

An Exploration of the Impact of Budgetary Cuts  
on the Psychological Contract of Nurses

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## **Abstract**

This study explores the current state of the psychological contract of nurses in relation to the aftermath of the recession and consequential budget cuts over the past few years, and offers a snap shot in time of the effects of the most recent 2012 budget. It explores whether there has been an impact on nurses attitude towards their work at this particular moment in time. The literature review refers to the types of psychological contract as well as various aspects including possible perceived breaches or violations resulting in attitudinal or behavioural changes. The elements of trust and commitment are discussed as relevant to the psychological contract. Findings of this study convey the current needs and expectations of the nurses in the employment relationship and whether there is a perceived breach of the employer's obligations. The findings also convey whether the nurses' attitude or commitment towards their work has been affected and if any new skills have been acquired to meet the increased workload. This research contributes to the literature review and adds value to the topic of psychological contract. The limitations of the study, and possible directions for future research, are discussed.

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## CHAPTER ONE - Introduction

### **The Recession and Budget 2012**

Ireland became the first country in the eurozone to slip into recession in 2008 following the global financial crisis (Kollewe 2008). The Irish crisis hit after more than a decade of strong growth resulted in the collapse of a housing bubble, a banking crisis and a deep recession in 2008 (Monahan 2011). The government have aimed to reduce the deficit to 3% of GDP by 2015 and budgetary cutbacks followed in the years afterwards (Monahan 2011).

Budget 2012 is the seventh fiscal adjustment to the Irish economy since the beginning of the current economic crisis in 2008. Following the Budget's increases to taxes and decreases in public expenditure, the total adjustment to date has risen to almost €24.5 billion - equivalent to 15% of GDP (Gross Domestic Product) which has been directly removed by government from the economy (Social Justice Ireland 2012).

Based on the plans outlined in November's Medium Term Fiscal Statement, the Government intends to remove a further €8.6 billion from the economy over three Budgets from 2013-2015. If these plans are implemented, the overall sum of the adjustments from 2008-2015 will total €33 billion, which is equivalent to 18% of the GDP forecasted for 2015 (Social Justice Ireland 2012).

The General Government Deficit target is €8.6% of GDP of 2012. The key figures of the Irish Budget 2012 include €3.8bn in adjustments, €2.2bn expenditure consolidation. There will be €1.6bn revenue consolidation of which around €1bn new

tax measures 80% of current expenditure is on social protection, health and education and the Budget 2012 Information Leaflet states, “it is not possible to reduce spending without affecting these areas” (Department of Finance 2011 p 2)

Where further adjustments have to be made, Social Justice Ireland (2012) argue there is a clear need to alter the balance of adjustments towards additional taxation measures and away from reductions in public sector expenditure, which is now impacting heavily on basic public service provision

### **The Public Sector**

The public sector in Ireland is defined as “the whole of the activities, organisations, institutions or services, for which the state or its representatives can be regarded as the employer, and whereby the organisation, the goals and the operation thereof are determined by public authorities and underpinned by public funding” (Dobbins 2008)

There are a number of core areas that can be regarded as comprising the integral parts of the public sector in Ireland. These include the civil service, the health services, local authorities, the education services, the security services of the police and defence forces, the prison service, and finally non-commercial state sponsored bodies, which may be developmental, advisory or regulatory in nature. In addition to these bodies, which together are termed the public service, the public sector also encompasses commercial public enterprises. These companies are owned by the state but governed by government appointed independent boards, and operate within a framework that is essentially established and controlled by a government Minister (Dobbins 2008)

The most recent key elements of public service reform in the Irish public sector are

firstly, The Public Service Agreement 2010 -2014 (Croke Park Agreement) ratified by the Public Services Committee of the ICTU in June 2010 The Public Service Agreement 2010-2014 represents an agreed agenda for change across all sectors of the Public Service and provides a framework within which greater efficiency in delivering for the citizen can be secured It also aims to provide a basis for confidence about pay levels and security of employment in the Public Service for the future (Department of Public Expenditure and Reform 2011)

The most recent development was in March 2011, the appointment of Minister Brendan Howlin, TD, as Minister for Public Expenditure & Reform Also, The Government announced a comprehensive review of all areas of public spending to ensure that there is value for money in delivering public services There will also be a requirement to improve productivity and performance in the context of significantly reduced staff numbers (Department of Public Expenditure and Reform 2011)

### **The Irish Health Sector and the HSE**

The 'Summary of 2012 Budget and Estimates Measures Policy Changes' was announced on the 5<sup>th</sup> and the 6<sup>th</sup> of December 2011 It provides the estimated amount the Irish Government is to save in relation to the Department of Health, the yield/cost for 2012 is €543million and the yield/cost for the full year is €797million (Department of Finance 2011)

Social Justice Ireland (2012) states that the health budget has been reduced by €493M in budget 2012 This includes €35million for community mental health teams, an increased monthly threshold under Drug Payment Scheme by €12 per month, 2% 'efficiencies' sought in disability, mental health and children's services, and increased

charges on private patients in public hospitals (Social Justice Ireland 2012)

The Irish Healthcare Sector is made up of two distinct parts Public health and Private health The public health element is managed by the Health Services Executive (HSE), which was formed as part of the provisions of the Health Act, 2004 Prior to this the Public health sector in Ireland was made up of eleven local Health Boards which were managed by the Department of Health and Children (DoHC) (HSE 2012)

The HSE provides thousands of different services in hospitals and communities across the country There are 193 hospitals in Ireland, these can be divided into three distinct types of hospital

- 1 The HSE manages the majority of Ireland's hospitals, Acute, District, Community and Mental Health
- 2 Voluntary Hospitals are partly funded by the Government In many cases Voluntary Hospitals are owned and run by voluntary organisations such as religious orders
- 3 Private Hospitals are privately owned and privately run companies They receive no government funding (HSE 2012)

The HSE is the largest employer in the state, with over 100,000 employees whose job is to run all of the public health services in Ireland More than 67,000 are direct employees, the remainder are employed by agencies funded by the HSE The Government introduced a moratorium on recruitment in the Public Service in March 2009 and this has reduced significantly the number of job opportunities in the HSE (HSE 2012)

The total numbers of whole time equivalent (WTE) staff employed in the public health services since 2007 show a decline in numbers of approximately 6.5% (Department of Health 2011). Data found by The Department of Health in Health in Ireland Key Trends 2011 state that the nursing profession remains the single largest grade category at 36,000, reduced from 39,000 in 2007. However, The Department of Health (2011) note that data for 2011 refer to September, and are therefore likely to underestimate the end of year position in terms of reductions in staffing.

The Department of Health (2011) also summarise data and trends in public spending on health services during the past decade. Total public expenditure on health has increased by two thirds between 2002 in comparison with the estimates for 2011. The non-capital side represents about 97% of total expenditure, and also increased more rapidly than capital expenditure over the period. Without taking inflation into account, capital expenditure is now 25% lower than in 2002. Provisional figures for 2011 show an estimated decrease of 9.3% in total public expenditure on health since the peak in 2009. Public capital expenditure on health is 378m for 2011 compared with 585m in 2007. Capital Public Health Expenditure for acute hospitals was 219,713 in 2010 compared to 311,672 in 2007, pre recession (Department of Health 2011).

The budget provision for 2012 represents a major challenge to the HSE and comes at a time of significant reform of the public health system. According to the HSE (2012), the total quantifiable cost reduction target of €750m for 2012 follows two unprecedented years in the history of the health service in which the HSE had total budget reductions of €1.75bn. Staff levels have reduced by over 8,700 since the peak employment levels in 2007 (HSE 2012).

The HSE (2012) state that over the last two years, the reductions in health expenditure have been achieved mostly through a combination of price reductions such as public service pension levy and pay cuts, procurement efficiencies, successive drug price reductions and cuts in fees for GPs and community pharmacists as well as changes in demand-led schemes, increases in charges and reductions in numbers employed

In 2012, the majority of the savings measures relate to reductions in numbers employed but there are also other reductions in service efficiencies and pay costs. The HSE (2012) argue that the scale of the cost reductions required and the accumulated reductions in frontline staff in 2012 will impact increasingly directly on frontline services

The HSE (2012) state that this is mostly because of the anticipated reduction in the numbers of staff who will have exited services at the end of the “grace period” at the end of February 2012

### **Nurses**

Dr James Reilly, TD, Minister for Health states that the reduction in funding will impact frontline staff of the health services. The Minister specifies that despite the progress made by the health services in “doing more with less” the reductions in funding for 2012 will pose major challenges and will require acceleration in the reform programme” (Department of Health 2011)

In a letter from Liam Doran, General Secretary of the Irish Nurses and Midwives Association (INMO), five major issues to the Minister for Health are outlined that are

of concern Firstly there is a need for clarification of the government policy in relation to frontline services arising from retirements, which will take place before 29<sup>th</sup> Feb 2012 Over 1,600 nurses/midwives have in Jan 2012, their intention to retire from the public health service by 29th February 2012 (Doran 2012)

Clarifications as to what changes are planned for the current recruitment freeze for nursing/midwifery staff arising from the current shortage of staff

Whether there is a possibility for an introduction of a post-qualification employment initiative for nursing and midwifery as newly qualified professionals are leaving the country and the initiative would assist in addressing the critical shortage of nursing and midwifery posts (Doran 2011)

Whether the government is to implement significant reform of the role of the nurse and midwife, which would result much greater utilization of nurse/midwife led services (Doran 2011)

Finally, what measures will exist in the 2012 government policy to ensure empowerment of the senior nurse/midwifery manager to protect safe standards of care, as difficulties have been identified where targets have been given priority over standards and best practice (Doran 2011)

In reaction to the budget for the health service the main union representing nurses said that the budgetary cuts are being given priority over patient care The union claimed the Irish health service was under "unbearable pressure" and had lost nearly 3,000 nurses and midwives in addition to the closure of 2,317 beds (NiHill 2011)

In the National Service Plan for 2012, which was released 16 Jan 2012, the Health

Service Executive (HSE) has revealed that hospital budgets will be cut by up to 4.4 per cent and 555 nursing home beds closed this year. The budget cuts to hospital funding will require a decrease in their expenditure by about 7.8 per cent. This will equate to a 6 per cent reduction in service activity (The Journal 2012)

The Department of Health stated that there will be “an inevitable and unavoidable reduction in services but it will not be a ‘straight line reduction’ in response to the scale of the financial challenge facing the HSE

The HSE acknowledge that there will be an impact on frontline services due to the falling staff numbers. It is estimated that 3,200 workers are expected to leave the health service before the end of February 2012 and the use of agency staff is to be cut in half. This comes on top of year-on-year staff reductions following “several years of delivering more with less money” (HSE 2012). Service delivery will be impacted directly despite new models of care that are proposed by the HSE, as it is clear that it will not be possible to deliver all services at the same levels as previous years (The Journal 2012)

Minister Reilly called on “greater flexibilities” in work practices and rosters, as well as more redeployment and stated, “This plan outlines how the system will adapt in order to minimise reductions in service levels while facing up to financial and reform challenges.” Reilly expressed that HSE executives should be more ambitious as a cut in expenditure should not mean an equal cut in service activity (cited in The Journal 2012). HSE chief executive Cathal Magee responded as referring to 2012 as a “challenging year” for services

In late 2011 concerns over patient safety led to nurses at one of Ireland's busiest emergency departments (ED) stopping their work. The problems at the hospital were due to the closing of 100 acute hospital beds in the region, budget cuts and a moratorium on the recruitment of registered nurses (Condon 2011). The INMO warned in 2010 that patient care would be severely compromised and frontline services significantly curtailed if this level of budget cuts are introduced in an uncontrolled fashion (Hunter 2010).

### **Research Aim**

In the aftermath of the 2012 Irish Budget this research explores the state of the psychological contract from the perspective of HSE nurses and whether the psychological contract has changed as a result of the budget.

### **Research Objectives**

- 1) Identify and explore the current state of the nurses' psychological contract that exists
- 2) Explore what impact, if any, the budget cuts has had on nurse's attitudes towards their work
- 3) Establish whether staff have acquired new skills to meet the increased workload

### **Research Questions**

- 1 What obligations do the nurses expect from their employer?
- 2 Have the nurses always had the same expectations?
- 3 Has there been any change to the psychological contract since the austerity?
- 4 What did the previous psychological contract contain?

- 5 Are there differences between the previous psychological contract and the new psychological contract due to the austerity?
- 6 Has the nurses' attitudes towards their work been affected as a consequence of the austerity?
- 7 Has the nurses' role changed at all in day-to-day work?
- 8 Is there an increased workload?
- 9 Have the nurses acquired any new skills to meet the new workload?

## CHAPTER 2 - Literature Review

### **Origin and Content of the Psychological Contract**

Clutterbuck (2005) uses the term psychological contract to describe how people feel about the exchange of the beliefs and perceptions of what both parties expect from each other in the employment relationship. Interest in the psychological contract was driven by a desire to search for new and more innovative people management practices in the context of economic restructuring and increased international competition (Cullinane and Dundon 2006).

The term 'psychological contract' was first established in the 1960's and can be traced back to the early work of Argyris (1960). Argyris (1960) mentions the concept after conducting research in a factory and uses it to describe the relationship between workers and their foreman where employees would maintain highly productive if the foreman respected their norms. Elements of the theory can also be found in social exchange theory as social relationships have always consisted of unspecified obligations and the distribution of unequal power resources (Blau 1964).

The use of the psychological contract as an analytical framework came mainly from developments made by Schein (1965) that there is an "unwritten set of expectations operating" between the members of an organisation and the managers of the organisation. Fox (1974) further illustrates the point that employment relationships are shaped as much by social as well as an economic exchange.

