even in the absence of actual breach. Influenced by trust in an employer and even prior trust in a previous employer, recognition of violation is dependent on the underlying relationship according to Robinson [1996]. Driving this underlying relationship, she cites judgements of integrity and beliefs in benevolence where consistency of actions drives judgements about integrity and specific employment relationships drives benevolence between the parties. Similar views on the significance of trust are held by Robinson and Morrison [2000] who contend that perceptions surrounding trust are inherently subjective, mirroring the [Rousseau ,1989] view of the psychological contract itself. But for [Atkinson ,2006], a deeper proposition is put forward whereby trust is also a two dimensional process reflecting the cognitive and affective states. In this she argues that cognitive trust is inherent in a transactional relationship and affective trust a relational arrangement, with cognitive being the economic dimension upon which the emotional dimension develops. So for employers, taking their lead from [Atkinson, 2006] may be wise where she platforms both relational and transactional contracts as fundamental to the psychological contract itself. While not fundamental from a time frame perspective, she posits its relevance from an impact dimension with breaches of cognitive trust likely to have minimal impact on the employment relationship but breach of the affective trust undermining if not destroying the very basis upon which the relationship was premised.

Meanwhile, more recent work on the area of trust by Blanchard [ CIPD 2013] suggests that most organisations tend to ignore trust until it is broken. In an on line poll of 1000+ people , he concluded that only 11% believed their managers demonstrated consistency between their words and their actions. Furthermore they cited trust issues to focus predominantly on rumours, hidden agendas, arrogance and a lack of open communication, with over 50% leaving their organisation due to these

poor behaviours. In part, while this reflects the cognitive and affective opinions of [Atkinson 2006], it is perhaps a more realistic view of contemporary employment relationships where tolerance levels are rightly declining in the face of protective measures, but only where alternate work opportunities are available.

**2.9 Justice Issues** :Additional complications focus on violations having occurred in the real sense of the word or by interpretative deduction, according to Robinson and Morrison [2000] or by key organisational triggers cited by Pate, Martin and Mc Goldrick [2003] as distributive, procedural and interactional justice. These justice issues reflect renegeing and incongruence and are also supported by [Robinson and Morrison, 2000] where renegeing is failure by an employer to meet recognised obligations and incongruence the failure to meet obligations by virtue of mis-interpretations. Meanwhile, distributive and procedural justice are linked to job satisfaction, affective commitment and loyalty, while interactional justice is aligned to affective commitment to peers [Pate, Martin and Mc Goldrick, 2003]. Similarly, [Cassar, Buttigieg and Briner, 2005] investigated causal explanations for varying components of contract breach with renegeing included in the top three influential factors. Framed by the employee model of the psychological contract, they found that while causal explanations influenced typical emotional responses, there was nonetheless no typical pattern as to how employees vented these aversive responses.

**2.10 Impact of Violation** : So having considered what the psychological is and how it may be violated, this literature review will now continue to explore the impact of violation in restructuring programs. With survivors of restructuring programs described by Baruch and Hind [2000] as those employees who have survived an adverse event, emergent generic themes tend to focus on justice issues. Hence, taking direction from [Brockner *et al* 1987, 1986] it would seem that justice issues for survivors concentrate on legitimacy of layoffs, communication of restructuring program, fairness of decision rules, and provision of compensation. Categorising survivors into two groups with one group distancing themselves from the victims of restructuring process while another group distance themselves from the organisation, [Brockner *et al* 1987] rationalise this based on connectedness to the victim. Reflecting the [Greenberg ,1987] organisational justice theory and [Adams Equity

Theory, 1965] behavioural and psychological reactions emerge. Resultant issues such as underperformance, demotivation, cynicism, insecurity and demoralisation are highlighted [Baruch and Hind, 2000] in addition to lower morale, increased stress, and reduced loyalty to the organisation [Doherty and Horsted, 1996]. But once again the theme of subjectivity underpinning the psychological contract and breach as espoused by Rousseau [1989] is acknowledged with Baruch and Hind [2000] positing that some individuals are more prone to suffer from survivor syndrome than others.

Similarly, Newell and Dopson [1996] reflect upon procedural justice for survivors arguing that where decisions surrounding restructuring are deemed by employees to be fair, that survivors will not feel as negatively toward the organisation as they would where decisions were seen to be unfair. While a rather obvious point, it is a salient one nonetheless where survivor negativity is minimised in the presence of procedural justice and conversely, is heightened in the absence thereof.

Interestingly though are the anecdotal studies of [Brockner *et al* 1987] who acknowledge the paradoxical situation whereby commitment to departing employees proved to be a committal variable for survivors, or in short, organisations who fairly supported exiting employees, evoked stronger commitment links from survivors. Perhaps premised on a sense of procedural justice, this concept suggests that employee's affective relationship with the organisation, attenuates a feeling of violation where exiting employees have been treated well. As a consequence, for survivors it would seem to deepen the relationship, hence the continuum of employment with that organisation. But this concept, while perhaps typifying current day trends, is somewhat naive where one assumes employees remain solely because of affective relationships. The harsh reality in contemporary climates appears to be that with limited employment opportunities in global recessionary times, employees have no other choice but to remain. Thus when the labour market opens up again, survivors may talk with their feet as they exit their current organisations, as will be discussed in chapter four of this research.

But not all responses to breach are negative with positivity also being evidenced dependent on employee interpretation [Brockner *et al* 1986]. In short term

transactional relationships for example, it may be seen as an opportunity to move on or a 'quid pro quo' attitude with severance pay for work done, perhaps consistent with contemporary views on maximum functional flexibility [CIPD 2012]. But ultimately, restructuring programs typically elicit more negative responses than positives, with one such negative reaction surrounding the concept of 'positive inequity' [Brockner *et al* 1986]. In applying this concept, survivors may work harder to redress any negative perceptions employers may have towards them, especially where they feel that the restructuring program may have impacted them personally. With Brockner *et al* [1986] positing that affective responses to layoffs include guilt, anger, betrayal, the concept of relief particularly supports this inequity theory. Thus retained employees feeling confident in their performance, having been retained, then look to build on this performance to sustain their tenure within the organisation. Additionally, analysis of survivor syndrome by Doherty, Bank and Vinnicombe [1996] suggest the impact of affective emotions to be shock, disbelief, animosity, concern, stress, and scepticism which manifest themselves in decreased motivation, guilt, fear and morale.

Interestingly from survivors perspective, and worthy of reflection for employers, was a study by [Doherty, Bank, and Vinnicombe, 1996] of BT in 1992 who at that time were undergoing significant restructuring. They found that 44% of survivor's highlighted extra workload, 26% worried about job security and 22% were concerned about career opportunities in the future. Current opinion supports the extra workload and career progression findings of this survey, [highlighted in chapter four of this work] but for the most part, Doherty and Horsted [1995] assertion that employers need to put as much effort into working with survivors as they do with casualties was upheld. Adding that structural and long term drivers of change needed to be implemented to sustain expertise and commitment, 82% of respondents felt that management were primarily concerned with short term measures which were organisationally biased. Survivors concluded that redundant employees had been treated more judiciously than them, with financial reward made to those exiting, but for those remaining, their job was held as their reward. Twenty years later, this view from 1992 still represents a widely accepted view in current restructuring programs as will also be demonstrated in later chapters.



It is no co-incidence then to discover that breach is not just a temporary problem [ Ng, Lam, and Feldman , 2010] who concluded that psychological contract breach is a dynamic process which is impacted by the affective commitment of the employee to the organisation. This breach is deemed by them to have a cascading effect where organisations fail to provide effective remedies in breach situations, thus exposing them to the long term effects of diminished employee engagement, retention, development , morale and productivity. This very point reflects the essence of this research regarding employer potential to mitigate against the negative consequences of psychological contract breach - which based upon the CSO redundancy figure of 33,072 in 2012, validates the assertion that violation has become the norm as opposed to the exception [Robinson and Rousseau,1994].

**2.11 Mitigating Against Breach :** Finally then, having explored the psychological contract, violation thereof and the effects of violation for survivors, how does an organisation begin to mitigate the negative consequences for survivors? A myriad of options exist to include the [Brockner *et al* 1986] school of thought about the rules upon which decisions are made, similarities and interdependence between the laid off employee and survivors, and alternate work opportunities for survivors . Procedural justice as a variable in terms of advance notice , clear communication of rationale, and dignified treatment for those staying as well as those exiting is posited in later work by [Brockner *et al* 1994]. In this they note that where procedural justice is low, negativity as an outcome can be adversely demonstrated by employees and vice versa. Hence they conclude that a more proactive approach may be economically more attractive and procedurally more just.

This proactive approach is also advocated by Doherty and Horsted [1996] who cite structured help in supporting survivors overcome symptoms of betrayal, cynicism and low morale while career management interventions are also advocated. Similarly, while supporting this concept, Newell and Dopson [1996] cite organisational strategies to support organisational commitment in addition to renegotiation of the psychological contract to achieve equilibrium again.

But while there is no one all embracing option, generic themes surrounding communication and trust have emerged. Doherty and Horsted [1996] posit practicality, relevance and consistency in communication as vital while [Guest and Conway, 2002] analysed communication as a mechanism to promote organisational voice. In doing this, they conducted a study of 1306 senior HR managers with respondents asked to consider the communication methods used to convey its promises and commitments to employees and whether they were effectively communicated or not. The result highlighted the role of organisational communication in managing the psychological contract concluding that effective communication does reduce perceived breach. Meanwhile the concept of trust as fundamental to the psychological contract [Robinson 1996 and Robinson and Rousseau 1994] compliments the more contemporary view of enabling trust by Blanchard [2013]. Irrespective of specific relationship type, this recent study conducted for CIPD focuses on practical measures to enable winning trust, integrity, connectedness and dependability. While much of it may be influenced by relationships, the emphasis is more about how to do it and the value for employers with studies indicating that high trust companies outperformed others by at least 6.3%, and provided a higher degree of return [4 times] than its market average for comparative low-trust organisations. Thus it validates trust within an organisation from a PR perspective as well as from a financial viewpoint which in contemporary climates may prove even more attractive.

Meanwhile, another dependent variable among survivors that may be manipulated positively is organisational commitment as advocated by [Brockner *et al* 1994]. Recognising that survivors who feel less trust in their organisation display less commitment and conversely, employees who feel high levels of trust, display high affective commitment responses, an opportunity for employers emerges. In this study, a questionnaire was issued to 218 first time registrants for unemployment benefit and a survey conducted of 150 full time survivors of a financial services organisation. Testing organisational trust and support, procedural fairness and outcome negativity, they concluded that outcome negativity and procedural justice combine to mediate negative responses of job loss victims and survivors, with caretaking strategies such

as advance notice, severance pay and dignified treatment positively promoted organisational trust and support.

