

https://dspace.org/

The relationship between the psychological contract, trust and organisational commitment in retrenchment survivors.

Karim, Dilnaaz

1998
https://hdl.handle.net/10539/26118

Downloaded from a DSpace repository. https://dspace.org/

The Relationship Between the Psychological Contract, Trust and Organisational Commitment in Retrenchment Survivors

Dilnaaz Karim

A Dissertation submitted to the Psychology Department, University of the Witwatersrand, Johannesburg, in partial fulfillment of the course of the Degree of Bachelor of Arts with Masters in Industrial Psychology.

Johannesburg, 1998

DECLARATION

I hereby declare that this dissertation is my own, unaided work. It is submitted for the degree of Bachelors of Arts (Masters) in Industrial Psychology at the University of the Witwatersrand. It has not been submitted to any other university or for any other degree.

D. Karlin

December, 1988

ACKNOWLEDGEMENTS

I would like to express my gratitude to the following people:

My supervisor, Fiona Donald for her continuous encouragement, guidance and patience.
Craig Donald for his valuable input and advice.
John McCloskey for his much appreciated co-operation and willingness to help.
Lorna Watt Pringle and Wilma Helberg for their time and assistance.
All the respondents and interviewees for their time and participation in this study.
My family and friends for their unending support and encouragement, especially when things looked bleak and overwhelming.

ABSTRACT

The aim of this research was to, firstly, explore the relationship between psychological contract breach and organisational commitment, and to examine the extent to which trust mediates this relationship. Secondly, the research aimed to develop and validate a scale to measure psychiological contract breach.

Data was collected from a large organisation that had completed nation-wide retrenchments. The quantitative sample population consisted of 84 employees in the organisation, while 10 members of the organisation were interviewed to obtain qualitative information. A cross-sectional design was used and data was collected by means of questionnaires and interviews. The process of triangulation was used to provide a deeper understanding of the relationship being assessed.

The psychological contract breach scale was analysed by means of a factor analysis and was found to be valid, and the reliability was found to be satisfactory. The results of the study showed that there is a negative relationship between psychological contract breach and organisational commitment and that trust does not appear to mediate this relationship.

Explanations for the findings are offered, and the theoretical and practical implications of the findings are discussed. Finally, limitations of this study and directions for future research are presented.

CONTENTS

CHAPTER 1: Literature Review

Introduction	6
Conceptual model of retrenchments	8
Psychological contract	9
Organisational commitment	17
Trust	21
Aims and rationale for present research	25

CHAPTER 2: Methodology

Design	26
Sample	26
Measuring Instruments	28
Analyses: Quantitative	31
: Qualitative	32

CHAPTER 3: Results

Quantitative analyses: Reliability of psychological contract breach scale	34
: Hypothesis One	39
: Hypothesis Two	39
Qualitative results: Content Analysis	42

CHAPTER 4: Discussion

Discussion of results	48
- Psychological contract breach scales	48
- Psychological contract breach and organisational commitment	49
- Trust as a mediator	53
- Additional analyses	54

CHAPTER 5: Conclusion

Theoretical implications of the present research	56
Practical implications of the present research	56
Limitations of the research	57
Directions for future research	59
Conclusion	60

References	61
Appendices	67

CHAPTER 1

Literature Review

Introduction

Organisations today face constant change, and as a result job insecurity and retrenchments have become common-place. During the 1980's retrenchments were a pervasive workforce-reduction strategy in corporate America. In 1989, more than half the companies that attended the American Management Association's annual convention had experienced downsizing within the previous four years, and an even greater percentage anticipated that their companies would downsize within the next few years (Brockner, 1992). These trends are similar in the South African context where, between the periods of 1995 to 1997, 71% of all surveyed organisations had experienced or were about to initiate retrenchments (Levy, 1997).