During the time of the 1960's psychological contracts included shared, or at least acknowledged, understandings about the broad "rules of the game" between employers and employees (Walton,<sup>1</sup> Cutcher-Gershenfield & McKersie 2000). During

the 1970's and 1980's the development of new production technologies and an electronic revolution led to changes in the nature of economic and social activity which changed the nature of the psychological contract (Walton et al 2000)

Although the psychological contract originates from the field of Employee Relations, it has become a major analytical device in explaining Human Resource Management (HRM) The interest in the psychological contract in the 1990's stems from interest in the search for factors likely to contribute to sustained employee motivation and commitment Economic restructuring and increased international competition motivated interest in the psychological contract by a desire to search for new and more innovative people management practises There was a decline in collective bargaining and a rise in individualistic values, the significance of informal agreements increased in the workforce as they reflect the needs of the individual with implicit and unvoiced expectations (Cullinane & Dundon 2006)

Despite the wealth of literature relating to the psychological contract there is no one universal definition as authors have tended to adopt different perspectives regarding what it is and what it is expected to do There is a general consensus that the psychological contract deals with implicit reciprocal promises and obligations (Cullinane & Dundon 2006)

### **Formation and content**

A psychological contract develops when an employee perceives that the organization is obligated to reciprocate in some manner in response to contributions he or she has made (Andersson 1996) An individual generally has expectations of personal development, reward, adjustment and regulation in the work they do Individuals enter an organization with a set of beliefs, values and needs which the expectation that

these will be met, supported and appreciated as well as their wellbeing protected (Sonnenberg 1997)

According to Guest & Conway (2001), the core of the psychological contract concerns the exchange of promises and commitments Makin, Cooper, & Cox (1996) further describe the content of the psychological contract as involving nontangible psychological issues about cognitions, perceptions, expectations, beliefs, promises and obligations which form part of the implicit employment contract together with the explicit formal contract

De Vos, Buyens & Schalk (2005) propose five content areas of what each party expects from the contract, career development, job content, financial rewards, social atmosphere, and respect for private life Similar to these content areas is the five aspects Freese & Schalk (1996) found the contract to subdivide into, which are, job content, opportunities for personal development, social aspects of the job, human resource policy and rewards All of these content areas can be mapped across Csoka's (1995) basic parts to the new psychological contract

#### Employee Provides

- Commitment to business objectives
- Shared responsibility for success
- Quality performance
- Flexibility
- Judgement
- Strategic skills
- Continuous improvement

## Employer Provides

- Employability
- Learning
- Flexibility
- Performance-based compensation
- Greater participation and involvement
- Interesting and challenging work

Csoka (1995 p27)

Hutton & Cummins (1997) differs in that they identify employer obligations to be support, respect and fair practice, and employee obligations as, getting the job done, flexible citizenship and loyalty

Guzzo, Noonan & Elron (1994) state that the psychological contract is continually revised as it is based on evolving expectations and is oriented towards the future as it is not possible for individuals to form expectations in advance about all the contributions an employer might make. This means that psychological contracts are evolving and must be capable of change as the environment under which they form is continually changing (Wright, Larwood, & Doherty 1996)

A sensemaking process is a term that has been used to describe the process of psychological contract construction and formation. Louis (1980) describes sensemaking as a cognitive process that individuals employ in organisational settings and it has been identified as a cycle of events occurring over time. The cycle begins when employees form unconscious and conscious anticipations and assumptions

about their future employment relationships (Louis 1980)

De Vos, Buyens & Schalk (2003) describe sensemaking as a process through which newcomers actively formed and changed their cognitive schema. These sensemaking processes were viewed as a fundamental part of the maturation of attitudes and behaviours that facilitated the effective functioning of new recruits in the workplace (Morrison 1993)

Thomas & Anderson (1998) found that the psychological contract is 'dynamic and evolving' based on their results from a study about changes in the psychological contracts held by newcomer recruits into the British Army. In the study, Thomas & Anderson (1998) examine changes in perceived expectations during the organizational entry process. It was found that newcomers' expectations of the Army increased significantly on several dimensions, that these changes were predicted by learning about Army life, that perceived importance of dimensions of Army life increased, and most importantly, that these changes were generally toward the insider norms of experienced soldiers.

This study proves that during early organizational socialization, newcomers show an upward re-appraisal of what their employer should provide. This re-appraisal is partly based on their knowledge of their new organizational environment. Salience, or importance, is shown to have a role in the psychological contract. Some dimensions of the psychological contract are seen to be changing over time to become more closely aligned with insider norms. The findings of this study suggest that the psychological contract is a dynamic, shifting set of expectations if organisations are to socialize and assimilate newcomers into the recognized norms and practices of the organization. This shifting set of expectations was found to be changing quite rapidly.

at entry level, as in over a period of weeks rather than months (Thomas & Anderson 1998)

Schneider, Goldstein & Smith's (1995) attraction-selection-attrition (ASA) theory proposes that individuals and organizations are attracted to, select, and stay with each other on the basis of similarities (Schneider et al 1995)

### **Mutuality of the Psychological Contract**

Rousseau (1989) distinguished between conceptualisations at the level of the individual and at the organisational relationship. She focuses on the individual employee subjectivity in employment rather than on a two-way exchange. She refers to the psychological contract as an individual's belief regarding reciprocal obligations. Rousseau (1995) defines the psychological contract as an "individuals subjective beliefs, shaped by the organization, regarding the terms of an exchange relationship between the individual employee and the organization". Additionally, Rousseau (1995) describes belief as a component of a psychological contract where certain actions are believed to be particularly appropriate, while others are not. However, only those beliefs involving obligations of mutuality are contractual. "Beliefs become contractual when the individual believes that he or she owes the employer certain contributions (e.g. hard work, loyalty, sacrifices) in return for certain inducements for example high pay, job security etc (Rousseau 1990, p 390)".

Guest (2004b), on the other hand, argues that the psychological contract should include the 'employer perspective' and the employment relationship is a two-way exchange. He defines the psychological contract as "the perceptions of both parties to the employment relationship, organization and individual, of the reciprocal promises

and obligations implied in that relationship” The psychological contract is concerned with whether these promises and obligations have been met, whether they are fair and their implications for trust (Guest 2004a) He suggests that the distinctions made by Rousseau between obligations and expectations are ambiguous (Cullmane & Dundon 2006) Anderson & Schalk (1998) also argued that mutual obligations are the central issue in the relationship between employer and employee Anderson & Schalk (1998) argue that mutual obligations are mostly implicit, are covertly held, and only discussed infrequently, even though these mutual obligations may to some extent be recorded in the formal employment contract

While mutuality may exist, there are issues in considering whether employers or organisations develop specific views on the content of the psychological contract Rousseau & Tijoriwala (1998) argue that identifying the organisation is a complicated task as well as determining the organisations perceptions or perspective The question arises of who constitutes the ‘organization’ as the other party to the psychological contract (Arnold 1996) Also, Rousseau & Tijoriwala (1998) argue that because organizations do not have the capacity to do so, they cannot ‘perceive’, therefore ‘their’ perceptions, whether they relate to psychological contracts or any other concept, cannot be measured

Although there have been attempts to assess the organization’s perspective, such measures are potentially biased For example, Guest & Conway (2002) relied on a cross-section of managers that were identified by the participants in their research These managers were basically the participants’ immediate managers and as the participants were at multiple levels in the organizational hierarchy, the implication was that their managers were also at multiple levels in the organization Also, the

nature of their sample made it possible that the immediate manager may have been below the level of middle manager

There is an acceptance that for any contract to exist there must be at least two parties, however it is the employee alone who provides mutuality. This is due to the employee adopting two perspectives, what they expect of the organization and what they believe the organization expects of them (Turnley, Bolino, Lester, & Bloodgood, 2003)

Rousseau (1990) argued that mutuality was not a necessary condition, with each party possibly holding quite different views as to the existence and terms of a psychological contract. Further to this, Rousseau & McLean Parks (1992) suggested that the belief in mutuality creates a psychological contract rather than mutuality by itself, also Rousseau & Tijoriwala (1998) suggest that it is the perception of mutuality that constitutes a psychological contract and not mutuality.

Rousseau (1989) proposed that the psychological contract should be understood from the employee's perspective and not the organization's as it is the individuals that have the psychological contract and not the organisations. It is employees behaviour that is of interest and it should serve to assess the contract from an employees perspective as Turnley, Bolino, Lester, and Bloodgood (2003, p 188) state "Specifically, psychological contracts are comprised of the obligations that employees believe their organization owes them and the obligations the employees believe they owe their organization in return"

Boxell & Purcell (2003) argue that the psychological contract is subjective and in the head of the individual employee, so therefore it cannot in any meaningful way be contractual as is in Rousseau's approach where employers hold no psychological

contract of their own DelCampo (2007) states that psychological contracts are theoretically developed as individual perceptions of mutuality/agreements

### **Typology of the Psychological Contract**

Rousseau (1995) distinguished between 'transactional' and 'relational' contracts

Transactional contracts are narrower and more tightly defined, they may be short term and focus on tangible benefits such as pay and conditions, it is closest to the traditional economic exchange (Hollinshead, Nicholls & Tailby 2003) Transactional contracts involve specific exchanges such as pay in exchange for attendance Transactional contracts involve acquisition of people with specific skills to meet present needs Highly competitive wage rates and the absence of long-term commitments are characteristics of transactional contracts (Rousseau 1990) Relational contracts, in contrast, involve open-ended agreements to establish and maintain a relationship for example hard work, loyalty in exchange for security Relational contracts are broad ranging and long-winded, they focus on the relationship between the individual and the employing organisation but have the traditional element of 'job for life' (Rousseau 1990)

However due to the recession and continuing impact of globalisation the basis of this traditional deal is claimed to be destroyed since job security is no longer on offer (Stevens 2005) Current employment dynamics, triggered by organizational reactions to changes in world market, have resulted in a loss of employee loyalty whilst employers are simultaneously demanding flexibility, adaptability, and innovation from their employees These fundamental changes in obligations and expectations are the very dynamics underlying the re-discovery of, and interest in, the psychological

contract as both employees and employers struggle to redefine the relationship that exists between them (Patterson 2001) This re-discovery was led by the work of Rousseau (1990) capturing the mood of labour market flexibility and economic restructuring of the employment relationship

Guest (2004b, p 542-544) provided an overview of the many factors impacting on the traditional employment relationship and summarised these as

- Numbers employed in many workplaces are getting smaller
- Increasing flexibility and fragmentation of the workforce within many
- Establishments
- Pervasiveness and urgency of change
- Growing interest in work-life balance
- Decline in the proportion of workers who are effectively covered by
- Established systems of consultation and negotiation
- Decline in collective orientation alongside the growth of individualism

### **Change and Violation of the Psychological Contract**

The recession of the early 1990's focused research on what happens when the psychological contract has been violated (Hollinshed et al 2003) The focus on downsizing and restructuring has meant contracts have been changed The psychological contract is intangible and conditions are not of employees choosing and are imposed, unlike a formal contract where consent is given (Hollinshed et al 2003)

Pate, Martin & McGoldrick (2003) argue that the turbulent business environment has meant the traditional psychological contract has come under pressure Fulfilling

obligations is made difficult in an uncertain context, in which there are organisational changes, as both employee and employer are unclear about what each actually owes each other. Therefore, there is increased likelihood of misinterpretation and violation of the psychological contract (Pate et al. 2003)

The effect of breach or violation of the psychological contract is of interest as the consequences influence both individual behaviour and organizational outcomes

Freese and Schalk (1996) describe the psychological contract as idiosyncratic, that different employees may interpret the same events or activities in different ways. What may be interpreted as a breach by one individual, which is less serious and involves their personal interpretation of a situation, may be seen as a violation to another individual. A violation is more serious and introduces behaviour, attitude, or an emotional response beyond personal interpretation resulting in a distinct and different course of action (Freese and Schalk 1996). Psychological contract violation has been defined as “a failure of the organisation to fulfil one or more obligations of an individual’s psychological contract” (Morrison and Robinson (1997) have argued that this definition downplays the emotional aspect of a violation and therefore make a distinction between psychological breach and violation. Morrison and Robinson (1997, p 230) refer to a breach as “the cognition that one’s organisation has failed to meet one or more obligations within one’s psychological contract”. Breach is relatively short term and an individual may return to a stable psychological state or otherwise it may develop into a full violation (Pate et al. 2003)

Psychological contract violation is multifaceted because there is a wide range of responses such as, disappointment, frustration, anger, resentment (Pate et al. 2003)

Research on contract violation usually focuses on employee’s perceptions of the

breach of expectations by the employer Guest (2004b) distinguishes between attitudinal consequences and behavioural consequences as outcomes of contract fulfilment or non-fulfilment Attitudinal reactions to contract violation include organisational commitment, work satisfaction, work-life balance, job security, motivation and stress Violations in terms of behavioural consequences include organisational citizenship behaviour, intention to stay/ quit, employee turnover, and job performance (Guest 2004b)

The loss or removal of an expected benefit that an individual feels entitled to leads to a perceived breach or violation of the psychological contract, threatening an individual's sense of wellbeing (Robinson, Kraatz & Rousseau 1994) Rousseau (1995) describes behaviours that are the result as exit, voice, loyalty and destruction Exit is the termination of the relationship, voice refers to actions to remedy the violation, loyalty involves silence and a willingness to endure, and destruction is neglect and counterproductive behaviours Herriot & Pemberton (1995a) describe those same behaviours as 'get ahead' (voice), 'get safe' (loyalty), 'get even' (destruction), or 'get out' (exit)

Freese, Rene & Croon (2010) examined the impact of organisational change on the psychological contract by examining the exchange between employer and employee obligations and organisational commitment and intention to turnover The results of assessing the psychological contracts of health care workers show that organisational changes negatively affect the fulfilment and violation of perceived organisational obligations Psychological contracts are expected to change along with changes in the relationship between employees and organisations, which is influenced by the external environment i.e the recession causes different demands to be put on the

workforce It was found that employees in downsizing or restructuring organisations experienced psychological contract violations with regard to job security, compensation, advancement opportunities and communication (Freese, Rene & Croon 2010) Purvis & Cropley (2003) state that due to significant change in the National Health Service (NHS) in the UK and therefore possible breach of the psychological contract of nurses, costs to management may be imposed arising from loss of trust, reduced commitment and withdrawal of contribution

### **Professional and Administrative Work Ideologies**

Different types of contracts produce different responses when there is a perceived breach of the psychological contract by the employee The two kinds of contract of interest to this investigation include administrative (transactional) and professional (relational) psychological contracts (Bunderson, 2001)

The concept of an ideological contract came from Watson (1997) Watson (1997) argued that a persons ideological position, liberal or communitarian, would influence their judgements relating to their employment relationship This work has led to the formation of an ideological contract

Ideological currency is a similar concept, it is within the psychological contract rather than a separate type of contract (Thompson & Bunderson 2003) Thompson & Bunderson (2003) define ideological currency as the credible commitments an individual makes to pursue a valued cause or principle Commitment refers to the contributions made towards an organisations capacity to pursue that ideological objective Thompson & Bunderson (2003) add to the concept established by Watson (1997) that commitment to a 'cause' may enhance loyalty, satisfaction, and

organizational commitment

Bunderson (2001) distinguishes between professional and administrative work ideologies and their different perceived role obligations. Bunderson, Lofstrom & Van de Ven (2000) suggests that professional and administrative work ideologies have both internal and external components. Internal suggests a focus on activities and interactions within the organization and external suggests a focus on the organization as it relates to outside constituencies.