However, and mindful again that not all reactions to breach are negative [Dulac *et al*, 2008 p.2192], contend that ‘high quality social exchange relationships engender biased sense making and interpretation processes ensuing from breach, resulting in less intense negative emotional responses’. Therefore, the concept that support from leaders may buffer negative affective responses, highlights an opportunity for organisations to harness and nurture in support of high quality employment relationships. Supporting this concept is [Suazo, Turnley and Mai-Dalton, 2005] who examined the connection between supervisor-subordinate similarity and the mediating effect of leader member exchange . In studying a total of 234 full time employees across diverse ethnic cultures, they concluded that psychological contract breach was less common where employees ‘perceived’ their managers decision making style to be similar to their own . These results were perhaps influenced by the ability of leaders to develop positive relationships with sub-ordinates thereby illiciting high trust respect values, and while conducted from a general breach perspective, its measures might equally be aligned to breach of the psychological contract.

Additionally, and certainly very relevant in current employment markets is the impact on future employability where careers can no longer be guaranteed [Hendry and Jenkins, 2007] . While contracts of old typified stability in the guise of long term security, in the current information age CIPD [2013] suggest that it is more about adaptability and entrepreneurship. Hence transferrable skills and realism become the order of the day, with employability becoming a variable in human resource decision making [Rousseau and Anton, 1991]. Thus employees are required to take ownership of their own employability given the changing nature of the employment relationship toward more transactional contracting. Moving from independence on, to independence of an organisation, Clarke and Patterson [2008] cite the employability factor to be as complex as the perception driven psychological contract itself . But what if employers were to take a different view on employability in an effort to minimise this complexity, as recently reported by [Hoffman, Casnocha and Yeh , 2013]. In this report they recognise how employers short term approach to cutting

costs, frames employees as free agents. Thus, they posit a more pro-active approach to the employability debate whereby they advocate the principle of reciprocity and perhaps what should be called, realism. Recognising that employees do move on, they talk about building alliances from within and suggest offering fixed term renewable contracts where both parties know exactly what they stand to gain. Furthermore they encourage the development of professional networks from outside the organisation, ones that can also benefit the company, thus avoiding the conspiracy notion of colluding with the enemy. Finally then they platform the concept of fostering an affiliation to the employer even after they leave the organisation, all of which seems practical in the face of global agility issues in the workplace. But ultimately, given its very recent entry to the employment relationship debate, its testability and results are yet to be evidenced, and so we wait.

## **2.12 Conclusion**

In conclusion then, [Conway and Briner, 2009, p 79] contend ‘that the history of the psychological contract suggests reasonable consensus and steady evolution over time with enduring fundamental ideas such as the subjective nature of the psychological contract and its basis in reciprocal exchanges’. But with too few studies on contract breach to draw firm conclusions from, substantiating the effect of breach and means of mitigating against it still proves contentious. In their research they conclude that the psychological contract remains vaguely defined and with such definitional limitations makes it difficult to qualify how it is managed. Additionally they contend that there is very little ‘theory’ surrounding the psychological contract outside of the area of breach with no robust findings upon which to test its reliability and validity. Finally they conclude that some of the methodologies used to research it do little to advance an understanding of this complex area with a need to focus more on the impact of the psychological contract and organizational psychology. In so doing, Conway and Briner [2009] suggest a greater significance of how the psychological contract guides behaviour through the cyclical process of creativity, maintenance and negotiation, leaving us with the notion that we have much to learn.

So with this in mind, the following chapters will endeavour to explore the impact on the psychological contract of restructuring projects for survivors, using an appropriate research method and a fountain of knowledge as supplied by the participants. To this end, the value for organisations to tap into this resource and utilise it wisely may well prove beneficial.

# **Chapter 3**

## **Methodology**

### **What suits best?**

### 3.1 Research Philosophy:

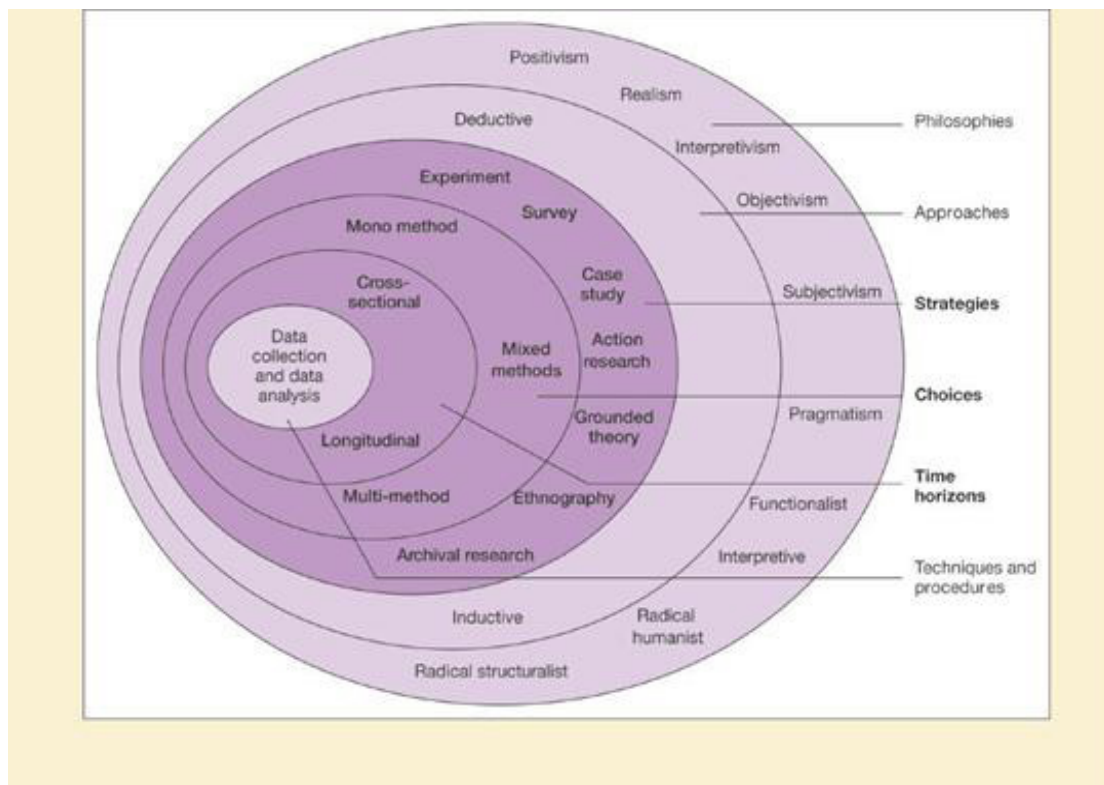
Typically research has been defined as a process to increase knowledge through a systematic, methodical process of enquiry and investigation Collis and Hussey [2009]. The nature of this knowledge and how it is developed is posited as fundamental by Saunders, Lewis and Thornhill [2009], who advocate exploratory, descriptive, analytical and predictive research but a more contemporary view on the 'real value of research, is knowing what to do with the results', [ Boland , 2013] .

Meanwhile to further compound the difficult choices when approaching research, an extension of these classifications sees a 'research paradigm' as a philosophical framework underpinning research, and according to Collis and Hussey [2009] is guided by two main paradigms :

- Positivism – originating in the natural sciences and underpinned by social reality , it is driven to discover theories based on empirical research. Derived from positivist data, this paradigm supports theories as the basis of information while facilitating the anticipation of phenomena [Collis and Hussey, 2009]. Grounded in theory, positivism lends itself to generalizability where results are specific and measurable.
- Interpretivism – similar to the psychological contract itself, is perception based and is underpinned by the belief that social reality is highly subjective. It explores the complexity of social phenomena in an attempt to gain interpretive understanding and as such is any form of research where findings are not derived from statistical analysis. Interpretivism allows for the generalization of findings in similar settings where analysis has captured the interactions and characteristics of the phenomena being researched in their natural location.

Additional approaches posited by Saunders, Lewis and Thornhill [2009] include :

- Pragmatism which recognises that the research question is the determinant of the research itself and accordingly selecting the most suitable approach is determined by the context of the question.
- Direct realism , or the what you see is what you get concept , suggests that what the senses tell us is in fact the truth. Conversely, critical realism , similar to positivism, assumes a scientific approach to what is valid by analysing and quantifying data . This philosophy suggests that there is a reality which is independent of the mind , dependent on the approach taken, and from this perspective is ‘real’ in that it recognises various options to explore.



**The research onion, [Saunders, Lewis and Thornhill 2009].**



### 3.2 Assumptions within Paradigms :

Meanwhile Collis and Hussey [2009] also state that many new paradigms have evolved through the years as a continuum of the positivist / interpretivist paradigm, to include :

- Ontological assumption, dealing with reality. Objective from the view point of a positivist who deals in only one reality while subjective from an interpretivist opinion who deals in multiple realities.
- Epistemological assumption, concerned with what we accept as valid which reflects observable and measurable data for a positivist and values of humanist nature for an interpretivist.
- Axiological assumption, dealing with 'values'. Positivists believe the process to be devoid of value with the researcher having no impact on the data being analysed while interpretivists believe researchers value may determine what is interpreted .
- Rhetorical assumptions, reflecting the language used in research which tends to be formal for positivists and more informal for interpretivists.
- Methodological assumptions, primarily concerned with the process. For a positivist, data must be measurable whereas for the interpretivist the process is all about gaining perceptions in an attempt to understand what is happening.

While acknowledging these varied assumptions, I am guided by Saunders *et al* [2009] who posit practical considerations when considering a philosophy noting that it is not so much about research being philosophically informed, but more about choices and rationalising these choices relative to alternatives. Therefore, and in view of their opinion that research questions tend not to fall into only one philosophy, my approach will be a more pragmatic one , originating in the interpretivist paradigm and being guided by the participant and the data as it unfolds. A further practical and contemporary view of Boland [ 2013] will also be applied, wherein he says that research should really be about embedding wisdom to guide future strategy . As such, my research objective to elicit first hand valuable wisdom from survivors of redundancy in support of future organisational change management programs may be better realised.

### 3.3 Approaches to Research :

Ultimately research is conducted to elicit an outcome [ Collis and Hussey, 2009] and while acknowledging the various types of research, consideration must also be given to its approach. Typically this may be either qualitative or quantitative, applied or basic, inductive or deductive or even ‘simplistic inductivism’ per Silverman [2010]. Qualitative research discovers as opposed to tests variables while facilitating deeper probing into the experiences of the participants [Corbin and Strauss, 2008]. As such they advocate its uses over quantitative research which they deem to be rigid compared to the fluidity and dynamism of a qualitative approach. Furthermore they posit qualitative research as enjoying serendipity with endless opportunities to discover more about people at a very basic human level. This approach, is also suggested by Yin [1989] who advocates the qualitative process when dealing with contemporary phenomena within real life contexts. As such and given contemporary restructuring issues globally, I have adopted this approach in light of my research question surrounding restructuring, its effects, and how to attenuate its negative impact.