Retrenchments have increased for various reasons. World-wide economic recessions have made many companies reluctant to overburden their budgets with staff (Wagar, 1993). Another force for change is technology. Staff are being retrenched in favour of new staff who are trained in the new technologies, or are even replaced by technology (Jacobson & Hartley, 1991). Increased competitiveness has led many organisations to restructure, flatten and downsize their operations. Outsourcing and contracting are also on the increase, and at times entire departments are sacrificed to ensure cost savings (Durcan & Oates, 1996). What these practices have in common is that they inevitably involve retrenchments. Many organisations in South Africa today face the harsh reality of retrenchments, and this research aims to contribute to an increasingly important area of research.

The effects of retrenchments can be severe, not only for those being retrenched, but also for those who survive the retrenchment process. For the retrenchee, it can mean an abrupt end to years of career building, possibly a loss of dignity, and a weakened sense of self esteem which can effect one's emotional state and psychological well-being (Brooks, 1994).

Survivors, who continue to work for the organisation after the retrenchments, may experience low morale, damaged loyalty, mistrust, depression and guilt (Caudron, 1996). The fear of losing jobs the next time retrenchments threaten the company, leaves workers feeling insecure and dissatisfied, and this can lead to a decrease in productivity and job performance (Joubert,1993). While research has focused on the survivors, Brockner (1988) called for greater research to be undertaken to explore not only the effects of layoffs on survivors, but also the factors that moderate and mediate the effects of layoffs.

This is an important area of concern practically, as attempts need to be made to ensure that layoffs are administered in such a manner so as to elicit the most positive, or least negative behaviours and attitudes from survivors. This research will thus attempt to contribute to this area of research by assessing the effect of ***trust*** as a mediating variable in the relationship between perceptions of psychological contract breach and organisational commitment, particularly as there has been little empirical examination of this relationship.

The ***breach of the psychological contract***, which is likely to occur during a retrenchment process, has significant implications for the organisation as it influences organisational success (Shore & Tetrick, 1994). In addition, the relationship between psychological contract breach and ***organisational commitment*** is important as committed employees are more likely to take the extra steps to further the organisation's goals (Mowday, Steers & Porter, 1982), especially at a time when the organisation most needs the efforts of the remaining employees after a retrenchment (Robinson & Morrison, 1995). It is of paramount importance that organisations understand the meaning of the psychological contract and its role in determining organisational success or failure, particularly in times of downsizing and layoffs. Despite the impact of the psychological contract on employees and organisations, limited empirical research has been conducted, and as such, this research aims to contribute empirical data to the area. In addition, a review of the psychological contract literature revealed that no scale exists to assess psychological contract breach, and thus one of the aims of the present study was to develop and validate such a scale.

Conceptual model of retrenchments

The conceptual model that has shaped thinking around retrenchment survivors is Brockner's (1988) model which is comprised of three components (Figure 1). Firstly, layoffs have the potential to engender a variety of *psychological states* in survivors, and these include job insecurity, positive inequity, anger or even relief. This indicates that retrenchment survival can be experienced very differently for each individual (Shore & Tetrick, 1994). Secondly, the psychological states that layoffs evoke have the potential to effect individual *outcomes* such as survivor's work behaviour (for example, the level of performance or motivation) and attitudes (eg. satisfaction or commitment). The third component of the model considers the factors the *moderate* the actual impact of retrenchments on survivors. The psychological states, such as anger and job insecurity can moderate survivor's work attitudes which in turn can lead to decreased organisational commitment and job satisfaction. Moderator variables are relevant at two places in the model: 1) the link between retrenchments and the survivors psychological states, and 2) the relationsnip between the psychological states and survivors work behaviours and attitudes (Brockner, 1988).