The administrative ideology encompasses a 'bureaucratic system' role internally where the organisation is to be coordinated and efficient system organised to pursue common goals. Whereas externally, it's role as a 'market enterprise' is to be a competitive business with market legitimacy and presence. The employers' obligations are to provide money, clients, administrative support, and market presence. In exchange, the individuals' obligations are to provide continued employment, fulfilment of formally specified role obligations such as attendance and continued professional certification (Bunderson 2001).

The professional ideology comprises a 'professional group' role internally, where the organisation is a shared society organised to achieve excellence in the work of the profession. There is a 'community servant' role externally to apply professional expertise for the benefit of the larger community or society. The obligations of the employer are to provide a collegial work setting, defence of professional autonomy and standards, and community outreach in exchange for this the individual offers loyalty, identification, and fulfilment of generalized role obligations such as excellent client service and productivity (Bunderson 2001).

Under the individual role the administrative ideology views the individual as an employee, where they are a productive resource employed to perform organizational work and the nature of the employment contract is predominantly transactional. The professional ideology views the individual as a professional who is a highly trained expert with valued knowledge and skill. The nature of the employment relationship is predominantly relational (Bunderson 2001).

Professional and administrative ideologies can also influence whether a professional employee will perceive that their employer is not 'living up to its end of the bargain' due to the influence of their professional roles and obligations. Morrison and Robinson (1997 p. 230) define a perceived breach of the psychological contract as a 'cognition that one's organization has failed to meet one or more obligations within one's psychological contract'. Differences between an employee's ideology about how the employment relationship should be structured and the employee's actual experience within the organization can result in a perceived psychological breach (Morrison and Robinson 1997).

Bunderson (2001) uses this definition of a perceived breach to describe an employee's perception that their employer is not appropriately fulfilling its professional or administrative role obligations. A professional employee will perceive a breach of the psychological contract when there is a difference between how well the employer should be performing administrative and professional role obligations and their perception of actually how they are being fulfilled.

Bunderson (2001) distinguishes between a perceived administrative breach and a perceived professional breach. Bunderson (2001) suggests that a professional employee's response to their organization not fulfilling its role obligations will

depend on whether the breach involves professional or administrative obligations

Responses to a psychological contract breach, including influences on employee attitudes and behaviours, will depend on the nature of the underlying contract, whether the contract involves transactional or relational obligations Bunderson (2001) suggests that the fact that the administrative ideology is predominately transactional and the professional ideology is predominantly relational means that a perceived breach of one ideology would have different attitudinal responses in comparison to the other

Results of Bunderson's (2001) study indicate that perceived breaches of administrative role obligations are most strongly associated with dissatisfaction, thoughts of quitting and turnover whereas perceived breaches of professional role obligations are most strongly associated with lower organisational commitment and job performance, productivity, and patient satisfaction

Bunderson's (2001) results are consistent with the argument that professional role obligations are based on a relational rather than transactional exchange and it was found that satisfactory relational exchanges foster employee loyalty and a willingness to exercise initiative and creativity In contrast, the perception that one's employing organization is not appropriately fulfilling relational role obligations results in a withholding of these contributions (Bunderson 2001)

O'Donohue & Nelson (2007) explored the perceptions of professional employees with regard to the link between their professional ideologies and their psychological contracts Using a sample of registered nurses evidence was found of a professional ideological component in the psychological contracts of the nurses and the

organisation should support that component

### **Trust and the Psychological Contract**

Guest and Conway (1998) argue trust is fundamental to the psychological contract

Trust must exist in order for both parties to maximize the benefits from the employment relationship Coyle-Shapiro (2002) argues this is because trust provides a mechanism through which the parties can work effectively together Because trust is in the central role of relationships, it will have a direct influence on how the parties behave toward each other (Coyle-Shapiro, 2002) Trust can be defined as “the willingness of a party to be vulnerable to the actions of another party based on the expectation that the other will perform a particular action ”(Mayer et al 1995 p 712)

Atkinson (2007) argues that trust is present in all psychological contracts and the bases of trust, cognitive and affective, underpin transactional and relational obligations respectively Cognitive trust focuses on an individuals gains from an economic exchange and affective trust consists of relational bonds between parties and concern for ones welfare

Where there is an environment of employee cynicism trust will not exist, and cynicism is likely to prevail when employees experience repeated breaches or violations of the psychological contract (Johnson & O’Leary-Kelly 2003) Guest & Conway (2001) found that one of the key influences on trust for employees is whether or not the organization has fulfilled the psychological contract

Clinton & Guest (2004) recorded the relationship between trust and psychological

contract fulfilment as high in their report. The psychological contract fosters an environment of trust as well as creating obligations, it does this through providing information about each other's intentions that form the expectations that employees believe the employer will meet, therefore they trust this will occur (Rousseau 2001)

Anderson (1996) explains that cynicism in the workplace is extensive due to organizational changes such as restructuring. Modern management techniques are predominantly directed towards the control and manipulation of employees to the organisations advantage even though employee wellbeing may be promoted as a genuine interest. Anderson (1996) further states that it is not a simple objective to eliminate cynicism, rebuild trust and restore psychological contracts where the decisions made in the organisation are made unilaterally and without supportive dialogue.

Guest and Conway (2001) report that only 20% of employees trust management 'only a little' or 'not at all', and with only 10% of managers suggesting that employees cannot be trusted. Mayer, Davis & Schoorman (1995) suggest that the power balance in the relationship could explain a lack of reciprocity and this could provide a source of conflict for the psychological contract.

Trust can be divided into three aspects, the modality facet, the qualities facet and the referent group facet (Clark & Payne 1997). The modality facet refers to cognition, feelings, and intentions towards a person, object or system. The qualities facet includes the features of integrity, competence, consistent behaviour, loyalty, openness and respect. The referent group facet refers to the object or focus of evaluation. The referent group for employees would be the organisation or the employer, within the context of trust in the employment relationship. In regard to the psychological

contract, two of these aspects of trust are especially significant

Firstly, in the modality aspect of trust, trust is based on perceptions and experiences leading to expectations about outcomes. There is a belief about the trustworthiness of another where if one party fails to live up to the others perceived expectations, such as the expectations held under the psychological contract, trustworthiness will suffer and trust will be worn down. The features of the qualities facet are often named as being elements of the psychological contract, integrity, competence, consistent behaviour, loyalty and openness (Clark & Payne 1997). Trust and the psychological contract will suffer if any of these qualities are lacking in the employment relationship from the employees point of view.

Concerning the qualities facet, Gabarro (1978) argues that some bases of trust are more critical than others from the research interviews that he conducted. Integrity, motives (loyalty/respect), and openness were considered to be the most important characteristics of a superior in leading to the development of trust by a subordinate. Clark & Payne (1997) explain integrity as sincerity, honesty and truthfulness and promise fulfilment. The motive loyalty includes shared values and goals, commitment to and willingness to protect and save face for a person. Respect relates to an individual's perception of the respect shown to him/her by the subject of trust. Openness or mental accessibility and availability mean a willingness to share ideas and information freely and accurately (Clark & Payne 1997).

In regard to the modality facet, Clark & Payne (1997) suggest that there are three elements consistent with attitude theory: beliefs or a cognitive element, an affective or feelings element and behavioural intentions element.

Trust is very influential on the psychological contract and has a central role in the contract as Clinton & Guest (2004) found that trust mediated the relationship between contract breach and performance, organisational citizenship behaviour, commitment, job satisfaction and intention to quit Robinson (2000 p 576) “trust in one’s employer may influence an employees recognition of a breach, his or her interpretation of that breach if it is recognised, and his or her reaction to that breach ”

### **Commitment and the Psychological Contract**

Employee commitment involves an adoption and identification with an organization's values, attitudes, beliefs and their level of involvement, emotional attachment and loyalty towards the organization in which they work (Meyer & Allen 1991) The organisational commitment model by Meyer & Allen (1991) is well known and conceptualises organisational commitment as a three-dimensional construct consisting of affective commitment, continuance commitment and normative commitment

Affective commitment is emotional attachment to an organisation when employees identify with an organisation (Meyer & Allen 1991) Buchanan (1974) described commitment as a “partisan, affective attachment to the goals and values, and to the organization for its own sake, apart from its purely instrumental worth” Affective commitment can be described as the relative strength of an individual's identification with and involvement in a particular organization (Mowday, Porter & Steers 1982) Porter, Steers & Mowday (1974) further characterize affective commitment by three factors (1) “belief in and acceptance of the organization’s goals and values, (2) a willingness to focus effort on helping the organization achieve its goal’s, and (3) a desire to maintain organizational membership” Mowday, Steers & Porter (1979)

p 225) further state that affective commitment is “when the employee identifies with a particular organization and its goals in order to maintain membership to facilitate the goal” Meyer & Allen (1997) continue to say that employees retain membership out of choice and this is their commitment to the organization Employees who are affectively committed to an organization remain with it because they want to do so (Meyer, Allen and Gellatly, 1990)

Continuance commitment is based on the perceived costs-benefit evaluation (Meyer & Allen 1991) Meyer and Allen (1991) suggested that recognition of the costs associated with leaving the organization is a conscious psychological state that is shaped by environmental conditions and has implications for behaviour, such as continued employment with the organization Continuance commitment is the willingness to remain in an organization because of the investment that the employee has with “non-transferable” investments Non-transferable investments include things such as retirement, relationships with other employees, or things that are unique to the organization (Reichers, 1985) Continuance commitment also includes factors such as years of employment or benefits that the employee may receive that are unique to the organization (Reichers, 1985) Meyer and Allen (1997) further explain that employees who share continuance commitment with their employer often make it very difficult for an employee to leave the organization Employees whose primary link to the organization is based on continuance commitment remain because they need to do so (Meyer and Allen 1991)

Normative commitment is feelings of obligation to remain with the organisation (Meyer & Allen 1991) Bolon (1997) states that normative commitment is the commitment that a person believes that they have to the organization or their feeling

of obligation to their workplace Wiener (1982) discusses normative commitment as being a “generalized value of loyalty and duty” and defined commitment as the totality of internalized normative pressures to acting a way which meets organizational goals and interests and suggested that individuals exhibit these behaviours solely because they believe it is the right and moral thing to do Meyer and Allen (1991) definition of normative commitment is “a feeling of obligation” It is argues that normative commitment is only natural due to the way we are raised in society Employees with a high level of normative commitment feel they ought to remain with the organization (Meyer and Allen, 1991)

The purpose of gaining employee commitment is to “bind” them to the organization, its attitudes, beliefs and values, and obtain “behavioural commitment to high performance” (Guest 1989 p 49) Employee commitment can also help reduce absenteeism and labour turnover by increasing the level of loyalty an employee has towards the organization, which can result in improved organizational performance and effectiveness (Mowday et al 1979)

According to Meyer, Allen, and Smith (1993 p 539) "employees with a strong affective commitment remain with the organization because they want to, those with a strong continuance commitment remain because they need to, and those with a strong normative commitment remain because they feel they ought to do so"

Further to Mowday, Porter & Steers (1982) referring to affective organizational commitment as 'the relative strength of an individual's identification with and involvement in an organization', it is thought of as a currency that is more easily exchanged in relational rather than transactional exchanges This is because in a relational exchange, the organization or employer provides resources that speak to an

employee's identity or values and, in exchange, the employee offers their loyalty and commitment. When the organization or employer fails to meet its relational role obligations, this loyalty and commitment is compromised.

From these arguments Bunderson (2001 p 722) suggests "breaches of professional role obligations will be more negatively associated with affective organizational commitment than will breaches of administrative role obligations since the professional role implies a more relational agreement between employee and organization"

Wallace (1995) suggests that organizational commitment for professionals is most strongly enhanced when the organization is structured in a way that allows for collegiality or power sharing, professional independence, and discretion, which are all factors associated with the professional role.

### **The Psychological Contract from a Nursing Perspective**

Miles and Snow (1980) note that organizations such as the NHS, the English version of the H S E, are in contrast to agencies as they are likely to aspire to hold relational contracts with their employees assuming long-term organizational investment and identification. Nurses may also aspire to hold relational rather than transactional contracts, as their job is important to their identity (Millward 1995)

If the basis of this relational exchange is not systematically managed there could be costs to management imposed due to loss of trust, reduced commitment and withdrawal of contribution (Cavanagh 1996). Further to this Herriot, Hirsh & Reilly (1998) state that a breach of reciprocity at the level of basic trust can have serious

costs in terms of organisational survival. It is generally acknowledged that employee needs and expectations are diverse and the management of nurses' relational contracts then requires detailed consideration of their specific needs and expectations (Herriot et al 1998). In theory, the content of a relational contract can be as variable as there are differences across individuals (Purvis & Cropley 2003).

In practice, there are likely to be what Rousseau (1995) calls normative or shared psychological contracts as a function of different group memberships. Millward (2000) demonstrated that relational contracts of NHS nurses were associated with perception of opportunity to develop, to belong, and to obtain recognition.

However, nurses are not a homogeneous category of employees as they vary widely in their type and level of training and educational qualification, speciality, job grade and whether they work full or part-time. These differences may give rise to systematic differences in the kinds of things nurses value and consequently the expectations on which their contracts are based (Purvis & Cropley 2003).

### **Conclusion**

The psychological contract is multifaceted and there are many definitions. In this study the employees' side of the contract is explored as well as possible breaches or violations of expected obligations. The type of psychological contract, whether transactional or relational, is established with regard to professional and administrative work ideologies. Trust is fundamental to the psychological contract and is present in all psychological contracts. Commitment is also an aspect of the psychological contract that is relevant to this study.

## **CHAPTER 3 - Methodology**

This study seeks to explore the current state of the psychological contract in relation to the 2012 budget and whether there has been an impact on employee attitude towards work at a particular moment in time. The research seeks to uncover how resources are being utilised when there is pressure to achieve more with less frontline staff. This study offers an insight into the thoughts and mind frame of individuals experiencing the impact of the 2012 budgetary cuts first hand and potentially offer useful solutions to improve working practices in this area.

### **Research Aim**

This research was set out to examine the state of the psychological contract, from an employee's perspective, of nurses' at the Hospital and identify if it has changed in the aftermath of the 2012 Irish Budget.

### **Research Objectives**

- 1) Identify and explore the current state of the nurses' psychological contract that exists
- 2) Explore what impact, if any, the budget cuts has had on nurse's attitudes towards their work
- 3) Establish whether staff has acquired new skills to meet the increased workload

### **Research Questions**

- 1 What obligations do the nurses expect from their employer?
- 2 Have the nurses always had the same expectations?
- 3 Has there been any change to the psychological contract since the austerity?

- 4 What did the previous psychological contract contain?
- 5 Are there differences between the previous psychological contract and the new psychological contract due to the austerity?
- 6 Has the nurses' attitudes towards their work been affected as a consequence of the austerity?
- 7 Has the nurses' role changed at all in day-to-day work?
- 10 Is there an increased workload?
- 11 Have the nurses acquired any new skills to meet the new workload?