Conversely, quantitative research tends to be in nominal or numerical format for analysis and originates from an existing theory or construct, typically informed by empirical evidence [ Collis and Hussey, 2009]. Statistical methods are employed using this approach to quantify the research using a positivist paradigm to study literature and identify an appropriate theory and from there, a hypotheses. Typically quantitative research involves searching for the truth about business phenomena through the application of a scientific method according to Zikmund, Babin, and Carr [2012]. Key characteristics include hypothesis testing, precise measuring and statistical analysis where data can be discrete or continuous, the former fitting into a particular category and the latter differing in degree of measurement. But for my research, quantitative research does not lend itself to the ‘authentic accounts of subjective experience’ as cited by Silverman [2011].

Meanwhile a novel view, and one not too commonplace within academic circles, is a naturalist approach of [Silverman 2010] premised on a simplistic process whereby the researcher provides deeper insights into the ‘hows’ and ‘whys’ by observing

participants in their natural environment. Unstructured interviews, and participant observation are used to elicit deeper rationale for responses where narrative on the context of the process is also used in support of the findings. Another alternative is emotionalism, also advocated by Silverman [2010] and is perhaps the most relevant for me as a researcher. This approach seeks to locate deeper truths or feelings to better represent findings which in terms of survivors of restructuring programs, is topical and relevant in terms of how participants feel.

Applied and basic research are also cited by Collis and Hussey [2009] where the former reflects research of a specific problem and the latter conducted to improve understanding of general issues. Additional options include :

- Deductive approach, moving from the ‘general to the particular ‘ [ Collis and Hussey, 2009] or where a theory is conceptualised, developed and then tested, [Saunders, Lewis and Thornhill, 2009].
- Inductive approach which, contrary to deductive, collects the data first, analyses it and finally develops a theory [ Saunders *et al* 2009].
- Simplistic inductivism [Silverman, 2010 ] where meaning is emergent purely from the research itself.

**Saunders, Lewis, Thornhill 2009**

<b>Deductive</b>	<b>Inductive</b>
Scientific principles	Humanistic approach
Moves from theory to data	Moves from data to theory
Needs to explain causal relationships	Needs to understand context
Collection of large quantitative data	Quality of data as oppsoed to quantity
Applies controls to ensure validity	Controls not applied
Highly structured	Flexible structure, enables change as research progresses
Researcher independent of research	Researcher is part of the process

Cognisant of the various approaches, I find myself drawn to the perspective of Saunders *et al* [2009] who suggest the use of qualitative or quantitative methodologies within any paradigm. Viewing the paradigm as a basic belief system which guides the investigation or research, they advocate the concept that both approaches can be used within the one paradigm. Given my pragmatic endeavours, this concept supports my intentions to keep an open mind and let the research question and the data collated dictate the flow. However, while conscious of my leaning toward qualitative analysis to gain a deeper understanding of the phenomena under investigation, I am reminded of a key point of [Silverman, 2010, p 15] that ‘doing qualitative research should offer no protection from rigorous, critical standards that should be applied to any enterprise concerned to sort ‘fact’ from ‘fiction’. Therefore, I will endeavour to provide observations and narrative in support of factual data in support of the [Silverman, 2010] philosophy that observation and narrative are the equivalent of quantitative analysis. Additionally, where specific themes emerge through my inductive exploratory work across the three participating organisations, a mixed methods approach of obtaining the data qualitatively and then analysing and quantifying results will be applied, if feasible to do so.

### **3.4 Research Strategy & Rationale :**

A research strategy reflects the philosophical assumptions of a paradigm with a coherent strategy reflecting its core assumptions per Collis and Hussey [2009]. But a more practical assertion of Silverman [2010] that methods should be our servants as opposed to our ruler underpins my research in terms of what best suits the research question, the participants and myself as researcher. Authenticity of human experience being a strong feature, my strategy is a blend of what Silverman [2010] refers to as an ‘emotionalist model’ justified by research derived from a sample of participants opinion and experience. Ultimately while this approach leans towards the interpretivist model on the one hand, it recognises that this model is not mutually exclusive, adapting features of positivism to generalize findings in similar situations.

Therefore, and conscious that my rationale is relative to my interpretation of what best suits my research, I have adapted the following features of [Collis and Hussey, 2009] in support of this rationale:

1. Sample Size : For interpretivists, sample size is not an issue as the objective of the research is to ‘gain rich and detailed insights of the complexity of social phenomena’, p62 .
2. Location : Interpretivists prefer a natural location which in this research will be driven by the participants .
3. Theories and Hypothesis: Studying literature to identify appropriate theories is the preferred choice of positivists as opposed to interpretivists who use the findings of their research to develop hypotheses.
4. Reliability : Credibility of findings is high priority in a positivist approach whereas it is of little importance in interpretivists models by virtue of the interpretations being relative as opposed to definitive.
5. Validity : Precision of measurement to enable repeat research and result is required for positivists while interpretivists aim to accurately reflect the researched phenomena, as such validity is high.
6. Generalizability : Positivists will select a sample and demonstrate that characteristics of this sample represent the population at large. Interpretivists generate findings from one setting to an alternate but similar setting.

Additionally, my choice of strategy is undeniably informed by Corbin and Strauss [2009] who cite specific characteristics shared by qualitative researchers, some of which I recognise as personal characteristics that I am guided by:

- Humanistic leaning
- Curious / Imaginative and creative
- Logical
- Recognition of diversity as well as regularity
- Willingness to take risks
- Ability to live with ambiguity/ Ability to work with problems
- Acceptance of ‘self’ as a research tool
- Trust in oneself with ability to see value in the work produced

### 3.5 Interpretive v Positivist Methodologies:

In an effort to make an informed decision on what best methodology to employ, the following options were explored:

1. Surveys, experimental studies, cross-sectional and longitudinal studies are typically the methodologies employed in positivist paradigms, because:
  - Surveys allow for the collection of primary and secondary data of a large group of participants, generally in a controlled environment, which is statistically analysed and then generalized to a population.
  - Experimental studies examine how independent variables might be manipulated therewith demonstrating the relationship between variables allowing causal relationships to be identified.
  - Cross sectional studies are a short term snap shot of research with data obtained from various contexts over the same time frame.
  - Longitudinal studies examine variables in the long term, continuously analysing the dynamics of the research problem over the time frame in which the issue occurs.

While recognising their excellence in their own merit, for the purposes of exploring the psychological contract from the viewpoint of survivors, they did not represent the best choice for the research question. As such, and given the opinion that the psychological contract is perception based Rousseau [1989], attempting to quantify it through statistical analysis such as surveys and/or studies would I feel have proven a miss match. Rationalising this assumption against the drivers of the psychological contract itself, [to include feeling and interpretation], the ‘how criteria’ may well have been informed by studies or experiments, but certainly not the ‘why’. Furthermore, participant experiences could not be illicited as robustly through surveys or questionnaires which typically work best for standardised questions according to Saunders *et al* [2009], while the use of studies are not feasible given the time constraints inherent in my current research.

Additionally where positivist models are structured to support deductive processes [Collis and Hussey, 2009], such structured boundaries do not, I feel, compliment the inductive philosophy of an interpretivist approach. Thus, ethnography, cases studies, opportunistic case studies and methodological triangulation were explored with the latter option being adopted to illicit further data, as will be explained in the following chapter.

But ultimately, my choice of paridigm and approaches are guided by the belief that I will gain more detail through an intepretivist model using an inductive approach where what is 'unsaid' is equally as informative as what is 'said'. This approach will enable me to illicit conclusions based on what evolves throughout the interview process from participants across three organisations, which will I feel, support generalizability of findings.

### **3.6 Procedure Applied :**

Conscious of the need to let the research question dictate the process in terms of verbal and non verbal responses to support a more wholistic illustration, I chose the interview process . Structured, semi structured or unstructured interviews became options with quantitative and qualitative methodologies dependent on the skills and experience of the researcher guiding my logic [Dawson, 2011]. Influences included my background in HRM with extensive experience within the interviewing domain, and restructuring projects combined with a literature review highlighting the use of 'interview' as a primary source of data collation. As such, the semi-structured interview evolved as an obvious choice for me, equally supporting this choice was :

- the advocacy of the interview in following up and explaining concepts while probing and investigating motives [Bell, 2005, and Silverman, 1993].
- the opportunity to investigate and prompt things that cannot be merely observed, therewith probing thoughts , perceptions , prejudices and perspectives with interviews providing multiple truths [Wellington, 2000].

- the face to face opportunity to discuss issues, address answers and correct findings with interviewees in support of more detailed conclusions [Cameron and Price, 2009].
- the view that the psychological contract itself is subjective [ Rousseau ,1989] , and the critique on ‘interviews’ being subjective and ‘context specific,’ [Silverman, 2011], then aligning ‘like with like’ seemed particularly appropriate under the circumstances.

Advantages of using this approach are cited by Saunders *et al* [2009] as the collection of rich and detailed data, with a large degree of flexibility driven by focus of the interview itself where personal contact is vital. Similarly, Collis and Hussey [2009] cite personal contact as enabling a higher degree of confidence in responses noting both verbal and non-verbal communication. Through this forum, they highlight the ability to ask complex questions and probe follow-up answers with attitudinal and behavioural responses factored into the analysis. This observation and narrative provides an overview of the interview from a contextual perspective and in so doing supports specific points of value [Saunders et al 2009].

Equally a number of dis-advantages are highlighted with [Cameron and Price, 2009] specifically highlighting the time consuming effect of the interview process itself which they see as possibility limiting the number of participants employed. While this could be argued to be a mute point given the length of time it takes to derive analysis in experimental studies for example, interviews do nonetheless have some dis-advantages which are not as easily defended. One such dis-advantage is the constant debate around the un - scientific nature of this qualitative process. To this end, Kvale [1994] rather patronisingly suggests that to dismiss ‘any’ qualitative research method is suggestive of a limited understanding of science where continual clarification and discussion is the order of the day, therewith challenging its exclusion on scientific grounds. So dismiss it if you will.

Finally, a constantly voiced dis-advantage of the interview process refers to bias and researcher influence . While earlier studies such as [Kvale,1994] acknowledges the



power of leading the interviewee based on personal opinion, he also contends that leading questions to confirm presumptions of researchers are not the decisive issue. Rather the decisive issue is where the interview questions lead and what new knowledge they evoke. So perhaps the 'bias' concerns of [Saunders *et al* 2009] and the assertion by Corbin and Strauss [2008] that objectivity is a 'myth', could be allayed in the context of what new information is collated, or the end justifying the means as it were.

