“I really still care about my teaching”: The impact of breaches of the psychological contract upon academic staff within an Australian university

Branka Krivokapic-Skoko, Charles Sturt University, Australia, bkrivokapic@csu.edu.au

Grant O’Neill, Charles Sturt University, Australia, goneill@csu.edu.au

David Dowell, Charles Sturt University, Australia, ddowell@csu.edu.au

Abstract

The paper explores how academics react to a breach of the psychological contracts they established with the university. Using a mixed method approach, this empirical research identified that commitment to teaching and a desire to contribute to society powerfully influence the reactions of academics to breaches of the psychological contract. The research also identified that issues associated with promotion, remuneration and work flexibility are key areas where breaches are perceived. Academic professionalism, and a deep commitment to students and the ideal of the university as key institution within civil society emerged as powerful motivators of academic behaviour with regard to the formation and effects of psychological contracts.

Keywords: Psychological contract, academics, commitment, professionalism
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Introduction

‘there is that third dimension which plays a huge part in [the] psychological contract... . . . our responsibility and caring for the students that locks us into that contract …’

The Australian University sector is undergoing another period of change and transformation. Changing government policy and internationalisation of the industry are seeing increased competition between universities, and expectations of academics have greatly increased. Higher quality research, teaching and learning outcomes are demanded of academics in a context where funding is tighter than ever and pressure for increases in academic workloads is intensifying. These environmental and organisational changes are dramatically altering the context in which academics’ psychological contracts are formed and enacted (Turnley and Feldman, 1998). Further, this changing environment constitutes a context in which breaches of psychological contracts are more likely to occur. Such breaches have generally been seen to result in feelings of anger, betrayal and resentment, which in turn have been associated with a resultant decrease in employee motivation, organisational commitment, loyalty and trust, as well as an increase in staff turnover (Rousseau, 1995).

We hold that understanding academics’ psychological contracts, including their formation, effects, and impact of breaches, is critical if one is to fully understanding how and why academics are responding to management action as they are within Australian universities. This paper aims to explore the antecedents and outcomes of breaches of the psychological contracts established by university academics. In doing so, it specifically seeks to enhance knowledge and understanding of the effects of breaches on teaching and how factors such as academic professionalism moderate the academics’ response to contract breach.

Theoretical Framework

The psychological contract is defined as ‘individual beliefs, shaped by the organisation, regarding the terms of an exchange between individuals and their organisation” (Rousseau, 1995; 9-10). The psychological contract encompasses employee’s subjective interpretations of their employment deal. In general, the psychological contract deals with implicit reciprocal obligations and promises (Cullinane and Dundon 2006). This perceptual and individual nature of psychological contracts makes them distinct from formal written contracts. By focusing on aspects of the employment relationship which go beyond the terms set in formal employment contracts, a number of authors analysed important employee attitudes and behaviours as well as their alignment with organisational values (Conway and Briner, 2000; Robinson, 1996; Robinson and Rousseau, 1994; Turner and Feldman, 1999; Coyle-Shapiro and Conway, 2005; Freese and Schalk, 1996; de Vos et al., 2003). These authors have argued that the psychological contract has the potential to enhance organisation performance, to facilitate engagement of employees, and employee alignment with organisational decisions and planned organisational changes.

A breach of the psychological contract occurs when an employee experiences a discrepancy between the actual fulfilment of obligations by the organisation and the promise made about these obligations (Rousseau, 1995). Morrison and Robinson (1997) suggest that for contract breach to occur, the individual must perceive an imbalance in the exchange relationship and have an affective response to the perceived breach. Studies have indicated that failing to fulfil employee’s elements of psychological contracts may influence work outcomes, including job
satisfaction, participation in development activities, and intention to remain with the current employer, as well as psychological well-being of employees (Cavanaugh and Noe, 1999; Freese and Schalk, 1996; Dabos and Rousseau, 2004; Coyle-Shapiro and Conway, 2005; Turnley and Feldman, 1999; DelCampo, 2007; Nadin and Cassell, 2007; Zhao et al., 2007, Lester et al., 2002).