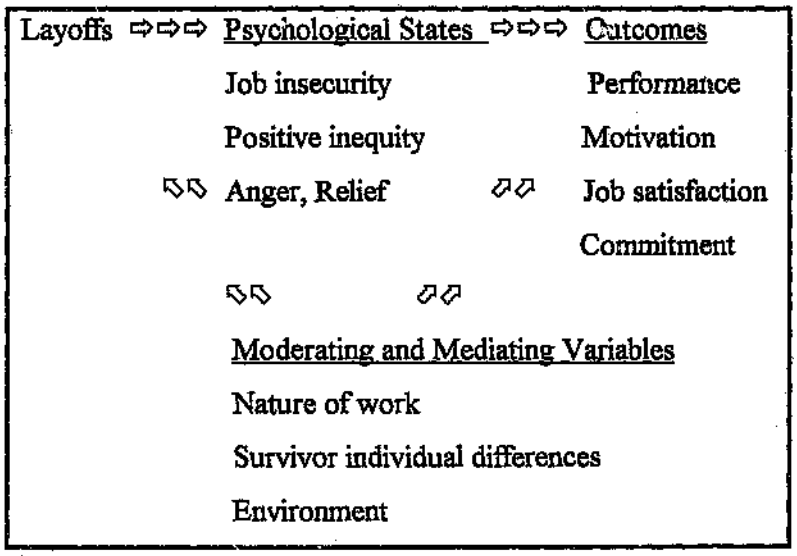

Figure 1.1

In applying this conceptual model, (which is by no means exhaustive) the arousal of the psychological states that have been mentioned above can be explained to be in part, a response to a breach of the psychological contract. This breach can in turn influence an

individual's attitude, in particular, the degree of organisational commitment, and finally, the variable of trust can be said to influence the survivors' work attitudes. Thus, this research will focus on the relationship between psychological contract breach and organisational commitment and the extent to which trust mediates this relationship. These variables will be defined and elaborated on in the ensuing literature review.

PSYCHOLOGICAL CONTRACT

Definition

The psychological contract is the unwritten expectations held by employees and employers about the nature of their exchange. Rousseau (1989, p121) defined the psychological contract as "an individual's belief regarding the terms and conditions of a reciprocal exchange agreement between that focal person and another party". It emerges when one party believes that a promise of a future return has been made (for example, being paid for performance), a contribution has been given (some form of exchange occurs) and so an obligation has been created to provide future benefits (Robinson & Rousseau, 1994).

The expectations that employees may have concern concrete issues such as work load, as well as less tangible matters such as dignity at work and opportunities for growth (Rousseau, Noonan & Elron, 1994). Examples of these expectations of exchanges include the following: money for time at work; social need satisfaction and job security in exchange for work and loyalty; opportunities for self enhancement and challenging work for higher productivity, quality work, and creative effort (Sims, 1994).

Theory

Characteristics

There are various distinct aspects of the psychological contract that separates it from other forms of contracts. **Firstly,** the contract is highly subjective and is defined and understood by the individual employee. The subjective nature of the perception of the contract is due to individual cognitive and perceptual limits, as well as the fact that there are multiple sources of information which may influence the development and modification of contracts (Shore & Tetrick, 1994). The psychological contract is based on the belief or perception that both parties have made promises and have accepted the same contract terms.

However, this does not necessarily mean that both parties share a common understanding of all contract terms. Parties are thus likely to have different beliefs about what each owes the other. As such, an employee's beliefs about their obligations to the organisation are not necessarily shared by the organisation (Lucero & Allen, 1994).

Secondly, the psychological contracts differ from *formal contracts* in that psychological contracts are inherently perceptual and are composed of expectations held by an individual that may or may not be shared by others, while formal or implied contracts consist of commonly understood or shared expectations (Morrision & Robinson, 1997). The psychological contract differs further in that it is not established on a once-off basis. Instead it is revised continuously throughout the employee's tenure in the organisation (Robinson & Roussaeu, 1994).

Psychological contracts also differ from *expectations*, which are general beliefs held by employees about what they will find in their job and organisation, and are based on past experiences, social norms etc. (Robinson & Rousseau, 1994). Psychological contracts, in contrast, are employee beliefs of what they are entitled to receive and what they are obliged to give in return, (i.e. the perceived mutual obligations), because they perceive that they have conveyed promises to fulfill these obligations. Only those expectations that arise from perceived implicit or explicit promises by the employee are considered to be part of the psychological contract (Robinson 1996). Although psychological contracts produce some expectations, not all expectations arise from perceived promises, and expectations can exist in the absence of perceived promises or contracts.