### **3.7 Data Collection:**

In an effort to capture the full essence of the interview, audio recording was agreed with all interviewees. Post interview reflection was also used to capture additional contextual data in support of the process [Saunders *et al* 2009]. Total focus on the interview with an option to re-play and listen to each one proved most advantageous. Similarly, the ability to support accuracy and unbiased permanent recording far outweighed the concerns about technical malfunction when engaging this option while positive engagement measures minimised interviewee reticence. The result, a more robust verbatim transcription of actual events.

### **3.8 Reliability and Validity:**

Reliability provides for consistency of findings in terms of data collection techniques or analysis procedures while validity concerns itself with this data for analysis and whether it is really about what it seem to be about [Saunders *et al* 2009]. With threats to reliability focusing on participant and observer error and bias, data collated via semi-structured interviews was accepted at face value across three organisations, but with transcripts returned to all participants for approval pre-inclusion in this research to validate findings.

Finally validity and generalisability [or external validity] as discussed by Saunders *et al* [2009], contend that findings are not necessarily intended to be repeatable, since they reflect reality at that time and to replicate them would not be feasible without undermining its very essence. This point, in terms of the interview process, supports

its validity since interviews are a direct access to experience and feelings with analysis going beyond a prescribed menu of do's and don't's [Silverman, 2010]. Capturing these experiences and emotions in their totality tends to be a one-off opportunity with multiple realities that need analysis, therefore they do what they set out to do. Replicating them may diminish their authenticity.

### **3.9 Sampling and Population :**

Practicalities such as cost, time and access to a population tend to drive decisions surrounding sampling and population and to this end [Saunders *et al* 2009] suggest dividing sampling techniques into:

- Probability or representative sampling.
- Non-probability or judgemental sampling.

With probability sampling typically used for survey based research, using inferences from this sample to answer research questions, it does not predispose itself to my research. What is supportive is the option of non-probability sampling and more specifically, 'purposive sampling' as espoused by Saunders *et al* [2009]. This method enables me to use my own judgement to select cases to study which may inform a more grounded theory strategy. Organisations therefore were selected through networking with fellow management colleagues who I knew to have been involved in large scale change management programs in recent years. They were chosen in light of practicality of access, time frame and similar manufacturing origins. Additionally they were selected from East to West coast of Ireland which I felt might support generalizability of findings, or a 'typical' illustration as opposed to a definitive explanation.

### **3.10 Ethical Responsibility:**

The design of research being 'methodologically sound and morally defensible' to all participants, is how Saunders *et al* [2009] define ethical responsibility. Loosely translated, this refers to how the research is designed, how access is gained, how data

is collected, processed, stored and analysed and then how it is written up in a morally responsible way. Ethical issues for them include :

- the voluntary nature of the process with the right of participant to withdraw at any time.
- the privacy aspect of the process for all participants.
- consent issues.
- confidentiality issues of data provided .
- participant reaction to include emotive reactions such as embarrassment, stress, discomfort, pain.
- objectivity of researcher.

Voluntary participation, anonymity, and confidentiality are also key to Collis & Hussey [2009] who advocate care at all times, and similar to [ Saunders *et al* 2009] contend that these issues form the responsibilities of each researcher.

Therefore, and mindful of these issues, access to my sampling population was sought via direct contact with the HR Directors of targeted organisations within my network. In doing so, the purpose of this research was established, confidentiality assured and anonymity guaranteed with access at suitably convenient times and locations agreed. Explanatory letters were then forwarded [appendix 1] with consent forms per each voluntary participant to complete [appendix 2] . Agreement on copies of transcripts being made available to participants were discussed and in an ethically responsible way, were forwarded to interviewees for authentication purposes pre-submission to this work. A copy of the final product was also agreed to be circulated to participating organisations.

### **3.11 Interview Format :**

This research was conducted across 3 organisations from East to West coast of Ireland. Interviews all took place in the host organisations, with a private room provided in an effort to minimise disruption. Interviews took approximately 25-30 minutes each, with all interviews audio recorded .

Semi-structured face to face interviews were used, commencing with an outline of the purpose of the process, its voluntary nature and the guarantee of anonymity at all times. Original questions were drafted [appendice 3] but changed as interviews progressed where emergent themes needed more indepth probing and where specific issues of importance to interviewees were raised [Saunders *et al* 2009]. Thereafter, subsequent interviews reflected these emergent themes , thus enabling the exploration of feelings and experiences . Questions reflecting what participants felt their company had done well and maybe not so well , communication issues, and discussion around work relationships typified the main questions asked. More specific questioning around the rationale for change, career management in the aftermath of change, and morale issues were also discussed with severance package , respect , honesty and precedent leading the discussion for some interviewees. This change of direction from the researchers initial questions is consistent with reflexivity where knowlegde is impacted by the social dynamics under which it is produced. As espoused by Mann and Kelley [1997] , this knowledge is grounded in the social location and biography of the oberver and the observed and in this situation, is evidenced in the wealth of contribution made .

Interviews concluded with reseacher thanking participants for their time and their contribution, thereafter, a reflexive piece was completed on each interviewee in terms of observations throughout the process.

### **3.12 Data Analysis:**

Collis & Hussey [2009] cite data reduction as a form of analysis which facilitates final conclusions be elicited. To this end, they posit the concept of de-textualising the data through comprehending, synthesizing and theorising similar to the summarising, categorisation and structuring of Saunders *et al* [2009]. Accordingly, my data was analysed following the ‘open coding and in vivo techniques’ of summarising data directly from the lanaguage of the interviewees as suggested by Corbin and Strauss [1998]. Subsequently, these codes were condensed into ‘theoretical’ and ‘axial’ codes to support the conceptualization of the data into patterns, as categories/themes emerged. Originating in the literature review, themes emerged through an inductive

approach to the interviews where analysis was not structured, static or rigid but allowed a free-flowing process back and forth between the codes in response to the data collated. Summaries of interviews were factored into this analysis inclusive of relevant comments made after audio recording concluded, permission for which was also agreed. Combining both summaries and notes supported interaction with this qualitative analysis methodology in order to understand, integrate, identify, develop and draw conclusions [Saunders *et al* 2009].

As such, the data collated and analysed will endeavour to distinguish salient findings from peripheral add-ons, with these findings being central to the objectives of my research. This analysis will present the facts as they evolved throughout the interview process and thus construct findings in a clear and logical manner [Collis and Hussey, 2009].

### **3.13 Limitations :**

Initial access to some organisations proved contentious where alternate projects were being rolled out and as such employers were reluctant to re-visit bad times in view of positive change management initiatives. Furthermore compounding this access issue was annual leave periods, that is, June, July, 2013 and as such limited access to my sampling population until the end of July itself, with a knock on effect to the practicalities of transcribing and analysing . Ultimately while access was gained, timing and availability became the focus and so participant numbers were limited to twelve interviewees , an acceptable number nonetheless when adapting the Corbin and Strauss [1998] philosophy that ten participants or more is acceptable for building theory.

### **3.14 Conclusion:**

Having chosen to conduct my research using ‘semi-structured’ interviews as a mechanism to explore the subjective nature of the psychological contract [ Rousseau, 1989], chapter four will now outline the findings of these interviews in a thematic format as they emerged from the process.

# **Chapter 4**

## **Analysis & Findings**

#### **4.1 Response Rate:**

Interviews were conducted over the summer months of June/July and while impeded by annual leave periods, a total of 12 interviews were conducted across three organisations from the East to West coast of Ireland. Additionally a number of questionnaires were also elicited with a large volume of data produced.

#### **4.2 Demographics:**

Of the 12 interviewees, there with an equal divide of 50/50 across male and female participation. Interviewees were representative of the various departmental functions within each organisation within an age range of 35 to 45 years old. Furthermore, the companies involved represented various sectors to include telecoms/datacoms, and food industry specific organisations. 8 of the 12 interviewees held a skill level ranging from degree to masters level . The average length of service for participants was 13 years approximately.

#### **4.3 Thematic Findings**

Initially the data collated was transcribed by organisation, thereafter, comparisons and similarities were noted across the 3 organisations based upon constant listening, reading and reflection. During analysis, reoccurring themes emerged to include communication, trust, and career progression issues. An additional theme not demonstrated in the literature review, and possibly more reflective of contemporary times, was the area of resigned acceptance. These themes will now be discussed in the order of importance in which they evolved, and while conscious of the analogy of the chicken and the egg and which came first, the researcher acknowledges that trust needs to be established before communication can be positive and careers progressed. But by virtue of the way in which themes consistently occurred, communication was by far the most prominent and as such will lead this chapter.

#### 4.4 Communication :

Despite the ethos of communication being a mechanism to promote organisational voice [Guest and Conway, 2002] driven by practicality, relevance and consistency, [ Doherty and Horsted,1996], many, if not all of the participants emphasised communication as an over-riding problem within their organisations . Leaks of information within the work environment were common with invariable negative influences on issues of trust , morale and relationships while general basic communication issues and lack thereof promoted a sense of unease. Meanwhile, and conscious of the [Rousseau,1989] school of thought that the psychological contract is subjective, awareness of this subjectivity in responding is noted. As such, a range of communication issues were highlighted, predominally leaning toward the lack of communication as follows:

‘I knew about the first restructuring because I heard about it in the pub, [ laughs ] prior to the announcement, and I heard it from someone who was’nt even in the company. Actually, [ laughs again ] , I heard it at 1 o’clock in the morning in a pub down town’. [Interviewee 3, Organisation 1].

‘Communication is a big problem in this company. You hear things, I am not a smoker , there is a smoking shed here, every company has one. But ahm, its not nice to hear something about your department coming from the smoking shed....Right across the board, its disgraceful actually I think.’. [Interviewee 1, Organisation 2, annoyed tone]

‘We used to have briefings in here at the end of shift ....but then it stopped. It started well but then it stopped and it was emails and word of mouth. You’d hear about someone leaving if there was a p... up on Friday night and that such and such was going’. [ Interviewee 5, Organisation 3].

‘One of the girls in the office heard it on the radio, on the local FM or whatever its called, actually heard it on the day as the examiners were actually walking into the office. That was the first official thing we heard about it. ....so we knew absolutely



nothing other than the examiners were in, everything was frozen, no money could go out of the business unless they did it, actually it was the examiner who explained that to me, not the management'. [ Interviewee 1, Organisation 3, incredulous tone, eyes rolled several time as interviewee imparted this detail].

This verbatim captures the range of emotion from participants as a result of poor communication and ranges from laughing it off to being angry and defensive about how it was done. But on deeper analysis of these interviews, a more philosophical issue emerged which, while not widely mentioned in the literature, was very prevalent in the workplace, and that was the area of integrity. Strategic decisions had been made at a very senior level which impacted the livelihoods of those affected and the sustainability of those who remained, yet despite the seriousness of these decisions, the affected employees were last to know. Detail regarding their future had raised its head in the public domain before it had been communicated to them, yet the organisations involved expected a level of commitment and loyalty to them that they themselves had not shown .