Breaches of the psychological contract have profound consequences such as feelings of betrayal, resentment, anger, frustration, decreased motivation, job dissatisfaction, reduced commitment, employee turnover, and even increased litigation (Roehling, 1997). Other behavioural responses include putting in less effort, being unprepared to ‘go the extra mile’ for the organisation, refusal to work beyond their explicit contract, or retaliation measures such as not turning up on time, leaving early, taking days off, and misusing company equipment (Conway and Briner, 2005). It is important to recognise that the relationship between a breach event and its outcomes is not a simple linear relationship. There is evidence to suggest that there may be factors that moderate the relationship between breach and outcomes, such as the perceived importance of the breach, the perceived cause of the breach, justice perceptions, and the employee’s ideological views (Conway and Briner, 2005).

The content and key elements of the psychological contracts established by academics have been empirically assessed in the context of UK (Newton, 2002), New Zealand (Tipples and Jones, 1998) and Australia (O’Neill et al., 2009). In unpacking psychological contracts established at an Australian University, O’Neill et al., (2009) found that academics expect the following from the University: ‘fair treatment in promotion’; ‘staff development and support’; ‘good management and leadership’; ‘academic life’; ‘fairness and equity’; ‘appropriate remuneration’; ‘rewarding performance’; and, ‘good workplace relations’. When it comes to academics’ obligations to the University, the following three issues were identified as most important: ‘meets academic expectations’; demonstrates ‘commitment’; and, show a willingness to go ‘above and beyond’. These research results partially reinforce the findings of some earlier empirical research on psychological contracts within academia (Tipples and Jones, 1998) which identified that the academics’ obligations to the University centred around the issues of hours (to work the hours contracted), work (to do a good job in terms of quality and quantity) and loyalty (staying with the University, putting the interests of the University first). Tipples and Jones (1998) found that perceived obligations of the University centred around fairness, consulting and communication, recognition, provision of safe and friendly environment and job security.

Interestingly, the antecedents and consequences of psychological contract breach have not been empirically addressed within the university environment. This paper is, therefore, breaking new ground in that as it will provide insights into what happens when a university fails to fulfil psychological contract obligations as perceived by academics.

Methodology

The empirical data presented in this paper were generated through application of a sequential mixed method research design (Morgan, 2006) to the study of psychological contracts established by academics within the Faculty of Business at Charles Sturt University. One of the largest non-metropolitan universities in Australia, Charles Sturt University’s Faculty of Business employs academics in the fields of marketing, economics, finance, management, accounting and information technology.

As the empirical research on the psychological contract is dominated by one type of study, the cross-sectional questionnaire survey some experts on the psychological contract (Conway and
Briner, 2005; Taylor and Teklab) have recently argued that there is a strong need to use a variety of research techniques, take a more a holistic approach (Pate, 2006) and pursue triangulation of research methods in order to provide more convincing and reliable results from empirical research (Tipples and Verry, 2006). Taking up the call for triangulation of research methods, this study used a sequential mixed method research design (Morse, 2003) in which three focus groups were initially conducted to identify key issues and themes that were subsequently drawn upon in the development of relevant survey questions. The focus groups (involving 26 academics principally engaged in teaching marketing and management) sought to elicit insights and subjective interpretations of the psychological contracts and the consequences of perceived fulfilment or breach. Subsequently, and using a variation of the Total Design Method (Dillman, 1978), a total of 117 questionnaires were mailed out to full-time permanent academic staff, and of these 60 questionnaires were completed and returned (a 51 per cent response rate). Self reporting is one accepted method of gaining understanding of the employee’s response to certain breach situations (Conway and Briner, 2005), and in accord with previous research in this area (Kickul and Liao-Troth, 2003; Janssens, et al, 2003; Rousseau, 1990), five point Likert scales were used to indicate the degree to which employees agree with particular elements of psychological contracts, such as the degree to which their employers had fulfilled or failed to fulfil perceived promises.