The **third** feature of psychological contracts is that they are based on perceived promises, where a promise is defined as any communication of future intent (Rousseau, 1989). This intent can be conveyed through several means: overt promises by organisational agents (eg. bonus systems discussed during the recruitment process), interpretations of past patterns of exchange, or vicarious learning (Robinson & Rousseau, 1994). In addition, beliefs of what each party owes the other can be inferred from organisational actions (eg. training or praise) or through written documents, oral discussions, organisational practices or policies etc. (Rousseau & Greller, 1994). The diversity of these sources implies that the

inference of the psychological contract can be influenced by obligations that are established through the informal or implied contract, as well as through the perceived obligations that arise from more implicit means (Morrison & Robinson, 1997).

Another feature of the psychological contract concerns the specific members of the contract. Sims (1994) asserts that the psychological contract is held by employees, and that it represents the employee's beliefs about obligations between them and the organisation as a whole, and not between any specific agent of the organisation. Morrison and Robinson (1997) describe the organisation as assuming an anthropomorphic identity in that the organisation is attributed human-like qualities. However, this does not suggest that the organisation possesses its own psychological contract. Instead it is argued that the psychological contract is held by the employees alone. To elucidate this point, Rousseau (1989, p126) states :

"The organisation, as the other party in the relationship, provides the context for the creation of the psychological contract, but cannot in turn have a psychological contract with its members. Organisation's cannot 'perceive', though their individual managers can themselves personally perceive a psychological contract with employees and respond accordingly".

This illustrates the lack of clarity concerning the specific members of the contract. Is the contract between the employee and the organisation, or the employee's managers? The implication of this is that when a psychological contract breach arises from the employee's perspective, it is difficult to clarify who will be affected or blamed - the organisation, the manager, or the department in which the employee resides. There are no clear answers in this regard, and the issue therefore remains unresolved at present.

Finally, the literature identifies two types of psychological contracts - transactional and relational (Rousseau, 1990). *Transactional* contracts involve specific, monetary exchanges between parties over a finite and brief period of time, and they are characterised by an absence of long term commitments or contracts. While transactional contracts are characterised by economic exchange, *relational* contracts are based on social exchange

(Shore & Tetrick, 1994). Relational contracts involve broad, open-ended, less specific agreements that establish and maintain a relationship, and they include a monetary and non-monetary exchange. Relational contracts are also characterised by inducements of training, development opportunities and a long term career path within a firm (Robinson, Kraatz & Rousseau, 1994).

Function of the psychological contract

Psychological contracts develop for a variety of reasons. Firstly, even though employment contracts are quite comprehensive, it is not possible to clarify all aspects of the employment relationship. The psychological contract thus helps individuals to reduce their uncertainty by believing that they have a mutually understood agreement with their employer. Secondly, the contracts serve to direct employee behaviour while decreasing the need for managerial supervision. Finally, the psychological contract allows employees to feel in control of their role in the organisation since they are party to the contract, having agreed to its terms, and also because they are able to choose whether to carry out the obligations (Shore & Tetrick, 1994).

Violation of the psychological contract

Before the ensuing discussion, it is necessary to differentiate between psychological contract breach and violation. Violation has been defined as involving "feelings of betrayal and deeper psychological distress (whereby) the victim experiences anger, resentment, a sense of injustice and wrongful harm" (Rousseau, 1989, p129). This conveys a strong emotional experience that goes beyond the cognition that a promise has been broken. A perceived breach, on the other hand, refers to the cognition that one's organisation has failed to fulfill an obligation within one's psychological contract in return for one's contributions. Morrison and Robinson (1997) argue that the term violation is reserved for the emotional and affective state that may follow from the belief that an obligation has not been fulfilled. Violation is described as a combination of disappointment, anger and distress emotions (Ortney, Clore & Collins, 1998). Thus, violations are an emotional experience that arise from the cognition of a perceived contract breach. Previous research has used the terms breach and violation interchangeably, and this research will utilise the term breach.