Meanwhile concerns relating to the lack of clear, honest, and consistent communication were the primary issues for many interviewees. Despite the [Guest and Conway,2002] school of thought on communication as a tool to reduce perceived breach, my findings indicated that communication seemed far from clear and even further from consistent. An alternative explanation for this inconsistency could well have been that people may have had selective hearing, but this notion is weakened by the volume of employees who delivered the same responses.

' I suppose , you know, the rationale for restructuring has to be the same rationale for everybody, ehm, as in within a department, thats gotta be communicated. You cannot have Chinese whispers, we were told ahm, we were informed about restructure whatever, and I would say literally three versions of it were going around and there was only a few of us involved in it '. [ Interviewee 2, Organisation 2].

'In my opinion there was too much, eh, I call it smoke and daggers and I think that's where we as a business fall down, that I think we should be very open in our business

and this has to come from top down ....I just felt that people never really were honest enough, I just thought it was too watery, and therefore it actually made my job very very difficult'. [ Interviewee 3, Organisation 2].

Furthermore my findings suggest that while decisions are made, that basically the concept of organisational voice, as espoused by [Guest and Conway, 2002 ] is rendered worthless where employees learn by default, the fate of their colleagues:

'There's leaving drinks for them, that's how we found out, or you hear it on the grapevine, you know, but nothing official'. [ Interviewee 4, Organisation 2].

' I just think there needs to be, ahm, more openness within the business and also its so secretive, its almost seen like we can't talk about this. People aren't allowed to speak about it and then that creates a very bad atmosphere within the business'.  
[ Interviewee 3, Organisation 2].

The combination of this breakdown in communication coupled with the secrecy element of who is informed proves to be a negative legacy for some [ although positive for others from an alternative perspective as illustrated further on in this section]. One interviewee stated that voluntary redundancy elicited recognition but compulsory redundancies were not talked about, yet the value of the contribution to the business was the same. This inequity of treatment of departing employees contradicts the procedural justice ethos of [Brockner *et al* 1994] regarding dignified treatment of all impacted parties with the secrecy element of it almost suggestive of the employee having done something wrong.

' If somebody's leaving here voluntarily, there is a party , there is notice and there is thanks. But if someone's leaving here and its compulsory, that does not happen. Now the value that person has that's leaving voluntary or compulsory or otherwise, they still added the same value to the business. To me, a person leaves then on such bad feeling and then there's the knock on effect within your own team, it takes months to recover ....the knock on effects, oooh, [pauses] its in productivity, absolutely, productivity is down'. [ Interviewee 3, Organisation 3].

Combined with these issues of what was actually being communicated, or not as was the case in some organisations, was the concern surrounding what was being done, with actions oftentimes speaking louder than words. For survivors, this also proved contentious as they felt that what was being said did not correlate with what was being done, consistent with 'being honest in word and deed' CIPD [2013]. The concept of hidden agendas by decision makers is consistent with their actions where the rationale was depicted as cost saving measures, yet true costs, such as loss of expertise seem to have been ignored while spending continued in other areas.

'The rationale for change was only a party line. When you look at restructuring versus spending on other things it doesn't add up, it's just not consistent with the whole global strategy. We still have very weak people elsewhere globally, very weak compared to the calibre of people who had been let go here. We had a high quality of staff with a huge amount of knowledge who were got rid of'. [ Interviewee 1, Organisation 1].

'What they were saying and doing didn't add up, it was bull shit. Taking a helicopter view it was not adding up. ....Maybe we were dupped, maybe we were not told all the truth [ nervous laugh ] ....what we were doing 10 years ago, people are doing now in other sites. People here were treated as a cost, instead of an asset and we got rid of good assets'. [ Interviewee 3, Organisation 1].

'Letting someone go based on skillset, [ pause] yeah, but that's contradictory in itself, this person had twenty years, he could easily do functions that I do ..... you kinda think you know how things are going to go and then it's a different story for a different department'. [ Interviewee 1, Organisation 2].

'It wasn't done on a last in first out either. I mean there were contractors here then who are still here [ laughs sardonically here ] so it wasn't done very fairly'. [Interviewee 5, Organisation 2].

These varying accounts are typical of how many survivors felt about communication within their organisation. The subjective nature of the psychological contract is magnified to reflect the negative feeling survivors experienced during and post restructuring. In the absence of communication, negativity was exacerbated. But this concept is also worthy of reflection when acknowledging that it is perception based, and may be rooted in the relationship type that employees hold with their employers. For instance, in my third organisation, respondents by questionnaire, [appendice 4] answered positively that communication was handled well, testament to the [Robinson *et al* 1994] concept on relational contracting.

But conversely, what was apparent from the context of organisation 1 was a deep rooted dislike of management and as such begs the question that if alternate management had been involved, would communication have been any better? Adopting the [Rousseau,1990] philosophy on relational contracting is to assume that the longer the employment relationship the deeper the perception of organisational commitment. Yet despite the short term nature of the CEO in the following transcript, and the long term employment service of survivors, communication was still viewed positively.

‘Communication is always a difficult thing. The biggest restructuring here was done by a Galway man, and that was excellent. We were shafted in the second last one ‘. [Interviewee 5, Organisation 1].

As such, the question becomes more about management and technique, an area not widely covered within the context of psychological contract literature. It seems from these practical experiences, not to be so much about the transactional or relational contracts referred to by [Atkinson, 2006, Robinson *et al* 1994 or Rousseau,1990], but more about the basis of the managerial relationship itself. In organisation 1 for instance, relations had been established in the long term, so relational contracting should have been stronger in terms of positive relationships. Yet the basis for criticism was not so much about the message, but about the messenger. Employees, while not happy with the message did understand the rationale but held umbrage with the messenger, and in ways may have anthropomorphized the organisation to an

individual level in order to vent their frustration. This suggestion is better informed by comments such as:

‘Hitler was hated but not as much as this one manager’. [needs to remain anonymous].

‘I’m a forgiving person and can look at the bigger picture, you work with people and you get on at a business level but that person locally didn’t physically know how to talk to people’. [Interviewee 1, Organisation 1].

‘From a human perspective, a company can break employees very easily. It’s divide and conquer and we were bullied by Head Office’. [Interviewee 2, Organisation 1].

Additional comments in support of this anti-management swell, which attenuate the argument of relational contracting and long term employees having greater organisational commitment, include comments such as :

‘Lot of bad feeling within the office,..... and it shouldn’t be happening. It should be leadership at the top stopping it all, and they’re actually involved with these groupies, There’s bullying and everything going on’. [Interviewee 1, Organisation 3, 6 years service.].

‘I love the job, I love the crowd on the floor, ehm, kind of lost respect for the boys above me’. [Interviewee 2, Organisation 3, 6 years service ].

‘Margins are increasing, company sales are increasing, there are share options being offered to the senior team left, right and centre but to me it seems that you just go in and rape as much as you can in four years and then leave’. [Interviewee 5, Organisation 1, 18 years service].

So in summary it seems that while certain issues within the communication debate factored more significantly for some organisations than others, nonetheless generic sub-categories of openness, transparency, and consistency emerged for all. While

none appeared consistent with the [Doherty and Horsted, 1996] concepts of relevance, and practicality, what did emerge was a sense of subjectivity of opinion where communication meant different things to different people. Emergent also was the concept that the messenger as opposed to the message proved contentious for many of the interviewees, which poses an interesting question for the [Taliman and Bruning, 2008] school of thought on personality type as a driver of perceived breach. If as suggested by them, personality type predisposes itself to specific reactions, then the concept of personality type 'driving' a particular reaction is also worthy of further analysis. But ultimately, what was established was the fact that while employees did understand the rationale for change, the issue was more to do with how this change was communicated both in word and deed and by whom.

#### **4.5 Trust**

With leading academics such as Atkinson [2006], Guest [2004], Robinson [1996] and Robinson and Rousseau [1994] positing trust as underpinning the psychological contract, it is interesting to note an article in CIPD [2013] which suggest that most organisations tend to ignore trust until it has been broken. Accordingly, and seminal to my research is the need to explore trust, and how and why it evolves and the consequences in the absence thereof.

However, despite my best efforts, one organisation initially refused to engage with me, which I assumed was based on the fact that they did not know me, hence did not trust me. Thus, conscious of the [Saunders *et al* 2009] philosophy that developing testable propositions involves seeking alternative explanations, I adopted this mindset when speaking to local management in this regard.

They explained that the issue of mis-trust was directed toward the directors of the organisation but that they themselves, as local plant managers, enjoyed healthy relationships with their employees. This comment supported, in theory, the affective commitment concepts of [Atkinson 2006 and Rousseau 1989] where employees had a good relationship with their immediate management team, hence trusted them. But viewing me as a threat to their employment, planted by the senior team to report back

on all data provided, the swell of mis-trust was so great that the majority refused point blank to be involved in the process. Subsequently, amid a backdrop of debate via the local management team, a small number of employees did agree to answer questions if put in a 'questionnaire format'. Accordingly the concept of 'methodological triangulation' was adopted in an effort to elicit some degree of detail, with a simplistic questionnaire forwarded to include key themes. Completed responses were re-directed to me, with at all times an absolute refusal to meet with me directly for fear of senior management retaliation. This rather paradoxical situation piqued my interest further since on the one hand we had a body of employees refusing to talk to me despite guarantees of anonymity, yet on the other hand, a small group within this body were willing to articulate their feelings in writing. Employee voice [Guest and Conway, 2002] emerged suggesting that employees wanted their 'opinion' heard, with typical written responses to include:

'Hard to say anything about trust in the organisation now, it's all a bit secretive'.

[ Respondent 1, Questionnaire, Organisation 3]

'Not much trust anymore, everyone just looks after themselves now, there is no team spirit'. [ Respondent 4, Questionnaire, Organisation 3].

' I only trust very few, only two if I'm honest'. [ Respondent 7, Questionnaire, Organisation 3]

While looking to alternate explanations for this element of mistrust [Saunders *et al* 2009], the notion that employees did not trust what they did not know seemed plausible. Senior decision makers were for the most part removed from the daily mechanics of the business with some employees working remotely within the reporting structure and others only having intermittent meetings with these executives. Therefore, the concept that affective relationships supporting the trust element of the employment relationship [Atkinson, 2006] were not there and as such trust, under these circumstances could not exist. But despite what seemed alternative explanations for this deep rooted mistrust, the opinion of members of local

management teams and the derisive tone used to voice opinion, negated this affective organisational commitment ethos.

‘Relationship with directors would’nt be good, just don’t trust them. Lies, caught them out with lies a few times , ehm, .....’. [ Interviewee 1, Organisation 3].