Findings

In term of perceived psychological contract breaches, common themes that emerged from the focus groups discussion converged around promotion (lack of fairness in promotion) poor management (lack of communication/openness/transparency), profession autonomy unreasonably high workload demands and, a lack of job security. The most striking consistency across the three focus groups carried out for this research project was the unprompted repetition of the phrase ‘changing the goalposts’ in the context of promotion. The most frequently cited responses to psychological contract breach were loss of loyalty and neglect behaviours. Some said that the decreased loyalty was resulting in their ‘giving up’ and feeling helpless. Others referred to behaviour that saw them less likely to engage in extra-role behaviour: An interesting adaptation response related to the professionalism of the academics was evident among many academics in that when loyalty to the institution was slipping, loyalty to the discipline and the commitment to students was having a powerful effect:

‘... very few academics slacken off because of their commitment to the students and because of their professionalism [agreement from group] so it doesn’t matter how badly they’re treated, they will still perform close to their optimal level’

The findings were, in many respects, similar to those from prior studies, such the EVLN (Exit, Voice, Loyalty, Neglect) framework developed by Turnley and Feldman (1998). However, we found evidence of another response to contract violation that could meaningfully be called ‘Adapt’. That is, some respondents, while initially hurt by the violation, come to change their attitude and behaviour in order to adapt to their new circumstances. Issues associated with professional practice and professional identity seem to be critical here. Notably, the negative effects of the psychological contract breach were shown to be mediated by a commitment to the students, even when frustration with the institution was high. For example, it was very emotionally stated that

“If we were only looking after ourselves, it might be a different relationship between the employee and employer. But because you’ve got the student sitting there …it often
restricts some of the action we might want to take or some of the things we may do because we are looking after the reason why we are here”.

The survey results endorsed the academics’ commitments to students and teaching. The strongest obligation is felt towards students (mean of 4.68), followed by the discipline, society and finally the academic manager.

In this survey academics were asked to identify the breach of the psychological and then a response to each breach was assessed. The breach responses adopted from the literature (Conway and Briner 2005; Taylor and Tekleab, 2004) were: to seek changes in employment conditions; trust decline; job satisfaction decline’ loyalty decline; commitment decline; work output decline; and, seek alternative employment. Based on the results of the focus groups, decline in teaching quality and research output were also added as breach responses to be explored.

Promotion, remuneration and work flexibility had clearly identified potential to elicit a breach outcome (Table 2). Remuneration and work flexibility had the largest impact in relation to trust decline as one of the outcomes of the contract breach. Failing perceived promises regarding promotion tend to lead towards decline in job satisfaction, motivation, work output and teaching quality, as well as a tendency to change employment. A decrease in loyalty and commitment were most influenced by failed ‘promises’ of providing work flexibility. The largest influence on work output, seeking alternative employment and changing employment conditions was work flexibility. Again, changes to work flexibility were most influential on a research input decline, and perceived contract violation with regard to promotion had the largest bearing on teaching quality decline.

Table 1: Antecedents and Outcomes of Psychological Contract Breach

<table>
<thead>
<tr>
<th>Breach area</th>
<th>Professional development</th>
<th>Promotion</th>
<th>Remuneration</th>
<th>Work flexibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trust decline</td>
<td>3.850</td>
<td>4.220</td>
<td>4.237</td>
<td>4.237</td>
</tr>
<tr>
<td>Job satisfaction decline</td>
<td>3.424</td>
<td>3.864</td>
<td>3.864</td>
<td>3.78</td>
</tr>
<tr>
<td>Motivation decline</td>
<td>3.915</td>
<td>4.356</td>
<td>4.254</td>
<td>4.119</td>
</tr>
<tr>
<td>Loyalty decline</td>
<td>3.763</td>
<td>3.797</td>
<td>3.898</td>
<td>4.051</td>
</tr>
<tr>
<td>Commitment decline</td>
<td>3.492</td>
<td>3.288</td>
<td>3.271</td>
<td>3.644</td>
</tr>
<tr>
<td>All work output decline</td>
<td>3.797</td>
<td>4.153</td>
<td>4.153</td>
<td>4.068</td>
</tr>
<tr>
<td>Seek alternative employment</td>
<td>4.203</td>
<td>4.339</td>
<td>4.305</td>
<td>4.390</td>
</tr>
<tr>
<td>Change employment conditions</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research output decline</td>
<td>3.661</td>
<td>3.661</td>
<td>3.542</td>
<td>4.051</td>
</tr>
<tr>
<td>Teaching quality decline</td>
<td>3.847</td>
<td>4.169</td>
<td>4.153</td>
<td>4.153</td>
</tr>
</tbody>
</table>