## **Research Philosophy**

### **Positivism v Interpretivism**

Hudson & Ozanne (1989) identify positivism and interpretivism as the two predominant theoretical approaches to gaining knowledge in the social sciences "Positivist and interpretive are summary labels that refer to general research approaches that differ in their philosophical assumptions and goals" (Hudson & Ozanne 1989)

### **Positivism**

According to Saunders, Lewis & Thornhill (2012), research philosophy that reflects the principles of positivism is likely to adopt the philosophical stance of the natural sciences. The positivist's approach contends that there is one true reality with a single observable truth. The approach takes a 'realistic' stance assuming an individual's perception is the single objective reality (Hudson & Ozanne 1998). "This reality is divisible and fragmentable, therefore precise, accurate measurements and

observations of this world are possible” (Bagozzi 1980, Burnell & Morgan 1979, Morgan & Smircich 1980, cited in Huson & Ozanne, 1988 p 509)

Those who engage in research that reflect the principles of positivism prefer “working with an observable social reality and that the end product of such research can be law like generalisations similar to those produced by the physical and natural scientists” (Saunders et al 2012) Positivists believe laboratory experiments enable aspects of reality to be separated from their usual context, individuals’ behaviour that emerges from laboratory environment testing reflective of individuals’ behaviour in their natural setting The approach suggests that the surrounding environment does not influence individuals behaviour and that behavioural findings from such research can be applied to a large number of phenomena, people, settings and times (Hudson & Ozanne 1988) Results produced from a positivist approach are replicable, the overriding goal being explanation via subsumption of the behaviour under universal laws, hence explanation entails prediction (Hudson & Ozanne 1988) The positivists approach to research involves the adherence to scientific practice The researcher takes an independent, impartial stance from the research subject therefore enabling objectivity (Hudson & Ozanne 1988) The highly structured nature of this methodology often (Saunders et al 2012), but not always (Hudson & Ozanne 1988) will produce quantifiable results

### **Interpretivism**

In contrast to positivism, interpretivists “deny that one real world exists, that is reality is essentially mental and perceived thus, multiple realities exist because of different individual and group perspectives” (Hudson & Ozanne 1988 p 509) The interpretive

approach is often associated with the phenomenology where by research is based on the idea that there are a number of realities and levels of truth to a phenomenon. Phenomenology pursues the examination of human experiences from the detailed description provided by those partaking in the study (Erlandson, Harris, Skipper & Allen 1993). Interpretive approaches regard people, their interpretation, perception, meanings and understandings as the primary sources of data. Such an approach is supportive of research where the intention is to explore people's individual and collective understandings, thought processes and norms (Mason 2007).

Saunders et al (2012) explain interpretivism as the view that it is essential to understand the differences between humans in our role as social actors. Interpretivists believe that reality and the individual who observes it cannot be separated as the very nature of interpretivist research means that researchers themselves in effect become measurement instruments. The researchers interpret the phenomena they observe. In this regard, interpretive researchers understand that their research actions affect the research objects they are studying. They also understand that the research objects in turn affect them, therefore researcher and the research object are interdependent (Weber 2004). Holloway (2007) states that an interpretivist seeks to draw out language and logic upon target respondents.

According to Hudson & Ozanne (1988) the primary difference between positivism and interpretivism is the difference in focus, generalistic vs particularistic. The motives, meanings, reasons and other subjective experiences interpretivists seek to determine are time and context bound. The context dependent interpretive approach provides 'thick description' (Geertz 1973).

### **Rationale for Selecting the Interpretive Approach**

“In our choice of methodologies for studying any phenomenon, we must consider the assumptions to which we adhere because the phenomenon is different when studied within different approaches” (Anderson 1986). The positivist approach focuses on universal laws, it holds a deterministic view in regards to human behaviour when compared to the interpretive approach which views people as more voluntaristic people: people actively construct and interpret in order to form their environment (Hudson & Ozanne 1988). As the purpose of this study is to gain an insight into the nurses’ perceptions and feelings about their employment relationship and work, an interpretive approach is more appropriate. Also, the positivist approach fails to uncover the true understandings of the research subjects, including how they feel and their process of thought (Cavana Delahaye & Sekaran 2001). Interpretive methodologies are appropriate when seeking to experience a phenomenon from the viewpoint of a respondent (Shankar & Patterson 2001). Therefore an interpretive approach is deemed most suitable.

### **Ontology**

The psychological contract is highly subjective; therefore a subjective view of ontology will be applied. Subjective, self-report measures are the most direct source of information on the nature and content of the psychological contract (DelCampo 2007).

### **Qualitative research and the psychological contract**

O’Donohue (2007) states that psychological contract research has focused on content or process; the focus has been on the content of the individual’s perceptions

comprising psychological contract terms, or on the series of exchange actions by which contract terms are enacted (Rousseau & Tijoriwala 1998) Content-focused research deals with the employee's perceptions of the individual terms and reciprocal obligations that constitute the content of an individual's psychological contract Such research has examined contract terms and their inter-relations generally at one of two levels the level of individual items, such as 'job security' and 'career development', or the broader level involving groupings, such as 'relational' and 'transactional', representing summary characterizations of more specific individual psychological contract terms (Millward & Brewerton, 2000)

Process-focussed research is concerned with evaluation of the individual's perceptions and experience of change (breach and violation, and its consequences) and overall fulfilment (or lack thereof) of the psychological contract is the concern of (Millward & Brewerton, 2000) Content-focused research at the individual level has primarily been exploratory and used qualitative open-ended or semi-structured methods of data collection (O'Donohue 2007)

The methodological approach selected for this study is qualitative The qualitative method is used to explore the association between a psychological contract violation and changes in employee attitudes and further examine the role of the context of the budgetary cuts

### **Qualitative**

Qualitative data will be used in this study in order to gain more insight and a more in-depth view than would be possible with a quantitative approach Qualitative research

is undertaken in an attempt to gain insight into individuals' minds and obtain an understanding regarding their perspective "Qualitative data are collected to know more about things that cannot be directly measured or observed" (Aaker, Kumar & Day 2001 p 184) According to Chisnall (1991), unlike quantitative studies it probes rather than counts, although its findings cannot necessarily be supported by sets of statistics it provides answers of more intricacy and sophistication It is based on an interpretive philosophy, grounded on flexible methods of analysis, exploration and argument building which involve complexity, detail and context (McCracken 1988, Mason 2007) Findings resulting from such research are often described, rather depreciatively, as 'soft' data as opposed to 'hard' data resulting from quantitative research (Chisnall 1991) Qualitative methods take a holistic approach, findings sought from such research being impressionistic in nature rather than definite (Donnellan 1995) Qualitative research, more exploratory in nature compared to the more conclusive nature of quantitative research is therefore more suitable in the context of the present study As the purpose of this dissertation is to explore the context and content of nurses' psychological contracts involving their perceptions and feelings concerning the impact of the budgetary cuts, a qualitative research method will be employed

### **Semi-Structured Interviews**

Qualitative data "explores attitudes, behaviour and experiences through such methods as interviews" (Dawson 2009, p 14) Interviewing enables researchers to explore the social processes, experiences and perceptions of respondents (Mason 2007) An individual interview setting provides opportunity to tailor or focus the interview by focusing on relevant specifics It allows question variation so that the researcher "can

generate situated knowledge with the interviewees” (Mason 2007 p 65) The one to one setting an interview facilitates was deemed the most appropriate environment for the discussion of topics involving employment relationships and attitudes towards work

Qualitative research allows for semi-structured interviews, where there is a list of themes and questions to be covered but they may change from interview to interview depending on the flow of conversation or context (Saunders et al 2012) Questions regarding current attitudes towards work guide qualitative comments made by the respondents in this research

A semi-structured schedule of interviews consisting of open-ended questions and probing questions was used due to the nature of the research and the selected data collection method Saunders et al (2009) state that open-ended questions are particularly useful for exploratory research

### **Research Strategy**

An exploratory research design was chosen due to the semi-structured qualitative nature of the research study Exploratory research is useful to find out “what is happening, to seek new insights, to ask questions and assess phenomena in a new light” (Robson 2002 cited in Saunders et al 2009 p 139) Exploratory research has the advantage that it is flexible and adaptable to change, direction can be changed if new data or new insights occur Therefore, the researcher has the freedom to explore different possibilities of interest and change the direction of the enquiry

Theories were inductively derived through template analysis, which involves

organising and analysing textual data from the interviews according to themes Induction encompasses a flexible structure to permit changes of research emphasis as the research progresses and also that the researcher is part of the research process (Saunders et al 2009) Saunders et al (2009) also state that an inductive approach is appropriate in a study where a small sample of subjects is used

The research strategy grounded theory was used, as it is a 'building theory' where theory is developed from the data generated by a series of observations (Saunders et al 2009)

### **Qualitative Analysis**

Conceptual framework was developed to guide work from analysing the data collected through the grounded theory strategy A template analysis approach was used for analysing the qualitative data This approach allows the researcher to

- 1 Comprehend and manage the qualitative data
- 2 Integrate related data drawn from different transcripts and notes
- 3 Identify key themes or patterns based on these apparent patterns or relationships
- 4 Draw and verify conclusions (Saunders et al 2009)

This allows the researcher to draw some relative generalisations from the data collected and identify emerging themes

### **Sample and Population**

A sample is a smaller group of people taken from particular population that the researcher will measure (Saunders et al 2009) Non- probability sampling provides a range of alternative techniques to select samples based on the researchers subjective judgment and as the proposed research qualitative and exploratory there is no

requirement to generalize (Saunders et al 2009) The researcher has selected a relatively small, non-probability self-selection sample Saunders et al (2009) explain self-sampling as when the individuals identify their own desire to take part in the research This method will insure that participants are interested in the subject The risk involved is that participants may be biased

### **Overview of Informants**

Sample of nurses interviewed from HSE hospitals across Ireland

#### Interview 1

Hannah is a recent graduate since September 2011 and is currently working as a staff nurse in the bank department at Beaumont Hospital, meaning her assignment depends on where she is needed on particular days and she covers areas that have use for her She is hoping to be made a permanent member of staff

#### Interview 2

Miriam is a qualified registered nurse 36 years and has been working at Cork University Hospital 12 years She works in the general medical department as a staff nurse

#### Interview 3

Emma has been a registered nurse 16 years After working abroad for a period of time she worked in Beaumont Hospital for 8years in different departments before retraining and currently working as a public health nurse for the past 5 years

#### Interview 4

Meja has been a registered nurse for 16years. Originally from India, she has been nursing in Ireland and at Beaumont Hospital for the last 12years. She works in the addiction and detox department as a staff nurse.

#### Interview 5

Karen is a registered nurse 20years, spending the last 14-15years at St Michaels Hospital and currently works part time in the day ward as a clinical placement co-ordinator training student nurses.

The following nurses work at a South Dublin H S E hospital. The hospital is a major academic teaching hospital and provides a front line emergency service and national/regional medical care at inpatient and outpatient level. The Hospital provides in excess of forty medical specialities and has 479 in-patient beds, incorporating 7-day, 5-day and day care options.

#### Interview 6

Interviewee A is a non-Irish national who has been qualified since 2003 and has 11years experience in the nursing field. He has been a nurse at the current hospital for 6 years working in an acute area. He has been a clinical nurse manager 1 (CNM1) since December 2011.

#### Interview 7

Interviewee B has been a qualified nurse since 1978 and has experience working in a number of areas such as, accident and emergency, midwifery, and as a staff nurse.

She currently works as a staff nurse in outpatients and has worked in the current hospital for 20years

#### Interview 8

Interviewee C has been a qualified nurse for 33years and has worked at the current hospital for all of this time She works in the Ambulatory Day Care Centre (ADCC) as a senior staff nurse

#### Interview 9

Interviewee D has been a qualified nurse for 32years and has worked in the current hospital for all of this time She works as a senior staff nurse on the day ward and is part of a job share

#### Interview 10

Interviewee E is a non-Irish national who has been a qualified nurse for 11 years She has worked at the current hospital for 7years and 6 months She works as a registered general nurse (RGN) in the orthopedic department

An interview was conducted from a HR perspective at a South Dublin HSE Hospital, some of the data gathered was used to formulate recommendations from this study

#### HR Interviewee

The HR Interviewee has worked at the hospital for 6 years and is currently hold the title Head of HR Operations in the Nursing Department

### **Interview Etiquette**

The research took the form of 11 semi-structured interviews conducted over June-August 2012. Interviews 1-5 took place in the informants' own homes, an environment where informants felt relaxed with no external distraction, thereby facilitating uninterrupted discussion. Interviews 6-11 were conducted on the grounds of the south Dublin Hospital that participated in this study. The interviews were held in a private room with the informants one on one, so distractions could be avoided.

The interviews were recorded using NCH Pocket RecordPad, an app for the iPhone.

Prior to undertaking the interviews a pilot interview was conducted. Malhotra & Birks (2007) identify pilot testing as an essential component of the research process. Pilot testing aids the researcher as it provides the interviewer with experience in attempting to gain another person's insight. The pilot interview also assesses the questions and topics that are to be asked during the semi-structured interviews. Observing the informants' responses to the questions enables the researcher to reshape areas of uncertainty for future interviews.

Aaker et al (2001) outline measures to follow in order to ensure a successful outcome from each interview. These include, establishing a relaxed and sympathetic relationship, probing to clarify and elaborate relevant responses and guiding the discussion back to the topic outline.

Qualitative research takes the perspective that knowledge is situated and contextual (Mason 2007). During the course of the interview informants' responses were probed in an attempt to clarify and encourage the nurses to elaborate further on relevant responses of particular interest and pursue underlying reasoning behind informants' comments and answers. In instances where informants were hesitant in answering,

questions were rephrased into third person questions in order to elicit productive responses

## CHAPTER 4 – Findings

### **Theme 1 Professional Work Ideologies.**

In line with the work of Rousseau (1995), the findings of this study suggest the nurses hold a relational psychological as the nurses expressed a need from their employer to be supported. This need of support included their opinions being listened to and for their employer to be approachable when there was a problem. As Interviewee 7 says *“I think it is important to have people that are approachable that if you have a problem you can go to them and talk about it...fear is a bad thing...”* This support was also seen as a concern for welfare involving fairness and trust.