What transpired was that given the level of mis-trust directed at the senior executive team, for me as a researcher, with no relationship with any of the employees, there was no trust and accordingly the rationale for refusing to participate became clear. Simplistically put, it was’nt me per se that was the problem, but what I represented from an individual employee perspective , thus supporting the subjective nature of the psychological contract itself and its residing in the eye of the beholder [ Rousseau, 1989]. Yet trust had been established with the local management team and despite this, only eight out of a body of fifty employees could be encouraged to participate in this research. To a degree, this weakens the affective commitment argument of [ Atkinson ,2006] , highlighting the distinction between theory and practice while platforming the subjectivity concept of [Rousseau,1989].

This subjectivity concept of [Rousseau, 1989] is also illustrated within my findings where trust held varying interpretation for varying employees/organisations. On the one hand trust for some revolved around allegiance and loyalty to local employees , supporting the [Newell and Dopson, 1996 ] philosophy on fairness of decision making. But on the other hand, trust issues were concerned with provision of compensation as contended by Brockner *et al* [1987,1986 ]. This diversity of opinion typifies subjectivity of interpretation as seen from the responses of these employees from the same organisation, all at similar managerial levels and all with similar lengths of service.

‘ There should be a 50/50 support for Head Office and employees here. Head office have no allegiance, there should have been more loyalty to here. .... There needs to be more honest communication. Why did they do it, their own future wasn’t secure, it was inevitable that they too would be affected. The selfishness of it’. [ Interviewee 2, Organisation 1 ].



‘The process eroded the element of trust where the original terms of redundancy were reduced. Eh....[ pause here, tone subdued , shoulders slouched ] , people felt penalised for staying because there was less available for those who stayed ‘.  
[ Interviewee 4, Organisation 1].

‘Trust, ah no, I have no trust in the organisation now, when I was 29 I’d say Jesus I have a job now, I’m sorted , I can get a mortgage. If I were to get a mortgage now I’d wonder if I could pay it. Ye it’s a sign of the times but how could you have trust in an organisation where you don’t get a pay increase in 5 years. They send out appraisals to be done [sits back in his seat and sighs], to HR, 3 big paragraphs about appraisals having to be done by a certain date taking up loads of room and then a one liner at the end saying salary discussions at a later date’. [Interviewee 5, Organisation 1].

For these employees, while sub-categories of trust typified different things, trust overall reflected expectation, that is, expectation of support and loyalty and expectation of financial reward. When that expectation was not met, trust was undermined. But if as contended by Robinson and Rousseau [1994], trust is embedded in the psychological contract, with the potential for the psychological contract to change daily, then so too might expectation. But since the literature refers more to promise than expectation, with Robinson and Rousseau [1994] citing a broken promise as eliciting more negative effects than unmet expectation, a gap is highlighted on the area of expectation. So perhaps the question for further analysis rests more upon expectation and managing that expectation since the evidence from my findings is suggestive of the notion that unmet expectation elicits the same responses as violation. With anger and betrayal portrayed as typical reactions to violation, which in them erode trust, findings from my research would also typify these reactions where employees’ specific to organisation one, felt sold out by their local management team. The question by interviewee two in my first organisation asking ‘ why did they do it’ and commenting on ‘selfishness’ refers to the local management team and the interviewee’s indignant tone is didactic of a betrayed employee. Again the concept of providing alternate explanations loom but contrary to Guest [1998] contention that parties to a contract may not be aware of the agenda [or expectation] of the other party, in my findings, expectations were clarified, so the

issue of managing expectation should not have proven as contentious for this particular employer.

Additional findings from these interviews, by and large, contradicted the organisational commitment ethos of [Brockner *et al* 1994], and the relational ethos of [Atkinson 2006]. In their work they contended that commitment and longer-term employment within an organisation promoted high levels of trust, yet despite a 9-25 year range of employment, the relational element, was limited, while the organisational commitment element was on a slippery slope:

‘I know my hours are 39 hours, I clock in at half eight and if I can, I clock out at five. .... I cover my role and my hours. I used to be on some committees but I wouldn’t go back to that now because I prefer to give my time to like a charity or something’.  
[Interviewee 1, Organisation 2]

‘They don’t recognise the survivors, and I think that could be to the detriment of the company, because I feel what will happen is that people will just get to a point where they say I just can’t do this anymore so I’m just going to do my 9-5. There won’t be joined up thinking because the pressure will get just too much for them’.[Interviewee 2, Organisation 2]

‘Ooh, productivity is down, absolutely productivity is down, it’s like a complete mourning phase. Everybody’s suddenly on mobiles and leaving their desks, you know we all know its happening, people are going for interviews’. [Interviewee 3, Organisation 2].

‘I come in and prioritise my work but I should be prioritising my exit strategy. I sit back and see how my behaviour has changed, I have cut down on late nights and I don’t take calls in the evening any more. [Interviewee 4, Organisation 1].

‘I stopped bringing work home, I lost interest for a while’. [Interviewee 5, Organisation 2].

These opinions illustrate the level of despondency felt by survivors in the aftermath of change programs, the verbatim capturing their apathy. This response is evidenced by the actions of employees where they are just doing their job, and contrary to the [Schein, 1965] ethos of going the extra mile above and beyond legally binding requirements, employees now view the extra mile as the potential job down the road. However, while the findings from these interviews do concur with the Robinson and Rousseau [1994] assertion that long-term relationships heighten sensitivities, thus eliciting greater negative consequences; it beggars belief of trust being truly there in the first place. To accept [Robinsons and Rousseau, 1994] view is to accept that long term relationships promote greater commitment, hence greater trust, then that being the case, how could trust become eroded so easily when it is assumed to be the focal point on which the psychological contract is premised [Robinson, 1996]. The decisive issue then, based on these findings, seems to be more about the employment relationship itself with longevity of service having no bearing whatsoever since even employees with 3/4 years service responded in the same way about trust as those with longer tenure.

‘Trust is only ok, but not great’. [Respondent 6, questionnaire, Organisation 3, 3-year service].

‘To be put under that amount of pressure when they knew what was coming. I mean, how can you put people under that amount of pressure and not help them. That broke the trust for people’. [Interviewee 1, Organisation 1, 16 years service]

Findings within these interviews also collaborated the [Brockner *et al* 1987] philosophy where commitment to departing employees proved to be a committal variable for those remaining, and vice versa. Where employees were treated well, then trust in employers going forward should also be positive but since employees felt that impacted employees had not been treated well, then trust was impacted. The reason for this was obvious, survivors visualised themselves being treated unfairly going forward and so the cracks in the relationship began to appear. Similar to the results of a [Doherty and Horsted, 1995] survey where survivors concluded that redundant employees had been treated more judiciously than them, almost twenty

years later, the same view was held. Many of the interviewees in my research concluded that those who had left were the lucky ones while they regretted not leaving through redundancy, taking their package and moving on. Similarly, the suggestion by Doherty and Horsted [1995] that the job becomes the reward was also voiced in these findings with survivors being offended by the suggestion that they were lucky to have the role. In the face of more work with fewer resources, interviewees felt that while they knew they were doing ok to have a role in a company impacted by restructuring, that this was a bad approach for employers to take. Again, the concept of looking after survivors, [Doherty and Horsted, 1995] was lost on many of these organisations where interviewees felt that it was more a case of job done, now just move on and absorb all the extra workload.

‘Sometimes I wish I was made redundant and got the package and moved on’.  
[Interviewee 2, Organisation 1].

‘You might think God, I’m still lucky to be here, you might be made feel like that but you’re here because you are good and that will never be communicated’. [Interviewee 2, Organisation 3].

In fact, survivors were confident in being retained because of organisational strategic choice, as opposed to the positive inequity theory of [Brockner *et al* 1986]. As opposed to being lucky to be kept and working harder to maintain that luck, some survivors expressed the view that they were retained to maintain expertise and to suggest otherwise was to diminish the level of trust between them. But these strategic choices presented their own issues, not only with who was impacted, but also with how it was communicated. Many of the interviewee’s concluded that by being kept in the loop as to what was going on, by being advised confidentially before news broke within the public domain, certainly supported the element of trust between the parties as they felt like ‘ the chosen ones’. Others concurred with this opinion and further contended that by being kept informed built positively upon the employment relationship, all the while supporting the ethos of positive communication in trust building processes [CIPD 2013].

‘Survivors were trusted anyway because they were told what was going on, but when I wasn’t told in the last one, that didn’t help my trust going forward. You see, it retains trust where perception wins over and you fell trusted with this great big secret, and that’s better than playing ‘Russian roulette’ of who is next, is it you or me?’  
{Interviewee 4, Organisation 1}.

However, there is another dimension to this concept of trusting specific employees while excluding others where it could be viewed negatively. For instance, those who were trusted were made to feel extra special, with a positive impact on relations and affective trust [Atkinson, 2006]. But for those employees excluded in this process, there is the possibility that they will feel unimportant and irrelevant with a knock on to their affective trust once they establish that others knew their fate yet they did not? In conclusion then on the issue of trust, what these interviews did elicit was recognition that there are many schools of thought on the area, and many subjective interpretations. A positive for one employee could well be a negative for another but if we are to accept the Robinson [1996] and Robinson and Rousseau [1994] suggestion that perceived breach occurs even in the absence of actual breach, then what chance does an employer have to manage an intangible, illusive and ever changing phenomena. This concept is best represented by the ‘damned if you do and damned if you don’t’ cliché’ which ultimately rests upon subjectivity of interpretation.

#### **4.6 Career Progression**

Several participants mentioned the lack of career progression prospects for them, this concept applying equally to both male and female interviewees but being more pronounced in organisation 1 who were experiencing global restructuring footprint issues. The issues for them focused on lack of communication about opportunities, the fact that they were regressing within their roles and the political agenda of new management structures. Opinion, while strong, paled in comparison to the distain in which they spoke about events with their reality colliding spectacularly with the wisdom of Newell and Dopson [1996] who posit organisational strategies to support organisational commitment in the aftermath of restructuring.

‘I’m now back to doing what I did 15 years ago and I haven’t talked to my new boss yet and he’s here 6 months. There are performance reviews coming up and I haven’t talked to him, control has been lost internally and I feel like a peg waiting to be flicked away’. [Interviewee 2, Organisation 1].

‘Career path, absolutely not, no way, shape or form. They are bringing in people here, there and everywhere who are not even announced. You could be sitting on a plane next to someone and get talking to them to find out they are working in the same company and you didn’t know ’. [Interviewee 3, Organisation 1]

‘No career path here for me, company prefer to hire from outside ...[pauses here and asks for reassurance again about confidentiality] ....the sector heads are told they aren’t good enough. It’s frustrating, its just jobs for the boys, it’s a case of right place, right time, there is no carer progression, if I had been managed properly I could have been CEO by now, who knows, I have been left stagnant now for 13 years ‘. [Interviewee 5, Organisation 1].