Shore and Tetrick (1994) describe the breach of the psychological contract as a reactive process whereby one party in the relationship perceives another to have failed to fulfill promised obligations, or when a discrepancy arises between the psychological contract and organisational actions (Ashford & Cummings, 1983). A variety of events may result in a reassessment of the psychological contract, such as changes in the external environment, workforce composition, work structures, as well as the occurrence of retrenchments (Parks & Kidder, 1994). However, the extent to which employees focus on discrepancies will depend on 1) the type of breach, 2) the size of the discrepancy, 3) the degree of assessed organisational responsibility of the unmet obligations.

The **type** of breach will influence employee reactions, and this is dependent on whether the psychological contract is chiefly transactional or relational (as defined above). Reactions to violations of contracts that are primarily transactional, particularly those that are of short duration, are likely to be less intense and better able to cope with a violation than a long-standing relational contract where employees are relying on mutual trust (Robinson et al, 1994). It is argued that breaches affect the transactional contracts by creating inequity in the economic exchange relationship, while they influence relational obligations by changing the very nature of the social relationship. The second aspect of breaches that will influence employee reactions is the **size of the discrepancy**. Employees may attempt to restore the psychological contract when smaller discrepancies arise, while larger discrepancies can create more intense emotional reactions, such as perceptions of inequity, dissatisfaction, anger, even moral outrage (Rousseau, 1989). The third aspect of contract breaches that may influence employee reactions is **accountability**, that is, the assessed responsibility of the organisation of unmet obligations. According to Bies (1987) attributions of responsibility are made when people make judgements of fairness. If an organisation appears to break the psychological contract voluntarily, judgements of injustice may be greater than when the organisation is not held to be fully responsible.

Retrenchments and the Psychological Contract

The process of retrenchments can have profound effects on employee's psychological contracts. Firstly, a retrenchment may make it unclear as to what employees and organisations owe one another because the assurance of job security and steady rewards in

return for hard work and loyalty no longer exist. Secondly, the state of turbulence and uncertainty makes it difficult for organisations to fulfill all of the obligations that they make to employees (Brockner, Grover, Reed & DeWitt, 1992). Thus perceptions of contract violation are more likely to occur particularly, as it is at these critical junctures that employees assess their psychological contracts and the degree of discrepancy (Guzzo & Noonan, 1994).

There are various factors of the retrenchment process that may influence whether or not the psychological contract is perceived to be breached, and these are related to the theory of organisational justice. Contract breaches, as in justice theory, involves an assessment of fairness by the employee. This assessment may focus on *distributive* violations which refer to the distribution of outcomes (eg. merit pay). Unfulfilled transactional obligations are most likely to be associated with distributive violations since transactional contracts focus on specific monetizeable outcomes. However, the relational contract may also incorporate certain desired outcomes such as job security, which if perceived to be breached, would be evaluated in terms of distributive justice (Bies, 1987; Greenberg, 1990).

Procedural justice refers to the fairness of procedures through which outcomes are allocated. If, for example, a tenured employee were part of a retrenchment, their assessments of contract breach would not only focus on the outcome (being retrenched), but also on how the layoff decision was made. A breach is thus likely to be perceived by the employee if a co-worker of lower tenure was retained (Shore & Tetrick, 1994). The final aspect of justice is *interactional* justice, which is described as the quality of interpersonal treatment that employees receive during the implementation of a procedure (Bies, 1987). For example, an employee may perceive an interactional breach if he/she was notified of retrenchments through an informal letter. Interactional breaches are particularly relevant to relational contracts where trust is an essential part of the ingredient (Shore & Tetrick, 1994).

There are thus various factors that need to be considered in the retrenchment process that may influence whether or not the psychological contract is perceived to be breached. As a result, Brockner (1992) argues for justified layoffs, ample notice of retrenchments,

adequate explanations for layoffs, and acceptable decision rules for the retrenchment, all of which contribute to perceptions of fairness, and which can in turn influence the perception of contract breach. Other factors include the provision of 'care-taking' services (such as counselling, out-placement services etc.), the manner in which retrenchments are announced, and the extent of employee participation in the retrenchment process. Thus, if these issues are perceived to be dealt with fairly and justly, it is less likely that a psychological contract breach will be experienced.