When it comes to specific areas of academic work, the psychological contracts breach related to academic freedom and professional autonomy would result in trust decline (Table 3). Perceived failure to provide support for research has the largest influence on decline in job satisfaction. It should be emphasised here that decline in loyalty and commitment were most influenced by perceived breach of promises to provide support for teaching.
Table 2: Antecedents and Outcomes of Psychological Contract Breach: Specific Areas of Academic Work

<table>
<thead>
<tr>
<th>Breach area</th>
<th>Academic freedom</th>
<th>Professional autonomy</th>
<th>Support for your research</th>
<th>Support for your teaching</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trust decline</td>
<td>4.305</td>
<td>4.305</td>
<td>4.288</td>
<td>4.085</td>
</tr>
<tr>
<td>Job satisfaction decline</td>
<td>3.797</td>
<td>3.814</td>
<td>3.831</td>
<td>3.550</td>
</tr>
<tr>
<td>Motivation decline</td>
<td>4.254</td>
<td>4.136</td>
<td>4.153</td>
<td>3.932</td>
</tr>
<tr>
<td>Loyalty decline</td>
<td>3.983</td>
<td>3.949</td>
<td>4.136</td>
<td>4.000</td>
</tr>
<tr>
<td>Commitment decline</td>
<td>3.678</td>
<td>3.610</td>
<td>3.508</td>
<td>3.999</td>
</tr>
<tr>
<td>All work output decline</td>
<td>4.153</td>
<td>4.136</td>
<td>4.068</td>
<td>3.915</td>
</tr>
<tr>
<td>Seek alternative employment</td>
<td>4.441</td>
<td>4.407</td>
<td>4.441</td>
<td>4.237</td>
</tr>
<tr>
<td>Change employment conditions</td>
<td>4.000</td>
<td>4.000</td>
<td>4.051</td>
<td>3.949</td>
</tr>
<tr>
<td>Research output decline</td>
<td>4.000</td>
<td>3.915</td>
<td>4.424</td>
<td>3.729</td>
</tr>
<tr>
<td>Teaching quality decline</td>
<td>4.119</td>
<td>4.102</td>
<td>4.119</td>
<td>4.000</td>
</tr>
</tbody>
</table>

Concluding Comments

Consistent with previous research, this study highlights importance of maintaining the fulfilment of psychological contracts within a particular context of the university sector. In addition to re-enforcing the importance of quite ‘generalised’ expectations already identified in the literature on psychological contracts (such as an appropriate work environment, and opportunities for career development), this empirical research pointed to the academics’ strong personal commitments to quality teaching and enhancing student development, both of which are seen as being part of their obligation to the University. Apparently, the likelihood of psychological contracts breach and its negative impacts within the university sector are mitigated by a high level of professionalism and commitment to the students.

Commitment to teaching, and the desire to contribute to society, emerged as powerful motivators for academic staff, and the need for academic freedom and job discretion were also identified as antecedents of psychological contract breach. Academics expressed strong expectations regarding autonomy, job discretion and inclusion in decision making, and these expectations related to the professional identity of academics. Disappointment, dissatisfaction, and alienation are just some of the outcomes of the psychological contract breach and such feelings negatively impact academic commitment and performance. In the face of what most perceived to be an environment of work intensification that was marked by increasing demands for quality research outcomes and teaching excellence, shifting rules and expectations regarding promotion, and increasing administrative burden, these changed demands and expectations were frequently linked to perceived contract breach.

Obviously, university managers can and should act to maintain positive academic psychological contracts as the psychological contract breach is likely to have extensive negative outcomes within the University. By knowing academics’ perceived expectations of and obligations to the University, university managers can better manage and utilise staff motivation, commitments and personal interests to deliver desired university outcomes.

While the findings provide considerable insight into the causes and effects of breaches of the psychological contacts formed by academics, one of the key limitations of the research is the size of the sample and the fact that the sample was drawn from one University. Therefore, this study should be replicated at other Universities in order to provide a larger and more diverse
sample. The larger sample could also allow for the use of more sophisticated quantitative methods and the measures of contracts breach. Multivariate techniques could be used to identify important factors and predictive methods such as structural equation modelling could be also applied.

References