Similarly, frustration levels regarding career progression opportunities were also an issue for many participants but as per the subjective nature of the psychological contract itself [Rousseau, 1989], the issues held varying meanings. For some, it represented the resigned acceptance of remaining stagnant in their role with no direction in the face of unsupported ambition. For another, it reflected a golden opportunity that had been promised but to date not delivered on, with broken promises expected to elicit more significant repercussions than an unmet expectation [Robinson and Rousseau, 1994].

‘There’s no aftercare here, it’s like having a gangrenous leg and cutting it off but with no remedial work done in the aftermath of the cutting’. [Interviewee 4, Organisation 1].

‘Well I always believe I can work anywhere I want, climb the ladder as far as I want but here, I can’t see anything. As long as these boys are here, this is my job and that it’. [Interview 1, Organisation 3].

But amid this negative press, a number of interviewees did view restructuring programs as career opportunities. Mindful of the Taliman and Bruning [2008] belief that personality type drives reaction, this assertion, to some degree could be validated dependent on its context. While larger organisations fostered a positive spin on a restructuring process amid potential career opportunities, smaller organisations were less enabled to do so in view of limited growth. So this view should not cast aspersions on the personalities of those negatively pre-disposed since what must be remembered is ‘context’. For some organisations, opportunities just were not there while for others they had not been communicated. If they had, a more positive response may have been forthcoming which may have sustained a more proactive workforce.

‘You have to try and, I suppose, pass onto people that there also opportunities within change whether its redundancy or restructuring or whatever’. [Interviewee 3, Organisation 2].

‘ I don’t know about all departments, but in some, in my own for instance it was sort of said that there might be opportunities for you and ehm, you know, that was positive so you’re kinda going, ok, well I’ m safe and there could be potential opportunity for me here as well’. [Interviewee 2, Organisation 3].

#### **4.7 Conclusion:**

Fundamentally, the issues for survivors around communication, trust and career progression were driven by interpretation and the relationship involved. As such, the following and final chapter will outline these two underlying pivotal aspects of the psychological contract which support the [Rousseau ,1989] philosophy on the ‘eye of the beholder’ . In so doing, its value can be better illustrated .

# **Chapter 5**

## **Conclusions and Recommendations**



## 5.1 Discussion :

The main objective of this research was to explore the value there might be for employers to understand breach of the psychological contract in the aftermath of restructuring. With interviews conducted on the East, West and in the Midlands in varied organisations but amongst similar roles, generalizability can to some degree be applied . While specific themes emerged in terms of communication, trust and career progression, the underpinning essence of these themes was their subjective nature, while relationships with management was also key.

But the focus of this research was to determine if there was a value for organisations to explore breach of the psychological contract in the aftermath of redundancy. So returning then to this research question, the answer based on practical findings of these interviews, is that yes there is a value albeit varied , based upon organisational interpretation and application. Mindful that the value to organisations is as subjective as the contract itself [ Rousseau, 1989], these values range from ethical to economical to financial, with a requirement for a huge dollop of practicality included. Since breach of the psychological contract is not just the breaking of an understanding, but is cited as by Morrison and Robinson [1997] as the breaking of trust, relationships, loyalty and commitment, then its value will be driven by the emphasis that organisations place upon it. To eliminate issues such as absenteeism, increased stress, cynicism and even retaliation [Baruch and Hind 2000, Fisher and Barron 1982], its value should be obvious . But as these issues were not evidenced in the findings, then the obvious is negated . However, evidence did support loss of organisational commitment and loyalty as posited by Doherty and Horsted [1996]. As such, the legacy for participating organisations was one of decreased productivity, lowered morale, communication and trust issues while career development also proved contentious. Thus to offset these negative consequences and drive corporate mandate, organisations would do well to recognise the value of exploring this area based upon data captured from their own employees. To maximise this data is to attenuate the long term consequences of breach which impact organisations at an operational level and which as concluded by Ng., Lam., and Feldman [2010] are more than a temporary problem. Failing this, positive financial implications as espoused

by Blanchard [ 2013] may be the rationale to specifically value the basis upon which the psychological contract is premised, that is , trust [ Robinson 1996]. This concept of trust highlighted high trust companies demonstrating returns which were four times higher than its market average. Therefore value may be rationalised by a balance sheet and how to enhance it in the long term or operational requirements in the here and now, which also must be said, support long term mandates.

But the author does recognise subjectivity of opinion and so to enable any decision making process on the value of exploring psychological contract breach, findings to research questions have been presented accordingly. The rationale for this approach is justified where communications, trust and career progression are the thematic findings of this research, all of which are underpinned by two main themes. Therefore, in line with the essence of the psychological contract itself, rooted in perception [Rousseau, 1989], conclusions hereunder are driven by the subjective nature of employee opinion and the relationship which frames the employment contract.

## **5.2 Subjectivity :**

Rousseau [1989] posits the psychological contract as subjective and driven by individual interpretation which in terms of the findings of these interviews certainly appears to be the case. However, since Rousseau only considers the psychological contract from an employee perspective, practical implications for employers do become the analytical nightmare referred to by Guest [1998]. But having read much and listened to many, I concluded that while a reciprocal approach as advocated by [Guest ,1998] is in theory, a preferred approach, that in practice, the subjective nature of the psychological contract could in fact predispose itself to the employer being as subjective in their interpretation as the employee.

Therefore the Rousseau [1989] contention that the psychological contract resides ‘ in the eye of the beholder’ becomes a reality across all areas but in the context of this research, is highlighted where thematic findings held different meanings for different people. To illustrate this point is the distinction between the meaning of

communication for all three organisations where it ranged from lack of consistency to absolute lack of communication. Additionally, it also reflected the [CIPD,2013] report on communication of action and deed where consistency in both areas was advocated, but was sadly lacking. Furthermore, given the concept of trust being a basis on which the psychological contract is premised [Robinson and Rousseau, 1994], varying interpretations of this ethos were found. For some, trust reflected an expectation to communicate strategic changes which impacted employees personally while supporting them through these changes, while for others it represented the financial expectations of a severance package. Where these expectations were not met, trust was eroded but a more philosophical question should pertain to whether or not they could have been met? According to Robinson and Morrison [2000], violation can occur by interpretative deduction as well as in the real sense of the word, once again compounding the difficulty for employers to manage. So for instance, in these findings, violation occurred because expectation was not met but expectation may not have been possible to meet due to practical implications. Such implications may have involved lack of resourcing or lack of financing, which while practical for employers were irrelevant for employees in the face of expectation.

Further issues surrounded the expectation of support from management where more work needed to be absorbed by fewer people instead of what they viewed as piling on the pressure. The issue for interviewees was that they were being asked to do more in the hope that final cuts had been made and redundancy necessity had bottomed out. The reality was that there was more to come. As concluded by one employee, 'there was no natural end to it' [Interviewee 4, Organisation 1]. But who really can judge employers in this situation, when they too had a mandate to fulfill which was to drive the process. Equally employers might, in all honesty, plead ignorance of what was unfolding or argue the fact the workforce had to be kept immobilised to sustain the remaining population. So from this perspective, once again the subjectivity of the psychological contract is found whereby the argument is defended based on the corner you are fighting from or the 'eye of the holder' context of [Rousseau 1989].

An additional thread to this 'expectation' debate focuses on the area of renegeing and incongruence with Pate, Martin and Mc Goldrick [2003] citing renegeing as the

failure of an employer to meet recognised obligations and incongruence the failure to meet obligations because of mis-interpretation. In applying this logic, this means that direct refusal is renegeing, and mis-interpretation is incongruence yet from my findings, nobody refused and mis-interpretation wasn't the issue. The issue for many interviewees was the 'inability' to meet expectation , and while that inability may have been linked to some very plausible explanation that limited or entirely negated its ability to meet expectation, this facet was irrelevant in the face of subjectivity of interpretation.

On deeper analysis of the career progression issue, subjectivity was also evident dependent on individual interpretation where it was viewed as either a positive or a negative. For some it was non-existent where employees felt stagnant in their roles over extended periods of time and where security of tenure was limited in the face of constant restructuring. One employee voiced the opinion quite dis-passionately that 'I'm on a 3 month notice period and thats as far as I look '. [ Interviewee 2, Organisation 1], so for all intents and purposes, career progression was irrelevant. Conversely, other employees saw restructuring as opportunistic where redundant roles created new horizons . Thus, career progression was relative to both the organisation and the employee, and while larger organisations could foster opportunity, smaller organisations could not compete against the backdrop of global footprint issues. This too in many ways answers the question regarding the gap in research from the 80's to current day interpretations. Research would dictate that reaction to restructuring would typically be adverse, yet these practical findings depict the opposite, albeit only for some. Nonetheless, it does highlight the move from negative outlook to positive as posited by Dulac *et al* [2008] where not all reactions to breach are negative, but with little reseach in this area, highlights potential for further analysis.

Therefore it would seem that based on the evidence of these interviews and to answer my first sub-objective, the psychological contract is truly subjective and does as Rousseau [1989] says, reside in the eye of the beholder . But by inference, and if taken literally, this 'eye' could also represent the eye of the employer, which is contrary to her opinion that it reflects employee perspective only, but thats best left for another day.

### 5.3 Relationships:

The ability to positively influence interpretation based upon positive employer/employee relations is another area underpinning this research. Robinson and Rousseau [1994] contend that the longer the relationship the deeper the perception of relationship is felt and by inference the deeper organisational commitment. Furthermore they argue that the greater the emphasis that employees place on the employment relationship, the greater the negative consequences of violation, the question here being , who is this employment relationship with? While [Rousseau, 1989] is reluctant to anthropomorphize any organisation into an agent or otherwise, findings suggest that employees tend to do this anyway, venting rightly or wrongly at local agents. With findings indicative of very poor local relations, one wonders if this was more a case of personality clash or personality absence and if alternate management had been employed, would the outcome have been any more positive ? In participating organisations, management relations seemd to be remote , more ‘top down’ , strained. Supporting this assumption were comments such as ‘employees should not be afraid to approach someone if they have a problem ’ [Interviewee 5, Organisation 2 ] while the ultimate display of non-existent management relationship was the comparison between local management and Hilter from organisation one.