Outcomes of Psychological Contract Breach

The experience of a violation or breach of the psychological contract is critical to organisations as it can influence organisational success or failure, which is particularly important at the time of retrenchments. This view is based on the findings that violations decrease: employee's satisfaction with their jobs and organisations; perceived obligations to their organisations and; intentions and commitment to remain with the organisation (Robinson, 1997; Robinson & Morrison, 1995; Robinson & Rousseau, 1994). In addition, breaches have been found to have a negative impact on employee behaviour, causing potentially valuable employees to either reduce their contributions to the organisation or to exit the employment relationship (Robinson et al, 1994; Robinson & Rousseau, 1994).

Other responses to contract breach include voice, silence, retreat, destruction and exit. Voice refers to an action orientation in which the employee attempts to maintain or reinstate the psychological contract. In contrast, silence, retreat, destruction and exit are attempts by the employee to survive the contract breach by lowering perceived obligations of the employer, of themselves to the employer or withdrawing from the relationship (Shore & Tetrick, 1994). It has also been found that in extreme cases of violation, employees may seek revenge or retaliation, or engage in sabotage, theft, or aggressive behaviour (Fisher & Baron, 1982; Greenberg, 1990). It is thus hypothesised that psychological contract breach will be negatively related to organisational commitment.

However, there are various **limitations** of the previous studies that need to be taken into account. Firstly, the majority of the samples in the above-mentioned research studies focused on MBA graduates and their perceptions of the psychological contract during

recruitment, thus limiting generalisations to other employee populations (Robinson & Morrison, 1995). Secondly, psychological contract obligations and their breaches have in the past been measured by means of single item measures, thereby undermining the reliability of the findings. Thirdly, previous studies have neglected to include the notion of reciprocity, which is central to the understanding of psychological contracts. This study aims to overcome these limitations by focusing on a sample that is already in the employment of an organisation, by utilising a more extensive measure of psychological contract breach, and by including measures of what the employee expects the organisation to provide for them, as well as their perceptions regarding what they as employees are expected to give to the organisation.

To extend the previous studies, this research aims to explore the relationship between the psychological contract breach and organisational commitment (Hypothesis 1). Despite the significance of the psychological contract, it has been argued that there has been little significant theoretical and empirical research about the survivors of retrenchments (Brockner, Grover, Reed, DeWitt & O'Malley, 1987). In addition, there has been limited research on the violation of the psychological contract in relation to retrenchments. This research thus aims to contribute to this area by examining the extent to which psychological contracts are perceived to be violated by survivors of a retrenchment process.

Development of Psychological Contract Breach Scale

This research also aims to develop and validate a scale that measures the perception of a breach of the psychological contract. Since an instrument that measures psychological contract breach could not be found in the literature, one of the aims of the study was to develop such a scale. While Rousseau (1990) had drawn up a list of promises that employers make to employees, and Robinson and Rousseau (1994) had developed a list of violations, no formal scale exists. Robinson and Rousseau (1994) acknowledged that their list was by no means extensive or comprehensive enough, and that more research was required to expand their list. Thus this research aims to develop a scale that measures psychological contract breach.

ORGANISATIONAL COMMITMENT (OC)

Definition

In the last few years there has been a flourish of research around organisational commitment, and as a result there has been a broad development of new approaches and definitions of organisational commitment (OC). One of the more widely accepted definitions is that of Mowday, Porter & Steers (1979, p226), who define organisational commitment as "the relative strength of an individual's identification with and involvement in an organisation". It is believed that organisational commitment is comprised of three related factors, namely, a) a strong belief in and acceptance of the organisation's goals and values, b) a willingness to exert considerable effort on behalf of the organisation and c) a strong desire to remain a member of the organisation (Luthans, McCaul & Dodd, 1985). This definition of organisational commitment reflects the notion of commitment as an attitude.