It was argued by the work of Millward (1995) that nurses aspire to hold relational rather than transactional contracts, as their job is important to their identity. This is consistent with the findings of this study. It was found what motivates the nurses most in their role is the ability to help people and make a difference to other peoples lives; Interviewee 2 explains; *“I like my job. I like looking after patients. I just feel it’s my true vocation, I just really feel it’s the right job for me. Its something to do with helping people and making a difference, improving their quality of life and helping them get better.”* Each expressed their devotion to their role and a passion for nursing as a profession. This was also seen in the work of Miles & Snow (1980), that the health service are likely to aspire to hold relational contracts with their employees assuming long-term organizational investment and identification. Similarly, Bunderson’s (2001) description of the professional (relational contract) as a professional group internally, where the organisation is a shared society organised to achieve excellence in the work of the profession was particularly relevant as social interactions at patient and colleague level were also factors of enjoyment in their work

along with learning and educational opportunities, Interviewee 3 expressed *“I like my job so I suppose that motivates me to go to work every day I like interacting with people I like the fact that I have an educational role and my job differs that every day is different ”* Also Bunderson’s (2001) explanation of the role externally as a ‘community servant’ to apply professional expertise for the benefit of the larger community or society is very appropriate to the findings of this study as helping people was found to be the key motivation

Bunderson’s (2001) argument of perceived breaches of professional role obligations were justified as findings of this study suggested a dehumanisation of the role The impact of the recessionary financial cutbacks causing cut backs in staff and resources was the perception that the employer has a dehumanised view of situation, concentrating on resources, finances and productivity Interviewee 2 explains *“Its like everything hangs on the financial aspect of things, like it really is about the budget, about the cut backs so all decisions have a financial implication and its like that is the most important thing, the human element doesn’t matter That’s how I feel I feel it has been dehumanised”* This was found to cause the nurses to have concern for patient care and the future due to the cut backs in nurses and the emigration of graduate nurses Interviewee 7 says, *“We try to watch expenditure, we’ve all got more conscious of that We’re more observant of what we’re using and ordering I’d prefer to cut back on that than cut back on nurses Nurses are the last thing to be cut back on I don’t think you can have the same standards if you don’t have the nurses on the floor Its dangerous to cut down on nurses, it puts people under pressure and open to more errors*

Interviewee 5 says; *Patients don't get the same care as they should be getting due to staff to patient ratio. This is because of the embargo and cuts. I worry for the future, 20 young nurses have left to go abroad in the last 6 months. They are going places that they get a better deal and they are appreciated more*".

In exploring the content of the previous psychological contract, before the budget cuts, it was found that there was a human element and support as needs and expectations discussed were more feasible. As Interviewee 9 explains *"Before the budget I would expect that my voice would be heard if necessary and I would be asked my opinion but I don't feel there's room for that anymore"*.

Purvis & Cropley (2003) state the content of a relational contract can be as variable as there are differences across individuals. This is appropriate to the findings relating to stress in this study. Stress was seen to be a unanimous negative characteristic of the role, however, there were differing views on its effect on the nurses personally and their work. Interviewee 2 found stress to inhibit her ability to perform; *"sometimes stress begins to builds up in me and I can feel the stress in me and can get agitated inside and don't function well when I'm like that, I forget things and make mistakes and then feel foolish...I could work myself into an anxiety state and start worrying...and I could get very upset, stay awake at night worrying about how I might be perceived because I forgot something."* Further explaining; *"I find it the hardest when the pace quickens up and we are being hassled by administration to get through the work more quickly...there's no room to see the patients as people"*. On the other hand, Interviewee 7 found *"As you get older you're learning how to deal with people, when you're my age you've a better way of maybe knowing how to deal with*

*certain situations you can diffuse a situation before it happens ” Stress was found to be caused by the main issue of the role being extended due to short staff and also more administration Interviewee 3 states “I don’t like the way things are at the moment that we are overstretched and it is extremely hard to do your job properly if you just don’t have the time to do it ”*

Thompson & Bunderson’s (2003) concept of ideological currency as the credible commitments an individual makes to pursue a valued cause or principle is relevant to this study where commitment refers to the contributions made towards an organisations capacity to pursue that ideological objective The ideological objective was discussed when exploring whether the nurses’ role has changed it was found that the reduction in the amount of staff has meant more responsibility, pressure and more work for the nurses The nurses are now more aware of waste and costs of beds There has been a definite increase in workload due to the short staff by cuts, embargo and people not being replaced when they go on leave This leads to a concern for patient to nurse ratio and also patient care Interviewee 3, *“We are just extremely over stretched You are trying to get the most urgent things done and things that do need to get done but just priorities are not so high they tend to get left behind or delayed and you just put in so much ”* Interviewee 2, *“There is a definite increase in pressure from the workload, the pressure of time can cut corners leading to accidents”*

The nurses have dealt with these increases by prioritizing tasks and time management They prevent stress by working as a team and asking for support Interviewee 10, *‘These days my mind focuses on the priorities, which comes first The most important*

*job I need to do Just because you work with one team doesn't mean you should stick to that team We all have to help each other Prioritise and help each other as a team and I think we will be fine "* Interviewee 3, *"Work is extremely stressful so I suppose the reality is it is very hard to leave work at work It is just about dealing with stress at the moment "*

## **Theme 2 Perceived Breach and Violation of the Psychological Contract**

In exploring whether there is a perceived breach or violation of the psychological contract, it was discussed how well the nurses felt their employer meet their expected obligations Freese & Schalk (1996) describe the psychological contract as idiosyncratic, that different employees may interpret the same events or activities in different ways This is appropriate to this study as it was found that most nurses felt they could not blame their employers for not meeting these expectations due to the lack of funding and the tight budget As Interviewee 5 said *"They try but they don't have the budget, their hands are tied"* Some nurses felt that their expectations were met fairly due to the circumstances but only where the employer was seen as the hospital and not the HSE

In discussing where the employer was lacking in meeting obligations some issues were uncovered relating to trust and support Lack of support was found when the nurses discussed not having their opinions and suggestions listened to, and also the issue of sick leave and no available cover It was found that the newly graduated nurse found her employer lacking in the obligation of a permanent job Overall, these issues were not blamed directly on the employer, when seen as the hospital, and there

was an understanding that the employer is unable to do anything due to the budget cuts Interviewee 10, *“they cant give leave because there is no one to replace you, their hands are tied because of the climate ”*

Freese & Schalk (1996) view of violation as more serious and introducing behaviour, attitude, or an emotional response beyond personal interpretation resulting in a distinct and different course of action was unjustified in this study. In exploring whether these issues had changed the nurses' view of their employer different responses were found depending on personal situations or family life. There was still the understanding that their employer was short of resources due to the recession and budget cuts, some nurses stated they still trusted their employer but are concerned that reducing nurses would affect patient care Interviewee 7, *no (view has not changed) because I understand what's happening, you know, that we are short of money in the country and that Its just my fear would be that there would be too much cuts in nursing staff and I don't think that would be good for that patient, I really don't think it would You do need enough nurses”*. In discovering if there are any lasting consequences due to the austerity it was found that young nurses leaving the country is a major concern. Another major concern is patient care as the most vulnerable patients are at risk such as the elderly. Stress was also discussed as a lasting consequence.

### **Theme 3 Trust**

Guest & Conway (1998) argue trust is fundamental to the psychological contract and the findings of this study suggest that this is valid. Trust was found to be an

important employer obligation perceived by the nurses, as Interviewee 8 explained “*I would feel very supported if they backed me up when one is unwell, that you’re not under pressure to feel guilty about taking a day off sick that can be difficult I trust them and I would like to feel that they trust me*”

There was seen to be a lack of trust in allowing the nurses to get on with their job but there was a sense that they have to have trust in their employer Interviewee 6 says, “*I have to trust my employer to be able to do my job*” This is in accordance with the arguments made by Coyle-Shapiro (2002) that trust provides a mechanism through which the parties can work effectively together Also because trust is in the central role of relationships, it will have a direct influence on how the parties behave toward each other It was found that trust was evident in the employment relationship where the employer was seen as the hospital and not as the HSE Interviewee 8, “*I suppose like everyone, we’re all a little wary of management It’s a little bit tainted I’d like to say yes (I trust them), it would be sad if I said no Id be very local, I’d trust the hospital I wouldn’t trust the HSE as far as I could throw them I would consider the hospital my employer* ”

The budget cuts were found to have changed most of the nurses’ expectations relating to staffing and resources since there is now a perceived lack of both The nurses view their expectations of trust and support to be the same but there are issues with short staffing As Interviewee 4 explained a situation of where trust is lacking, “*Before when we rang in sick they wouldn’t really ask so much and we could take sick leave The main issue is staff cover Before we didn’t have to give explanations they didn’t pressure us but not anymore there is low trust because issue with staff cover* ”

Similar to the work of Johnson & O'Leary-Kelly (2003), where there is an environment of employee cynicism trust will not exist, and cynicism is likely to prevail when employees experience repeated breaches or violations of the psychological contract. Findings of this study relating to some of the nurses discovered attitudes have not changed as pre-recession their view of their employer was not positive to begin with and they do not trust the HSE. Interviewee 3, "*it hasn't changed my view of my employer. Even pre-recession I wouldn't have had a very positive view.*" A possible explanation for this is Guest & Conway (2001) argument that one of the key influences on trust for employees is whether or not the organization has fulfilled the psychological contract. Anderson (1996) explains that cynicism in the workplace is extensive due to organizational changes such as restructuring. This explanation was found to be viable as some nurses communicated that they did not expect anything from their employers, as over time they have learnt not to expect anything. As Interviewee 3 explains, "*Currently I have absolutely no expectations from them because I am in the job long enough to realise that you don't expect anything. Anything is a bonus.*" When asked further about supply of resources and support Interviewee 3 replied, "*It has always been short and there is always a reason or an excuse that there isn't, we tend to be on the frontline when people are complaining about things that we have no control over. There is no support from management. They tend to disappear when trouble happens so you learn not to expect anything from them. My expectations have changed since the budget cuts but from the support aspect, it has pretty much always been like that but from the basics with supplies and stuff like that that is a recent thing, budgets have played a huge part in that.*"

#### **Theme 4 Commitment**

Bunderson (2001) argued that breaches of professional role obligations would be more negatively associated with affective organizational commitment since the professional role implies a more relational agreement between employee and organization. The findings of this study suggest that while the nurses have an emotional attachment to their work and role, it is not necessarily with their organisation. The affective commitment described by Meyer & Allen (2001) as an attachment to the goals and values of the organisation only seem relevant if the organisations goals and values are focused on patient care as this was a cause of stress for the nurses. The motivation to help people carries stress and concern for patient care. When asked about the least favourite part of the role, Interviewee 9 said, *“when you’re stressed, which does happen and you cant give the proper care that the patient deserves”*. Stress occurred in the form of concern for patient care as a consequence of the reduction in staff levels and the increase in workload. Interviewee 10 says, *“It makes you feel bad when they (the patient) might expect a lot of care, optimum care, but you’re not in a position to provide this optimum care due to lack of staff member or not enough time”*. In exploring whether the nurses’ attitude or commitment to their work has been affected it was found that all the nurses remain committed to their patients but motivation and energy are low as they are expected to do more with less. As explained by Interviewee 3, *“my commitment to my patients will never change I suppose that defines the type of person that you are so do the best that you can. It makes like an awful lot harder but it doesn’t change your commitment ”*. Further research is needed in this area.

## CHAPTER 5 – Conclusion and Recommendations

### Conclusion

The first objective of this study was to identify and explore the current state of the nurses' psychological contract that exists. The psychological contract was found to be relational in nature due to the motivation of the nurses in their role to help people coupled with the fact that they feel the role is part of their identity. This passion for nursing and drive for helping people causes the nurses to carry stress and concern for patient care. This stress is an evident part of the job in all of the nurses interviewed, although they were affected and handled stress differently. An important part of the psychological contract perceived by the nurses was found to be a need and expectation of support from their employer. This need and expectation of support included being listened to and the approachability of management if the nurses had a problem or issue when they are stressed. Trust was found to be an important part of the psychological contract as it central to the role and ability to carry out the job. Trust is made difficult by the issue of staff cover and is questioned on occasion but it is still valued as a component of the contract and the nurses make an effort to trust their employer.

The second objective of this study was to explore what impact, if any, the budget cuts have had on nurse's attitudes towards their work. It was found that while there were differing responses to whether the employer is fulfilling the psychological contract namely trust and support. If there is indeed a breach the nurses do not feel they can blame the employer due to the circumstances surrounding the budget and recession it was viewed that the employers 'hands are tied'. This is where the employer is viewed

as the hospital or the immediate management and not the HSE. The HSE were deemed not to be trusted but there was a sense that the hospital is doing the best that they can and they are told what to do by a higher power. Whether or not there is a perceived breach of the psychological contract, the nurses' commitment to their patients remains unchanged. The nurses strongly communicated that their commitment to their patients and role will always remain.

The third objective was to establish whether staff have acquired new skills to meet the increased workload. The findings of this study point out that there has been a massive increase in the nurses' workload from reasons such as insufficient cover from leave as staff are not being replaced and there is an embargo on hiring new staff. This increases pressure and the staff to patient ratio is affected, again leading to a concern for patient care and stress for the nurses. Another concern that arose is for the future, due to these issues newly graduated nurses are emigrating the country and there is fear for the future that there will not be enough talented nurses in the country. New skills for meeting the increased demands were found to be prioritizing tasks and a concern for time management as well as asking for support.

## **Recommendations**

The findings and conclusions of this study could invoke potential benefits for management or the hospitals these nurses are employed with. Some recommendations in line with the findings of this study will be discussed in relation to the findings of an interview conducted to gain a HR perspective to give a realistic comparison of how the hospital investigated is handling these issues in reality.

Firstly support as an element of the psychological contract in reducing stress is recommended to be utilised. The nurses need and expect support and this can be built in the ways exemplified by the HR Interviewee. Training programmes aimed specifically at what the nurses want to cover can reinvigorate and motivate. Courses designed by the nurses themselves are the best way to help them do their job to the best of their ability. This will give them a sense that they are being listened to and supported. Another example given by the HR Interviewee is following through on information from staff surveys and having a social element to element.

The nurses' commitment to their patients is strong but they battle with a concern for quality patient care. A concern for HR or management would be that the patients would feel that there might be a possibility that their services are being cut or the care is not as good but it used to be. This situation could be combatted by allowing the service perspective such as waiting lists suffer in order to allow the patient to experience the same quality of care which the nurses are adamant about. The HR Interviewee explained that while the nurses are prioritising patient care, stats could be worrying. An example given was issues with probationary assessments and CPD's done late. The HR Interviewee described how in the past the CNM's would have been confronted about these issues but now there is an understanding of the challenges facing them and they are allowed to get on with their job.