Post restructuring and relationship advice as posited by Doherty and Horsted [1995] also appeared lacking based on my findings. The ethos of putting as much work into survivors as is put into those exiting was by and large ignored . Evidence in support of this assertion is found in the analogy of comparing the redundancy to a gangerous leg whereby post cut off of the leg, there was no aftercare, [ Interviewee 4, Organisation 1]. Furthermore compounding this belief is the comment made that at one time this organisation was the centre of excellence of the organisation , to whom the global group looked to for expertise, but now, post restructuring they were nobody, just hanging on. This comment was more succinctly put as follows: ‘ at one time we were the centre of their universe and now we are just on the edge of their galaxy’, [Interviewee 3, Organisation 1]. Further testament to this area of aftercare was also provided by comments such as ‘ I don’t think it will level out, its only going

to get worse and worse until someone snaps or someone gets hurt, morale is on the floor and I don't know if it can be reboosted, its going on 2-3 years now ' [ Interviewee 5, Organisation 3] . Similar despondent but resigned acceptance comments also highlighted this lack of aftercare with comments such as ' sometimes I wish I had been made redundant' [ Interviewee 2 , Organisation 1] and ' no, the company will never learn because they don't wait round long enough to see the effects, they come in and take what they can and go, thats how it is' [ Interviewee 5, Organisation 1].

So in terms of sub objective three of my research and the question of after care, it would seem that theory is one thing, practice another. Based on my findings, it appears that employers are not combatting the negative consequences of redundancy by pro-active measures and as such are evidencing less organisational commitment in its aftermath. This is a surprising 'find' in the age of employee voice and employee engagement as posited by many to include CIPD , in that employers have more to gain by being pro-active when trying to sustain expertise alongside a positive corporate image. Rather, pro-active measures were replaced by a ' your'e lucky to have a job' attitude, as testified by several interviewees which may well be to the detriment of the organisation when the labour market picks up again. Only time will tell.

Finally then, another sub-objective to explore the gaps in research findings from the 80's to current day interpretations, highlights for me the most contemporary findings of a down trodden population. While acknowledging the fact that survivors have survived because of their worth to the organisation in terms of their expertise, what captured my interest was a combination of resigned acceptance to their circumstances amid unwavering allegiance to colleagues. Survivors reluctantly accepted the rationale for redundancy , the limited number of job opportunities in the labour market , all the while retaining a 'sign of the times attitude'. This was sharply in contrast to research of the 80's where redundancy was a new phenomena evoking the shock factor, to current interpretation where it has become the norm. Rousseau [1989] cited it then as the norm and not the exception, little knowing that twenty four years later this opinion would carry more weight now than it did back then . Yet

despite this foresight, there are large gaps in research to support this situation with the concept of employability only raising its head in current climates in the face of large scale unemployed and underskilled labour markets. Additionally, the paradoxical situation of fairness to exiting employees platforming future relationships [Brockner *et al* 1987] was evidenced. In this, employees who were deemed to have been treated unfairly formed the basis of negative relationships with employers going forward with employers while positive with fellow colleagues. This allegiance to exiting employees unified remaining employees who heretofore had not been as cohesive, yet now held tight relationships. This area of the employee to employee relationship is also found lacking in empirical research and given its ability to drive the same positive reaction as leader member exchange [Suazo, Turnley and Mai-Dalton, 2005] substantiates the worth of further analysis.

#### **5.4 Limitations:**

Once again, deferring to Rousseau [1989], the greatest limitation when attempting to understand the implications of breach of the psychological contract, was its subjectivity. Relative to interpretation, being both limited and broad in equal measures it is complicated by its very construct, thus making it difficult to manage. A further limitation is that contrary to the [Guest, 1998] school of thought on reciprocal interpretation, this research was limited to employees only. If however, employers had been involved, a copious amount of opinion could have been collated which may have dispelled the negativity of some findings. But to do so may also have engaged in lengthy debates between the parties, necessitating greater time frames, a luxury I did not have during the course of this research with time scales proving to be a limitation in itself. Notwithstanding these limitations, time was managed, opinion was gained and findings have been presented together with the following recommendations.

## 5.5 Recommendations:

To advance research and practical application of change management programs, specifically for HR and Operations professionals, the following recommendations are made:

- Shortcomings of this research are indicative of a singular perspective therefore to promote dual perspective is to potentially enable more positive employment relations. To this end, employer perspective as cited by Herriot and Pemberton [1995] and Guest [1998] is recommended to advance theory and practical developments in this area .
- Literary research supporting the concept of ‘expectation’ with very limited if not in fact virtually absent . While Morrison and Robinson [2000] and Robinson and Rousseau [1994] cite broken promises as more intense than unmet expectation, illiciting more negative consequences, there is little work on ‘expectation’ and its consequences. But given the findings of these interviews which suggest the same negative responses as broken promises, then it is highly recommended that expectation be managed well. To do this, further research in the area is advocated over an extended time frame to gauge its full impact .
- The interview as a method to capture rich and detailed insights [Collis and Hussey ,2009] might well be extended to dual interviewing. Acknowledging subjectivity of opinion [Rousseau ,1989], researcher interpretation may be either validated or negated by a second opinion in support of greater validity of findings.
- Time frame to conduct interviews would exclude, and/or extend beyond summer periods with annual leave determining access and availability to a large degree. As such, a greater sampling population might be accessed where not impeded by leave entitlement.



## **5.6 Conclusion :**

This work concludes that the psychological contract is definitely subjective and interpretation driven, as espoused by Rousseau [1989] but that there is certainly a value to exploring it in view of current redundancy problems in Ireland.

Ultimately though it is acknowledged that the value for organisations to explore this concept will be driven by its mandate, and the value that an organisation places on that mandate in terms of financial, ethical and practical implications. Accordingly, the seminal focus here is 'value' and what constitutes value from an organisational perspective.

Therefore, and in conclusion, I have learned much throughout this research and feel enriched and humbled as a Human Resource practitioner by its findings. As such, I entrust this work to other HR professionals in the hope that it may support further analysis and advance theory in this area for the better good of all involved.

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Participation Letter & Consent Form : <http://iris.uwaterloo.ca/ethics>



## **Appendix 1: Participation Letter**

### **To Whom It May Concern:**

This letter is by way of invitation to consider participating in a study I am conducting as part of my Masters Degree in Human Resource Management at the National College of Ireland, Dublin. The following detail will outline this study for you, the information required from your current body of employees and the benefits of your participation.

**Title of Research:** Does redundancy impact the psychological contract of survivors in multi-national organisations and how can organisations mitigate against negative consequences in current times?

**Outline of Research:** The objective of this research is to determine the impact of redundancy on the psychological contract of survivors of rationalisation programs in current climates. As redundancy becomes more common in the face of technological change and market turbulence, the question surrounding survivors and their reaction to the organisation is debateable with both positive and negative affective responses dependent on the individual and the organisation. The strategic requirement to have 'ring-fenced' a number of specific skill sets to stay within the company may be challenged by employee perception, posing a problem for all concerned. Accordingly, it is the objective of this research to conduct semi-structured interviews with you and your staff to determine survivor perception with minimal impact on productivity.

**Information for Participants:** This is a strictly voluntary process, which is underpinned by confidentiality and will involve, with participant permission, an audio recording of the interview process. The detail will subsequently be transcribed for analysis but at all times, names will be withheld to protect confidentiality obligations. A copy of this transcript will be made available to each participant to validate accuracy of detail together with a copy of the completed dissertation being made available to the participating organisation for perusal if requested.

**Benefits:** With gaps in empirical research to date on ‘redundancy’ and its influence on the psychological contract for survivors, this study should be of benefit to organisations who of late have been heavily impacted by redundancy. A shortage of key skills in specific areas together with immigration issues validates the requirement for organisations to re-negotiate psychological contracts with survivors in an effort to maintain loyalty, motivation, productivity and morale. The results of this study in conjunction with research from leading academics should prove of interest to organisations who may choose to tap into a practical pool of knowledge induced from their own staff while learning also from the practical experiences of other organisational participants in similar situations.

As such, I do hope that you may choose to participate in this study but should you require any additional information in this regard, you can contact me on 087/6559342. Meanwhile I look forward to an opportunity to talk with you and will be in touch again in the coming weeks to confirm your participation or otherwise.

Sincerely,

**Sandra Mongan**

[Adapted from University of Waterloo, Office of research ethics: participant letter for interview at <http://iris.uwaterloo.ca/ethics>

## **Appendix 2: Participant Consent Form**

### **Participant Consent Form**

1. Please be advised that in signing this consent form you are not waiving any legal rights or releasing the author, college or organisation from their legal duties and responsibilities to you.
2. I understand that all participation in this study is voluntary and that I can withdraw from this study at any time. Furthermore I understand that this interview is strictly confidential and that my name will not be associated with any of the work either in the transcripts or the finished dissertation.
3. With full knowledge of all of the particulars regarding participation to include voluntary nature, confidentiality, audio recording etc, I agree to participate in this study.

**Participant Name:**

**Participant Signature:**

**Witness Name:**

**Witness Signature:**

**Date:**

[Adapted from University of Waterloo, consent form

<http://iris.uwaterloo.ca/ethics>

### **Appendix 3 : Semi- Structured Interview Questions**

- 1. How long are you with the company?**
- 2. Did you know that change was imminent?**
- 3. How was this communicated to you? Did you understand the rationale?**
- 4. What are your thoughts on the rationale ?**
- 5. Could you describe for me how you felt about the process?**
- 6. Did the process impact your department?**
- 7. How did that make you feel?**
- 8. What about impacted employees? Could you tell me what happened to them?**
- 9. What about those who remained? Could you describe what happened in the aftermath of restructuring?**
- 10. What about your role going forward?**
- 11. Could you maybe outline for me how things are with your employer after this process?**
- 12. How does this affect you personally?**
- 13. How are things now? What about you, how are you now?**
- 14. Of those who left, do you know if they got other roles elsewhere?**
- 15. Do you think you might stay with the company in the longterm?**
- 16. Of everything that happened, what do you think was done particularly well?**
- 17. Is there anything that you think was done not so well?**
- 18. Do you think people learned from this process? If so, what do you think they learned?**
- 19. If you were CEO in the morning, and you had to restructure the organisation, then based on what you now know having gone through the process, how would you handle it? What would you do?**
- 20. Have you any advice for the organisation?**

## Appendix 4 : Questionnaire

**Change Management Process:**

**Please Tick :Male/Female**

1. How long are you with the company?

-----

2. Do you enjoy your role?

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3. Did you know that change was imminent?

-----

4. Was the reason for change clearly and effectively communicated?

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5. Do you agree with the rationale for change?

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6. How do you feel the process was handled?

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7. Did the change program impact your department?

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8. How did the change process make you feel?

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9. Could you describe what communication was like?

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10. How did you feel?

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11. Were management visible/ supportive?

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12. How did you feel about your role going forward?

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13. What would you say about your relationship with the company now?

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14. Did you still enjoy the same relationship and if not, why not?

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15. What would you say about trust in the organisation now?

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16. Describe the atmosphere/morale now?

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17. How soon after the process did things in work return to normal?

18. How do you feel now?

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19. What about career progression?

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20. What about performance management?

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21. What would you say about communications now?

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22. Do you worry about your own security within the organisation?

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23. What do you think management learned from the process?

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24. In your opinion, what specifically was done well?

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25. Again, in your opinion, what specifically was done badly?

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