Another, more recent definition of organisational commitment has been explicated by Allen and Meyer (1990), who define organisational commitment as a three dimensional construct consisting of an affective, continuance and normative component. The affective component refers to the strength of an individual's identification with, and involvement in a particular organisation. The continuance component refers to that aspect of an employees commitment that is based on the cost to the employee associated with leaving the organisation, and the normative component refers to the employee's feelings of obligation to remain with the organisation (Hackett, Bycio & Hausdorf, 1994).

Allen and Meyer's (1990) construct of organisational commitment has been heralded as a milestone in establishing a more comprehensive construct. However, problems have arisen in that research suggests the affective and normative components are not completely independent of each other and that the normative component is a weak dimension, and not consistently reliable (Akhtar & Tan, 1994; Morrow, 1993). It has been concluded that the affective component is the only robust dimension which can be retained from Allen & Meyer's (1990) conceptualisation of organisational commitment and that this component provides essentially the same information as the construct put forward by Mowday and his

colleagues (Dunham, Grube & Cataneda, 1994). For this reason, Mowday's et al (1979) Organisational Commitment scale will be utilised in this research.

Theory

In various studies organisational commitment has been identified as an important component in understanding the behaviour of employees (Mowday et al, 1979), - it is an essential ingredient in modern, competitive orga ..ons. The construct is believed to be an empirically distinctive concept, different from other forms of commitment such as career and professional commitment, as well as job involvement (Morrow, 1993). Further research suggests that the construct indicates the degree of attachment or loyalty that employees feel towards the organisation (Brooke, Russell & Price, 1988; Weiner & Vardi, 1980).

O'Reilly and Chatman (1986) argue that commitment to an organisation is predicted on three separate bases of attachment: compliance, identification and internalisation. Compliance refers to the expectation of specific rewards, while identification refers to the attachment based on a desire for affiliation with the organisation. The congruence between individual and organisational values is referred to as internalisation. On the basis of this differentiation, it is asserted that the antecedents and consequences of organisational commitment will vary according to the basis of attachment (Caldwell, Chatman & O'Reilly, 1990).

Antecedents of organisational commitment are diverse in their nature and origin. Employees come to an organisation with certain needs, desires and skills and they require a work environment where they can use their skills and satisfy their basic needs (Steers, 1977). Thus factors that influence organisational commitment can include personal characteristics, job characteristics, and a person's work experience. Among the various antecedents of organisational commitment that have been identified are: objectives and manner of conducting business, employees personal responsibility, participative decision-making, benefit packages, and high costs associated with termination of employment (Neale & Northcraft, 1991). In addition, Allen and Meyer (1990) proposed that work

experiences associated with personal competence (eg. job challenge, job scope and opportunity for self-expression) would most directly affect organisational commitment.

When one considers the consequences of organisational commitment, it becomes evident as to why it is significant construct to investigate. Consequences of high organisational commitment are generally considered to be positive for both the organisation and the employee (Romzek, 1989), and it is essential for a number of reasons. Research has cited a consistent negative relationship between organisational commitment and turnover (Chusmir, 1982; Allen & Meyer, 1990; Tett & Meyer, 1993). According to Allen and Meyer (1990), employees who are highly committed to an organisation are less likely to leave. Committed employees are likely to remain with the organisation for a longer period of time and are more willing to exert greater effort on the job which leads to a more stable work force and organisational involvement (Steers, 1977; Neale & Northcraft, 1991).

Absenteeism is another potential costly behaviour, the effects of which are reduced by having a committed workforce (Caldwell, Chatman & O'Reilly, 1990). Angle and Lawson (1994) assert that committed employees are likely to engage in extra-role behaviour such as innovativeness and creativity, which can maintain organisational competitiveness. Other positive outcomes include loyalty and pro-social behaviour (Caldwell, Chatman & O'Reilly, 1990). Studies have also found organisational commitment to be positively associated with motivation and involvement (Farrell & Rusbalt, 1981; Strumph & Hartman, 1984), while it has further been found that organisational commitment is negatively associated with stress, role ambiguity and role conflict (Morrow, 1993).