Trust was found as an important element of the psychological contract. It is recommended to build trust in order to foster the employment relationship and strengthen the psychological contract. The findings suggest that the nurses have a

view that the hospital is doing the best that they can, this was confirmed from the HR Interviewee that a way of building trust is to be upfront about figures so that the nurses' feel that management are doing the best that they can in terms of what they promised to do in terms of managing resources. The HR Interviewee also advised that they would look for support in coming up with solutions. This helps the nurses to see that that the hospital is doing the best that it can as they can see the various initiatives coming out to try and save money and facilitate people taking unpaid leave. This reinforces the nurses viewing that the situation and that is largely out of the hospital's hands.

Concern for future recruitment and shortage of nurses is an issue that is going to affect all hospitals. Recommendations could be taken from the initiatives discussed by the HR Interviewee such as, unpaid leave initiatives and workforce planning to allow nurses to come back to the hospital down the line and not sever any ties. This also will allow the nurses to bring back new skills they have acquired from abroad and leave a positive image of the hospital as an employer for the future.

### **Limitations**

There are limitations of this study. Firstly, because of the time frame the research was only conducted on a relatively small size of the population and the sample was not randomized. This study focused predominately on Dublin based hospitals to the exclusion of other Irish hospitals. This study was limited to only nurses and their self-perception as their managers' view wasn't sought so the view is one-sided. This study only offers a snap shot at a given point in time.

### **Future Research**

Future work in this area should focus on a broader sample of nurses across more hospitals to get a better insight of the issues. Future research could explore the different perceptions depending on age or graduating years of nurses. Future research with a matched example between a nurse and their manager would offer a further insight into the issues and perceptions. Further research would benefit from a longitudinal study where the same nurses could be tracked over time to see if their perception changes.

### **Personal Reflection**

From conducting this study I now understand the importance of an interview and utilizing interviewing skills to extract valuable information. This is a skill I feel will be very valuable to me in my future career in HR. I also understand the importance of a healthy psychological contract and the implications of meeting employee needs and expectations as an employer.

### **Summary**

This study offers an insight into the thoughts and mind frame of the nurses experiencing the impact of the recession and 2012 budgetary cuts first hand. The issues produced by the budget cuts causing increased workload, reduced staff and having to do more with less are important to understand from a nurses perspective as solutions can be offered to improve working situations. The current state of the psychological contract was explored, as it is important in understanding the employment relationship. Findings convey trust as an important element of the nurses psychological contract, this finding is important as it creates the opportunity to build

trust and improve the employment relationship. Commitment to patients was found to be unaffected, which is an important detail for the employer to know that quality care is still a major priority to the nurses in their work. Other results of this study offer opportunities to prepare for possible concerns for the future, namely the management of stress and future recruitment issues. Further research is needed in this area as discussed in the limitations of this study.

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# Appendix

## Appendices 1 Interview Schedules

Name . . . . .

### Interview Schedule

I'd like to thank you for taking part in this research. There's no such thing as right or wrong answer, I'm just looking for your opinion on a few different aspects of your work. If you don't understand any of the questions please just ask me to rephrase or explain them. I'm just going to start off by asking you

- i How long have you been a nurse?
- ii How long have you been a nurse at your current Hospital?
- iii What department do you work in?
- iv What is your role/title?

This study is about exploring the psychological contracts of nurses. Firstly I will explain the term and a little bit about the psychological contract and then I will ask you some questions about your perceptions and feelings about your employment relationship and work.

### The psychological contract

The psychological contract is an unwritten contract that exists in the minds of employees and employers.



4) In exploring the current state of your psychological contract can you discuss what you currently expect from your employer, or what you see to be your employer's obligations owed to you in exchange for the work that you do?

5) Can you discuss whether this has always been your belief or have your expectations changed since the budget cuts?

6) Can you discuss any reasons behind your expectations changing?

7) Have your expectations of your employers obligations changed as a result of the budget cuts? If so how?

8) What would you consider to be the major differences in what you expect from your employer now compared to before the budget cuts?

**Section 2** Is there a perceived breach or violation of the psychological contract?

1) After discussing what you believe to be your employers obligations to you in exchange for the work that you do, how well do you feel your employer meets these obligations?

2) Where do you feel your employer is lacking in meeting these obligations the most?

3) How has this changed your view of your employer?

4) How has this affected on your attitude/commitment to your work/ employer, if at all?

5) Have there been any lasting consequences due to the austerity?

**Section 3** Establish whether the nursing staff has acquired new skills to meet the increased workload

1) Can you describe to me if and how your role has changed since the budget cuts, if at all?

2) Has there been an increase in your workload at all?

3) How have you dealt with changes or increases in your role or workload?

4) Do you do anything differently or have you had to acquire new skills to cope?

**Name**

**Interview Schedule for HR**

I'd like to thank you for taking part in this research I'm just going to start off by asking you

v How long have you worked at this Hospital?

vi What is your role/title?

This study is about exploring the psychological contracts of nurses The psychological contract is an unwritten contract that exists in the minds of employees and employers

So both employer and employee have a set of expectations or obligations that they believe is owed to them by the other party concerning the inputs and outcomes of work

**Section 1** Identify the current psychological contract of the nurses that exists the Hospital

So I will begin by asking you

- 9) In view of this definition of the psychological contract can you discuss from your HR perspective the current state of the psychological contract of the nurses that exists within the hospital?

10) Do you believe the nurses have certain needs or expectations from their employer? If so can you name or explain these needs and expectations?

11) Do you believe these needs or expectations have changed since the budget cuts?

12) Can you explain or elaborate why you think this is or what reasons you think are behind this?

13) What would you consider to be the major differences in what the nurses psychological contract needs and expectations are now compared to before the budget cuts?

**Section 2** Is there a perceived breach or violation of the psychological contract?

6) Do you believe there is a perceived breach or violation of the psychological

contract of nurses?

7) If so, can you elaborate further?

8) From a HR perspective do you think this has affected the nurses attitude or commitment to their work? If so in what respects?

9) From your view, what long-term consequences are there as a result of the austerity budgets?

**Section 3** Establish whether there have been any changes in work practices to meet the increased workload

5) What are the major HR issues in relation to nursing, now and in the future?

- 6) Can you describe any changes or new procedures that have been developed by HR since the recession and subsequent budget cuts to respond to the new issues?

7) As HR, has your role changed at all?

## **Appendices 2 Interview Transcripts**

Interview 3 transcribed

**First off I would like to thank you for taking part in this research. There is no such thing as a right or wrong answer. I am just looking for your opinion on a few different aspects of your work. If you don't understand any of the questions please ask me to rephrase or explain them. I am going to start off by asking you how long have you been a nurse?**

Sixteen years. I am qualified sixteen years.

**How long have you been a nurse at your current position, your current employment?**

Five years.

**What department do you work in?**

Public health.

**What is your title or role?**

My title is public health nurse.

**This study is about exploring the psychological contract of nurses. Firstly I will explain the term and a little bit about the psychological contract and then I will ask you some questions about your perceptions and feelings about your employment relationship and work. The psychological contract is an unwritten contract that exists in the minds of employees and employers. The employer and employee have a set of expectations or obligations that they believe is owed to them by the other party. It concerns the expectations about the inputs and outcomes of work. The psychological contract is the fairness or balance between how the employer treats the employee and what the employee puts into the job. In the employment relationship there are mutual expectations and obligations from both the employer and the employee towards each other. I am going to be focusing my research on the employee side of the contract, the nurses side. The psychological contract is about the exchange between what you put into your job and what you get in return. The first section is going to be about identifying the current psychological contract that exists. The first question is what motivates you to go to work every day?**

[Laughs] Okay, what motivates me to go to work every day? That is a hard one. I like my job so I suppose that motivates me to go to work every day. I like interacting with people. I like the fact that I have an educational role and my job differs that every day is different. Every client is different and I am an independent practitioner. I suppose that is it.

**You say you like your job, what would be the aspects of your job that you actually like the most?**

I like the education part and the interaction with mothers. It is a very good resource for mothers and a lot of them do depend a lot on it. An extra bit of time can make somebody's life a hell of a lot easier.

**Would you say you like helping people?**

Yeah, exactly.

**Just you saying what you like about the role the most but what would you like the least about your nursing role?**

There is nothing that I don't like about the job. I don't like the way things are at the moment that we are overstretched and it is extremely hard to do your job properly if you just don't have the time to do it.

**What are your needs as a nurse from your employer?**

Extra staff; that there is a sufficient amount of people to cover what is required outside and that is probably the biggest one at the moment that there is a sufficient amount of supplies that the tools we require to do the job are available and that there is some sort of support.

**Like personal support as well?**

Yeah, absolutely.

**In exploring the current state of your psychological contract, can you explain to me what you currently expect from your employer or what seems to be your employers obligations owed to you in exchange for the work that you do?**

Currently I have absolutely no expectations from them because I am in the job long enough to realise that you don't expect anything. Anything is a bonus. I don't expect anything.

**Is this because you don't get anything?**

It has never been available. It has always been short and there is always a reason or an excuse that there isn't; we tend to be on the frontline when people are complaining about things that we have no control over. There is no support from management. They tend to disappear when trouble happens so you learn not to expect anything from them.

**Can you discuss whether this has always been your belief or have your expectations changed since the budget cuts?**

My expectations have changed since the budget cuts but from the support aspect, it has pretty much always been like that but from the basics with supplies and stuff like that, that is a recent thing, budgets have played a huge part in that.

**Can you explain why you think this is or what reasons you think are behind this?**

Poor management.

**Can you define that further?**

Poor management, poor use of whatever money resources they have. It is hard to explain unless you are in the job. We would be very dependent on getting extra help from outside and we would be dependent on specific days because we would have heavier caseloads on those days and management would turn around and give you somebody on the day that you don't have a heavy caseload and expect that to do which doesn't work out and they just don't understand it. I suppose it is so long since they have been on the ground.

**So you are sort of saying that the help they give you isn't relevant to what you actually need?**

Absolutely plus it is always top heavy or at least it appears to be top heavy the HSE. The people on the ground actually doing the work are few and far between but then the surrounding there seems to be a huge amount of people. At present there are people who have moved from central, I don't know if they are secretarial or what, being moved around the place because they don't have work for them to do in the central place and yet we can't get people on the ground to do the very basics.

**In exploring the state of your previous psychological contract before the budget cuts, can you discuss what your expectations of your employer's obligations were to you then before the budget cuts?**

Like I said from a management point of view I didn't have very many expectations but I suppose the reality is supplies and equipment and the basic requirements to do the job and we just automatically expected that to be available and not to be spending weeks trying to get the basic requirements for patients.

**What would you consider to be the major differences in what you expect from your employer now compared to the budget cuts? Sorry if you are repeating yourself.**

Repeat that question again.

**What would you consider to be the major differences in what you expect from your employer now compared to the budget cuts?**

It is just going to be exactly the same as the previous question. What would I expect from them now? Nothing. Your expectations are so much lower at present. So much of your time is taken up trying to get things that would have been their standard previous. You feel that you are almost blackmailing people to get the basic things. I suppose the reality of these standards is everything is lower.

**Section two is about whether there is a perceived breach or violation of the psychological contract so after discussing what you believed to be your employers obligations to you in exchange for the work that you do, how well do you feel that your employer meets these obligations?**

[Laughs] The first part of that was all negative I don't really have many expectations from my employer There is not much for them to meet It wouldn't necessarily be what my expectations, it would be the patient's expectations that they just don't at the moment and it makes our job that much harder if that makes any sense

**No that is okay Where do you feel your employer is lacking in meeting its obligations**

[Laughs] Management I don't know

**I suppose it is different for you because your expectations are so low This is another question but do you feel your expectations would be different compared to say a new graduate nurse?**

Oh absolutely The more time you spend out in it, unfortunately I would have a very negative opinion about it, about both management and the HSE After sixteen years any suggestion, any idea that you come up with or suggestion to make something better even remotely is knocked on the head straight away or that is just not the way the HSE does things Even if you do are you are a very forward thinker or you come up with ideas to try and improve things they either don't have the money to do it or it is just not the way the HSE do things

**I am just going to go to another question but how does it affect your attitude or your commitment to your work if at all?**

It doesn't I still go out and do the best that I can My commitment to my patients will never change I suppose that defines the type of person that you are so do the best that you can It makes like an awful lot harder but it doesn't change your commitment

**What about your commitment to your employer?**

I don't think it would change anything The reality of it is that my commitment is always going to be to my patients so I would never let anybody down and I suppose that goes to my employer I can only do so much with what I have got The reality of it is that people understand that and people understand what the situation is Even when we were in really good times, it wasn't working as it should

**How has this changed your view of your employer?**

[Laughs] Same again, it hasn't changed my view of my employer Even pre-recession I wouldn't have had a very positive view

**Why would you say that? You have been in and out of it for so long and you are dedicated to being a nurse it is worse but you still feel the same that you are getting on with it.**

Yeah because how I do my job it doesn't directly affect the employer, it affects the individual. There is a lot of people out there that are completely independent on us going into this whole; that will never change. It will never change how I look after somebody. It might make the situation harder to do but it just means that you have to put in so much more time of your own time to try and get the same job done.

**In your opinion have there been lasting consequences to the austerity and everything that is going on at the moment?**

Lasting?

**Lasting consequences?**

There are huge consequences; there are no homecare packages available. The most vulnerable in society are hugely affected. We don't have social workers on the ground and a couple of health nurses are trying to do a social workers job as well as everything else. The elderly and any children with disabilities are really badly affected at the moment and at the moment they would be the most; very basic things that we need we can't get our hands on. People who can't afford to get these things; it just leaves us in a very hard situation and it is the most vulnerable of society that it is affecting most at the moment.

**How does that make you feel?**

I suppose it makes me feel a little bit annoyed considering I seen the waste of money when things were good. The ridiculousness of spending millions of pounds changing the name of the HSE, you know the North Eastern Health Board or whatever else, to change the paper and throwing out paper and all that money. With a bit of cop on they could have used what was there. The fact that the likes of primary care was offered to them in the seventies and it took them till the nineties to decided for something like that to come in. I just think the HSE full stop has been really badly mismanaged. Things that were suggested decades ago, if they had been put in place would have saved us a huge amount of money and we would have had a much better run system. Bureaucracy is the death of the HSE and it still has such a bad affect on it.

**Okay. The next question is to establish whether the nursing staff have acquired any new skills to meet their increased work load. Can you describe to me if and how your role has changed at all since the budget cuts?**

We have to put in so much more hours because you are trying to do on average; statistically at the moment as far as I am aware and I am not 100% sure about the numbers but on average a public health care nurse should have about 2,500 and at the moment where I am we are roughly about 7,500 population per nurse. We are just extremely over stretched. You are trying to get the most urgent things done and

things that do need to get done but just priorities are not so high they tend to get left behind or delayed and you just put in so much. We always did put in bucket loads of hours overtime but it is not overtime because it is not overtime in the HSE, it is your own time. People just put in so much more time. I suppose you develop with the amount of complaints and people giving out about certain services not being available and how are people going to cope. I suppose your listening skills change drastically, your coping skills and trying to recycle and shuffle and use things. You are a lot more aware of what is available and who should be having what and you prioritise things completely different as well I suppose.

**Would you say that this new concern that you have for management of resources and prioritising tasks and stuff that is new, you didn't have to worry about that to such a degree before?**

We always worried about prioritising tasks and management of things but it is just on the extreme now. Nurses were never idle. You were always busy. Now you don't have time to take a breath. You are permanently trying to remember and trying to keep up with the basics because there is just such a vast amount of things being thrown at you.

**Has there been an increase in your workload? Sorry I am just trying to cover myself there? How have you dealt with the changes or increases in your role?**

Work is extremely stressful so I suppose the reality is it is very hard to leave work at work. A lot of the time you would be bringing work home with you. Your home life changes completely because you have got so many more hours to put in at work to try and get the paperwork done. Paperwork is something that gets left behind. For every half an hour you see a patient, you could have a half an hour to an hour on paperwork to go with it. Back to the question there, a while ago you were asking about things that the HSE and management of the HSE. Our system isn't computerised at all. I don't use a computer at all. If we had tablets out in the community, you could do your paperwork there and then but they are not on the internet so it is to run an internet services and you can't put patient information over that so you are extremely limited. The IT, the very basic IT, we are back in the dark ages and that has a huge effect on our time management and what we can do. I keep going off the point. What was the question again?

**That is okay. Just how you dealt with the changes or increases in your workload?**

It is just about dealing with stress at the moment.

**How do you deal with your stress?**

I don't know. I have good friends and stuff like that so just socially.

**Do you do anything differently or have you had to require new skills to cope?**

Not really no, it is the same skills, it is just trying to compact them, you know I suppose the reality of it is that time management has had to change. Priorities have changed drastically. Things that would have been a high priority previous to this are not necessarily at the moment. We utilised a lot of voluntary organisations to try and get services that the HSE no longer provide. You spend an awful lot of time begging the voluntary services for assistance that the HSE no longer provide. It is just our skills are more compact now.

**Okay That is it Thanks very much for your time**

I hope that made a bit of sense

**It did Thanks very much.**

HR Interview transcribed

**So, I'd like to thank you for taking part in this research and I'm just going to ask how long have you worked in this hospital?**

Six years.

**And what is your title or role?**

Head of HR Operations in the Nursing Department.

**So, this study is about exploring the psychological contracts of nurses. The psychological contract is an unwritten contract that exists in the minds of employees and employers so both employer and employee have a set of expectations or obligations that they believe is owed to them by the other party considering the inputs and outcomes of work. So in view of this definition of the psychological contract can you discuss from your HR perspective the current state of the psychological contract of the nurses that exists within this hospital? So what do you believe to be the current state of the psychological contract of the nurses?**

Well I think different nurses, I think I mentioned this before that different nurses would have different I suppose relationships with us through the psychological contract depending on when they commenced employment and I have a view that those that started just before our recruitment embargo which was about three years ago at the end of the boom period, the people who started before that would have a very different experience than those who started right in the middle of the crisis and again different to those who started the crisis so the group that I'd have in mind just as an example the 2009 graduates started in September 2009 and our graduate programme prior to that would have been very glamorous, it would have been a two year programme, it would have I suppose hundreds of people who would have applied for it. It would have been very much around supporting the graduates that would have their tailored induction and orientation would have been two weeks long. There would have been rotations between medical and surgical placements as well as the option to select a specialist placement or placements. We would have met with them to get feedback prior to the 2009 group. There would have been the promise of a permanent contract following the two year contracts and they would have felt that a lot of time would have been given to them and support whereas the 2009 people when they came in everything had changed before they started so they were given shorter contracts, one year contracts and the rotations were very much based on the demands in the area so a lot of them have to move frequently. It wasn't about them getting a solid six months in ward areas, it was about us being able to use the resources that we had as thinly as possible and at one point we had to talk to them about taking a number of days unpaid leave in order to get through our summer cost containment plan which was when the hospital was really at a crisis situation in terms of finances so I suppose when they applied for the graduate programme as nurses they would have expected one programme and ended up with a very different experience and even when I meet them now you can see that they are a group of people that feel like they were I suppose maybe had a bit of bad luck or their timing was not good, that

they graduated just at the wrong time unlike the 2008 and 2007 who had come before them who sailed in, had a brilliant experience, got their permanent contracts and always felt valued and that the priority was them not the use of resources and then if you compare the 2009 with 2010, 2010 never thought that they would get contracts at all. They got reduced hours contracts which wouldn't have been as good as the 2009 ones because we couldn't commit to shifts but they were delighted with whatever they got because they saw everything as a bonus because they didn't quite come the same way and even now they are on a fixed term contract still and they are still grateful for everything they get because I suppose their expectations would have dropped and they from the beginning would have felt that the hospital was looking to do what they could to give them work as opposed to 2009 who felt that they were going to walk into positions and then the carpet was pulled from underneath their feet so I think different people would have had different experiences. In terms of I suppose commitment and motivation and engagement in the hospital there's different grades of staff within the hospital. Staff nurses would be the biggest group, maybe about 600 people, 650 maybe and then the next group after that would be our CNM2's and we'd have about 180 or so CNM2's, CNM across the wards and we've done quite a bit with CNM to engage with them so I would feel that they would be very much engaged and committed to the hospital because we have invested a lot of training and time into that role because we really wanted them to be onboard with us and to be supported in the hospital. They have a very key role, they are like the middle managers, front line managers so our view was in order to keep motivation up through the hard times we really focused on that grade to get them supported, motivated and to be with them on the issues that came up so you having then connected in and are very linked to the management and HR I would feel that they have a good state of I suppose I was going to say the psychological contract but they would have a good relationship and engagement levels with us. But that's not to say they are not unhappy but I think the reason why most staff nurses or managers would be unhappy would be due to the malaise that would be linked to the national office, issues of economics, reduction in pay, there's been pay cuts over the last number of years from the HSE. They would be very much linked with the government, not St. Vincent's if that makes sense so I would think that people have a dual psychological contract, one with St. Vincent's management as the direct employer and the other one with the HSE and government as the second one and a lot of the most negative stuff would be I suppose directly linked to the HSE and the government so we reduced wages when we had cutbacks, when we had cost entailment. It was all very much linked to the government as opposed to us whereas people motivation would have come down it wouldn't have really done too much damage to the relationship between us and our employees if that makes sense.

**Ok so just to summarise you think that there's different contracts from different nurses that have entered the hospital at different years or different times in relation to the recession and the budget cuts and also that the contract depends on their different relationships between the hospital and then between the HSE as well and the different roles as well.**

Yeah I suppose the other difference I'd make in this hospital, I know you have, even though you have spoke to people across different hospitals, for us when we were asked to look at reducing our headcount, our numbers the approach that we took from

the very beginning and the approach that we have taken the whole way though the cost containment years has been around encouraging people to take different levels of unpaid leave as opposed to letting people go from fixed term contracts and the reason why we did that I suppose is twofold. One is that there are research and reports out that indicate that in the long term we'll have a higher demand for nurses because more people are over 60 and people over 60 demand more healthcare and more healthcare usually requires more nurses so because of that report that was done in Ireland the hospital management and ourselves in HR would have a view that over the next five, 10, 15 years we will need more and more nurses so I know we are letting people go or I think there is less nurses in the system now than there was five years ago but we feel that over time that will be redressed as more money comes into the system and as demand increases so because of that, that's one reason why we wanted to take unpaid leave because we wanted nurses to be able to come back to us down the line, we didn't want to sever the tie between nurses and the second reason is we felt we would have more flexibility with unpaid leave options i.e. if we get someone to take six months to go work in Tipperary in a, you know, particular specialist area or to work in New York or to go to Australia we felt that they would bring back skills and then there'd be number of people ready to take their place on unpaid leave so it wouldn't affect our headcount so we set up an unpaid leave initiative specifically for nurses so one that you could take between a day and 10 days, another one where you could take between a day and a month and another one where you could take between a month and 12 months and a serious amount of people took up those options so reduced their hours, reduced their days, went to Australia and various places around the world, even some people went to Dubai etc. Now our intention was to bring our headcount down which that did do because we had, I think one week alone we had something like 30 applications so lots of people have left but they left in a very different way than they would have if we had discontinued fixed term contracts like what happened in other hospitals so just to give you one example, when we had people who were, they tended to go away in groups because, you know, they'd do their research and all those pieces together so on one ward when we had three people heading off to Australia they had their going away party, talked about all their plans for Australia but it was a good going away party because they were going off to something that they were looking forward to and they were going to be coming back. If it was their going away party because they'd lost their contracts it would affect how people perceive management, how they perceive HR and it would affect the psychological contract and it would affect how they would be valued but I think most employees felt that this was further valuing our staff in order to value them that much that we'd let them take time off and do what they want to do and come back to Vincent's so that indirectly has given us a lot of positive feedback from the nurses, they feel so valued that we are more flexible with them so that's worked out for us as well so I'd say in most cases people would feel the strain of people gone out of their wards but they know that Mary is gone to Australia and will be back in six months, another person is off doing a year's study, another person is off, so there is kind of like good reasons behind the bad reasons why they are gone and that would be very much linked with Vincent's as opposed to the HSE.

**Ok so just going on to section two, do you believe that there's a perceived breach or violation of this psychological contract of the nurses?**

Do you believe there's a perceived breach or violation of psychological contacts of nurses, is what way?

**Like do you believe, well you are saying that the attitudes are kind of positive towards like taking time off and everything but at the hospital do you believe that there's any perceived breach on the side of the nurses?**

I think there would be at times, you know, when wards are down low often a nurse might fill out an incident report form saying that resources are down low so that would, I think they'd, you know, I wouldn't be surprised if they thought 'well that's not what I signed up for' but I think the whole they kind of feel, I would think that most nurses would feel that management are doing their best in terms of what they promised to do in terms of managing resources. I would meet with the nurse managers every month and tell them what we are doing, where we are. We are totally upfront with our staff and figures. With cutbacks there's no kind of secrets in those regards. We just tell them 'this is what the situation is, this is what the headcounts are and this is where we are' and normally nursing is under, we'd usually surpass our targets and that's publicised as well so I think in that respect they would know that management are being upfront with them if that makes sense and that we are not trying to gloss over or ignore the issues. Particularly with managers you can't, you can't fool managers. You just have to tell them the truth 'this is what the situation is and this is how we are trying address it' and we look for people's support and coming up with solutions and managing those solutions but I wouldn't be surprised at times that they would feel that maybe the government aren't going in the correct direction or the HSE are cutting the wrong services if that makes sense, a lot of quality services that have been built up over years and now left to kind of slowly deteriorate because they are just not being resourced and that's soul destroying for anyone how has spent years of their time and often their free time building up that quality.

**So you are saying that there might be a perceived breach but definitely telling the truth and being honest with them is kind of combating that?**

Yeah, it kind of helps. Like we wouldn't have many complaints about the situation because I think people kind of know that we are doing the best we can and they know what the situation is and they know it's largely out of our hands but I think because they see the various initiatives coming out to try and save money trying to facilitate people taking unpaid leave and those things. They know that we are actively trying to do the best we can to manage it in a way that's, you know, I suppose that we can be, this might sound a bit odd but in ways that we can be kind of proud of, you know, as opposed to ashamed of, that we can say this is, I'd like to think that other managers and nurse managers if they are taking to their colleagues can say 'well I like the way Vincent's are doing business' as opposed to whatever horror stories they might hear from other hospitals. Like we heard stories about midwives that were supposed to be starting I think this Monday and where they got contracts and they were told last Thursday that it wasn't proceeding, like that would never happen here so I think when they hear horror stories there's never really anything like that here, you know, we usually come up with positive initiatives like even when we asked people to reduce, to take unpaid leave days we put that up in a very different way. We marketed that as if people wanted to purchase additional annual leave, certainly wanted to buy extra

holidays you took it by obviously paying for it and paying for it meant that you had less wages but we marketed it as additional annual leave and we got loads of people buying it because it legitimised it for them because 'I can work and reduce it but I'm getting extra annual leave' but really it's unpaid leave because you are paying for not being here but we put everything in a most positive spin so people took things willingly, not through force and whatever, does that makes sense?

**Yeah it does.**

We put a lot of effort in trying to give people their possibilities as opposed to having a go at them.

**So do you say that you are building trust with the nurses?**

I'd like to think so yeah as much as we can. Our policies as well, we brought our HR policies off to all the wards so they know exactly how things are done and supposed to be done so that usually helped as well because it sets a standard.

**And from a HR perspective do you think that this has affected the nurse's attitude or commitment to their work?**

The cycle, well the personal view, I think people are moving more and more towards work/life balance. I think the whole crisis has made a lot of people sit back and reflect on the value of money compared to the value of their lives if that makes sense because when we had, this is only a personal view from looking at the trends but when the crisis hit initially a lot of our nurses that were on reduced hours increased their hours because their husbands had lost work and they had to, you know, pay heavy mortgages and had to a, b, c and d and, you know, they wouldn't be afford their holidays and bits and pieces unless they did those things but more and more of those people have come back and over time have reduced those hours so I think they have decided to cut their, rather than giving all their time to work so that they can have their little pieces of joy when they go on holidays I think they are saying 'well rather than going five star let's go three star and keep my four day week' or 'my three day week' so I think people have reassessed what they actually got from the salary side of work and what they got from the work/life balance piece and more and more people are choosing to have a more healthy balance that reflects what they want to get out of life at the various stages so we have lots of people who now take up parental leave after giving birth to their sons or daughters, we have lots of people who take up carers leave whereas I think carers leave was very rarely taken up when I started here first and now more and more people are doing it because they want to spend time with their grandmother or their mother or father when they become ill because they want to actually value the time with them as opposed to being stuck with having to care for them if that makes sense?

**Yeah.**

Saying 'Well I'll care for them instead of paying someone because I get two things from it' as opposed to just having the security of someone being looked after so I

think people are really set on what they are doing with their time and the value of the wages they are getting so I don't know if that really answers your question?

**Yeah well there's obviously like that including the nurse's attitudes changing towards how they view their work and their commitment to work?**

I think it's pretty good. I don't think it changes like they work very closely with patients and when the first cuts came and all that, you know, you'd be worried from a management perspective would they start telling the patients 'Oh complain to the TDs' and do this that and the other and we really don't want that, we don't patients to feel that there might be a possibility that their services are being cut or the care they are getting is not as good as it could have been five years ago or two years ago or whatever and if you were a patient hearing nurses complain you would possibly start to think about those things but they have been extremely professional, you know, whenever a patient comes in they get the highest quality service regardless of what nurses gripes might be or, you know, it's the quality end of things that have been reduced from a service perspective as opposed to what the patients get at the end of the day so it means that our waiting lists have suffered a bit but once the patient comes in the door they still get the same quality of service and our nurses are as adamant about that as they would have been during the boom period and I suppose as people come in the door, you know, from a sense of pride you don't want them to, I suppose you don't want them to be thinking that they are not going to get the service that you would want for your mother or father or whatever if they were a patient, you know. Is that ok for that?

**Yeah that's fine, yeah. The nurses are just committed to their patients no matter what?**

Yeah. No they wouldn't be as, they wouldn't be jumping for joy for other pieces that we might ask them to do, you know, like even with surveys for research, you know, you don't have them saying 'Yes, yes, yes, I'll do it', you kind of have to, you know, ask for favours because people are kind of stretched, you know, and they are tired at the end of rosters so in things like that, you know, it would be affected. Mandatory training, getting people out to do training and things like that it's a little bit more challenging because, you know, they are prioritising the patient care which you can't argue with but it just doesn't help when you see the stats coming in and you are worried about it. We'd have issues like probationary assessments and CPD's done late and, you know, like a few years ago you could kind of almost give out to the CNM's about that but you wouldn't dare do it now because you know the challenges that they are facing in terms of just keeping the show on the road.

**But the patient care, they are still committed to their role as a nurse?**

Yeah. They prioritise that and we can see it you there, you know, they'd nearly hang up the phone on you if there's an issue rather than talk to you about it, getting some complaints pieced down from HR perspective, you know, and you can't argue with that. That's what we want anyhow is that their number one is patient care.

**And from your view what long term consequences are the result of the budgets?**

Potential long terms? There a tradition in nursing that good nurses tend to have maybe sons or daughters that would contemplate getting into the same profession again and I would be a little bit worried that less and less people would put their hand up for it because they might be told 'this is not a good time to get into nursing' It would have been a very popular profession during the boom period The points for colleges for the nursing degree would have gone up and that would have meant that the calibre of people we were getting through would have been very high and, you know, the points started to come down when wages were cut and peoples experience aren't what they might have been in the past so I'd be worried that the numbers might be affected down the line Other long term consequences might be like we know like when we give unpaid leave and we have people take time off to travel that we only get a percentage of those people back to Ireland so you are losing your talent to the rest of the world and you don't get that back easily I'd also be worried as well about some of our non national nurses that are going to other countries from Ireland that their last experience of employment in Ireland would have been the downturn and that might be the message that might go around the world so when we are recruiting for people when times get better that that might be a lingering thought which wouldn't be helpful but overall the current workforce plan across the country is to reduce the number of nurses coming through the system whereas it's very clear that the long term projection for healthcare is that we will require more nurses so I wouldn't be surprised if in, you know, eight to 10 years that we'll be in a crisis like we were here in the boom where we had to go across the world to try and get people to come to Ireland and opposed to trying to keep a steady workforce so that you are kind of a country or an employer of choice

**So your concerns are maybe like mostly recruitment based for the future?**

Yeah and having, you know, having people who are committed to Ireland and the health sector here

**Getting the best talent?**

Yeah

**Well the next question was what are the major HR issues in relation to nursing now and in the future but that was actually recruitment**

Recruitment

**And can you describe any changes or new procedures that have been developed by HR since the recession and subsequent budget cuts to respond to this?**

To the new issues?

**Well if you are able to describe any new procedures or changes and then maybe like is there anything with regard to the recruitment?**

Well if you take, I mentioned some of them already but the unpaid leave initiatives. We would have introduced three nurse unpaid leave initiatives and they would have been for the shorter days, 1-10 which is the purchase of additional annual leave which is kind of a rebranding of taking unpaid leave. The second one then would have been where you can take from one day up to a month and that could be with reduced hours or it could be at the end of any specific days and then the other one is where you take from a month to 12 months, you can't take any more than 12 months. The combination of any amount of unpaid can't be any more than 12 months and with that unpaid leave, with all those unpaid leave initiatives you can go back to college or you can work elsewhere in Ireland as opposed to career breaks where if you take a year's career break you can't work in Ireland under that policy so our unpaid leave policy obviously reflects that. We've, to respond to the new issues, changes or new procedures, oh yeah, so in terms of psychological contract that would have assisted us in managing the recession if that makes sense. Actually just linked in with that we would have had, we would have brought people in on a new contract which was where they were working nine shifts over 13 and that was to bring a higher number of graduates into the system because we were afraid we weren't going to get work otherwise. So we brought a larger number of graduates in by having nine out of 13 shifts per month so that was 0.69. So that would be like 3/7<sup>th</sup> less than full salary, do you understand what I'm saying by that?

**Yeah.**

So those graduates will be able to work in their kind of anchor ward getting 0.69 and if they wish to work additional hours it was done through our bank system and we used that to cover vacancies so it was a way of having overtime that didn't, that wasn't overtime rates if that makes sense by having more people in the system that were available to work flat rates over their hours and we got more of them in and it gave them flexibility. A lot of people didn't want to increase their hours from 0.69 once they got used to it so that was a workforce plan that we did for the 2010 graduates to get them in and they were, I suppose they were very accommodating but it was another initiative that got, we were able to make the case to bring those graduates in because we were using that to reduce our overtime bill because it reduces the overtime then by having flat rates but that's what engineered us getting the approval to give them contracts because management were seduced by the possibility of reducing the overtime bill so each stakeholder had to be convinced it was a good idea so that was an initiative and we made serious savings with overtime with them and they were delighted because they got experience in one particular ward for most of their time and got a chance to see other parts of the hospital through the overtime but when I say overtime it wasn't overtime to them but it was instead of overtime, you know, increase hours up to fulltime. Does that make sense, have I lost you?

**No, it's ok!**

So that's another initiative around getting through the recession. That gave us flexibility as well because when there was lots of pressure on certain areas we could increase their hours for a short period and then reduce them so it gave us lots of flexibility whereas in most cases if you have a pressurised times you have to employ these staff and that could take four to six to eight weeks whereas with this we simply

just said 'who is available to up your hours?' and in some cases we put 10 up to fulltime hours one week and that gave us lots of additional shifts for a few weeks. Does that make sense?

**Yeah.**

That certainly helps so for the psychological contract then it's kind of a separate answer. What we do with that is we did a survey, great places to work survey to get feedback from people en masse so they did interviews where every second employee in the hospital was sent a survey either electronically or by hardcopy to give us feedback on what was going well and not so well and a project group is set up to put different goals and actions in place with that feedback in order to address some of their concerns so some of the things that came up was things like the community, a lot of the community of St. Vincent's that there wasn't enough engagement with people from different departments and not enough social things going on so one of the actions of the project group was to reinvigorate the social committees and as you can imagine HR were very much behind that so for example myself and Sandra here reinvigorated the tag team and we got that going and we had two teams running last year and we won two cups as well! But like there were lots of small initiatives to get things really, to respond to that survey so that affects all grades including nursing. So they were initiatives like the social committee. There would have been a multidisciplinary, a multinational, multicultural group set up to look at celebrating different nationalities in the hospital. That was kind of to improve the respect and dignity and value people placed on each other so for example during the Olympics we had an Olympics day that valued all the nationalities that were participating in it and we had different food from different countries including hotdogs from America, they went down very well!! So we do things like that to address the different things like, you know, in the great place to work but that's all grades. One thing we did specifically for nursing because nurses motivation as you can imagine like every grade had come down since three years ago when the survey was done because of the recession and cutbacks and all those things and we focused on the CNM2's so we did a very blunt survey of the CNM2s to ask them what was going well for them, where were they supported, were they happy with the service from HR, from their managers, from the management team, blah, blah, blah and from the feedback that we got we fed it all back to them and we all committed to improving things whatever way we could and their list of actions were drawn up to how we could do that and one of those actions was to have a hard skills learning training programme for CNM2s and to have a day committed to reenergising and reinvigorating the CNM2s and we got an external consultant in to do that and it went down really well and the CNM2's really kind of felt re-motivated from that and we reconnected with them if that makes sense and that really addressed motivation for them and the reason why we wanted to address the motivation for the CNM2s is as follows. You know from your HR theory that your manager is a key person for your motivation so if your manager is motivated and is enthusiastic and a good manager etc, etc you are more likely to be motivated etc, etc so our choice was we can either go for 650 nurses and try and motivate them or we can take 200 CNM's and motivate them and hope that will be passed on to the staff nurses so that's the option we went with.

**And did you see a difference from it?**

Oh yeah, huge. We took about 50 nurses the first time, CNM2s, not all of them can do it but you could nearly identify people who did it and didn't do it by even having walked, it was a like a pep in the walk of those people who had done it. Now we got loads of people from the senior management team to meet with them to give them an insight into the report and talk to them frankly about what they wanted and because there was so many CNM2s there and they felt that they had designed the course, like they would write to us beforehand what they wanted covered and what they didn't want covered and because they could dictate what they wanted to know and not know, I suppose in some cases they might have felt they were being a bit cheeky asking for various things but the management team, not only did they want them to know that but they were delighted they were even being asked so it engaged everyone if that makes sense because lots of issues that say some of the management team might have had with managers not doing a, b, c and d we quickly discovered that they were more than happy to do those things, they just needed the permission and the go ahead to do that and by God they were happy, they were very happy to manage as long as we were going to support them doing that so they were totally invigorated. It was brilliant. For the next number of months after it we used to get hundreds of queries about, you know, people who might have been unmanaged for years and now they wanted to deal with it from what they heard about from the programme and you had different scenarios and questions about what you would do in this scenario or that scenario so they were very busy for a while as they dealt with problems that hadn't been dealt with for years and it shook everything up, you know, and I suppose the teams were delighted because if you had a bogie on your team that was finally being challenged and asked to pull their weight it brought the whole team up because they felt that this is brilliant, things are getting done and issues are being addressed, you know, so it's good. So that's really how we addressed the motivation for the whole staffing division by focusing on the 2s and getting them on board. It did mean that it would go as above the CNM2s, the 3s and the ADONs had to kind of change how they did business in order to respond to those CNM2s and that was kind of an indirect benefit from it because they needed to be released to do more strategic work but they kept being drawn in to do operational work so this gave them the opportunity to be able to fully delegate those asks, the CNM2s who were only dying to take over because they would probably do it better because they'd have more time and more insight so that all worked. It was a great exercise in valuing people, you know, when we had our sessions with the CNM2s the catering department would put on full spreads, spreads that would be akin to what we would give to our management team for the various sessions so they felt very valued from the attention that was given to it. Our director of nursing and our CEO and our director of operations they all backed and came to the sessions to introduce the speakers and things like that, you know, various things like that that said, you know', we value this and we value ye', you know, and that was a HR initiative.

**Ok. So just finally as HR has your role changed at all?**

Ah yeah. Like if you take recruitment and retention, if you take five years ago that would have been very balanced off, I suppose on the recruitment side we would have had a recruitment office that would have been furiously trying to recruit people from all across the world and trying to get people to come to the hospital and stay. Now

it's really around workforce planning and trying to keep people in the hospital as much as possible through reduced hours and other flexible working arrangements and to be able to flex up the workforce for where demands are required so where you'd have a team of people who could work in one or two areas, like we even have, like five years ago you wouldn't have had ICU or theatre nurses even coming into the wards because you'd never need them, you'd always have enough within the wards to cover each other. Now our resources are so low we've had to ask ICU and theatre and other areas like that to assist so there's lots of work for us planning arrangements, there's lots of ward changed, ward closures, different contracts to allow flexibility. Like we even have annualised hours contracts which wouldn't be terribly common in the health services, it would be more for, you know, you use annualised hours for retail outlets, you know, your need to up your staff or peak shopping times like Christmas and sales and those things for the summer, we are using similar things for here from when we are going to have peak times for either students coming in or peak times for services such as hay fever, you know, when you have an influx of people coming in with various respiratory pieces or in September and October when the first flu cases start coming in we'll be able to flex up for that so it's very much focused on workforce planning and using the resources that we have in creative ways to spread them as thinly as possible across the services and trying to get more for less. The CEO has been saying 'more for less' for the last three years so if there's any way we can do that so I suppose that's just one change for HR. The other change has been to be much more responsive to what's going on with our workforce so that we don't lose touch with what's going on for them so that we can keep them motivated and connected and not running off to Dubai and other countries where we may not get them back so it would be things like, I think I mentioned it before that when the initial recession hit most of our nurses would have been females so a lot of their husbands may have lost jobs that were connected with construction and other industries like that so we would have provided interview preparation sessions and we did CV workshops with nurses and family members of nurses so really we could get husbands and sons or daughters who may have been affected and may now be leaning on the nurse as the primary source of income and the idea was that if we could assist them getting that piece done well then they might get a job and if they got a job that would take the pressure off a nurse and that would mean that our nurse will be that much more motivated and less stressed so we were thinking of the external pressures on nurses as opposed to in the past we would have been just concerned about the internal pressures. Similarly then with references and with trying to support people getting additional hours during difficult times, advance payments, those kind of things we would have been much more aware of people coming in the door saying 'I'm stuck and I need to pay for' a, b, c and d. We would have spent a lot of time with those. We wouldn't really let them out the door without fixing them, sorting something out for them so for example we have had to, we've sorted people out with an advanced monthly payment so say for example in August rather than getting paid at the end of the month they get paid at the beginning of the month because they might have the cost of a funeral to pay for a loved one so we would have found ways to make that happen. It might be only a small thing from a HR perspective but for that person it might mean that 'My organisation saved me', one of the most darkest times they were in and we found some solution to that problem, does that make sense?

**Yeah.**

We would be coming up with solutions to stuff that we wouldn't have had to think about five years ago so it's very much change with cuts. We have been cut as well, you know, we are down 50% of a team that we would have been back in the hay day so we've had to cut our cloth as well and reprioritise a lot of work so a lot of people are trying to juggle the things that we would have had plenty of time to do before so it's a bit about getting more with less.

**So you are saying ye are more with less as well?**

Yeah, oh yeah, definitely because HR had to kind of be seen to be the first ones to be cut so we had to do that so we try to find shortcuts everywhere we can really. It's all about what kind of shortcuts or solutions so if we are doing an exercise we try to think ok if we are doing that major exercise if there anything we can do as well that will save us having to do that and a separate exercise so for example we had to go through the files for a particular audit and we got, we tied two other audits in with it to get value for our time and we look at student interns, we look at lots of other ways of getting work done rather than before when you might be able to someone in, you know, we train people in fields that delivers things in house that we would have in the past bought in so it's changed alright.

**Lovely! Well that's all the questions I have**

Grand

**Thanks very much!**