Organisational commitment and retrenchments

A basic tenet in organisational commitment research is the principle of reciprocity: employee's become committed to those organisations that show signs of commitment to their employees. The post-retrenchment setting presents a paradoxical situation in which organisations should express their commitment to employees - if organisations show commitment to the retrenched employees (for example, by providing severance pay and out-placement services) the more committed the survivors are likely to be towards the organisation (Brockner, 1987).

It has been further theorised that survivors who were loyal to the organisation prior to the layoff will remain committed to the organisation if tl. ·/ believe that the layoff was handled fairly. However, if the same loyal employees believe the process to be unfair, then commitment is likely to decline more significantly than survivors who were less committed from the outset. As Brockner (1992, p15) describes it, "the higher (survivors) are in their prior loyalty to the organisation, the harder they fall if they believe the layoff was unfair".

The basis for this viewpoint can be explained in terms of justice theory, as discussed above. Justice issues are therefore important to survivors at numerous points in the retrenchment process. For example, the retrenchments need to be seen as legitimate and as a last resort, the process needs to be considered fair (Bies, 1987), in terms of the decision rules used to lay people off (eg. seniority, ability etc.), as well as the procedures used to arrive at the decision rules (Greenberg, 1987). Issues that influence the perception of fairness include the extent to which the layoffs are justified, the provision of ample advanced notice, the provision of a clear and adequate explanation for the retrenchments, and the provision of care-taking services. Thus it is argued that the more the retrenchment process is perceived to be fair, the greater the likelihood that retrenchment survivor's will remain committed to the organisation (Brockner, 1992).

In terms of the theory, a decline in organisational commitment is explained in terms of the group-value model of justice. This theory is based on the assumption that people value their relationships with social entities, be they organisations groups or individuals. Relationships give people the opportunity to validate the correctness of their beliefs and behaviours. Thus people value relationships because they help to develop self-identity and self-worth (Lind & Taylor, 1988). An important consequence of the significance that people attach to these relationships is an expectation of being treated fairly by the other party. Fair treatment symbolises that they are being dealt with in a dignified and respectful way, thereby bolstering their sense of self-identity and self-worth (Tajfel & Turner, 1979). Such treatment is likely to reaffirm individual's feelings of attachment to the relationship. However, people will become distressed and react negatively if they feel that they have been treated unfairly by the other party in the relationship (Lind & Taylor, 1988). Thus

the perception of fairness in the retrenchment process is essential to ensure that the survivors remain committed to the organisation.

Organisational commitment and the psychological contract

Schein (1980) explains the relationship between commitment and the psychological contract by arguing that the extent to which employees generate commitment, loyalty and enthusiasm for the organisation and its goals, depends on two conditions. The first condition is the extent to which an employee's expectations of what the organisation will provide to them and what they owe the organisation in return, matches what the organisation's expectations are of what they will give and get in return. The second condition concerns the nature of what is actually to be exchanged, and these can include, as previously mentioned, money in exchange for time at work, creative efforts in the service of organisational goals etc. Thus, the two concepts are inextricably linked.

To illustrate the relationship between commitment and the psychological contract, Robinson & Morrison (1995) found that employees who perceived a breach in the psychological contract were less likely to engage in organisationally directed citizenship behaviour, which is defined as extra-role behaviour that promotes organisational effectiveness but which is not recognised by an organisation's reward system. In extending previous research, it is thus hypothesised that the organisational commitment of **retrenchment survivors** is affected by the retrenchment process such that a psychological contract breach results in decreased organisational commitment (Hypothesis 1).

TRUST

Definition

Various definitions exist to explain the concept of trust, but for the purposes of this study, Mayer, Davis and Schoorman's (1995) definition will be utilised as it is one of the few definitions that takes into consideration the organisational setting and the trustor (the trusting party) and the trustee (the party to be trusted). Mayer et al (1995) assert that to appropriately study trust there must be some meaningful incentive at stake and that the trustor must be aware of the risk involved. Trust is thus 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 important to the trustor, irrespective of the ability to monitor or control that other party" (Mayer et al, 1995, p712).

An alternative definition to further clarify the concept of trust is that of "one's expectations, assumptions or beliefs about the likelihood that another's future actions will be beneficial, favourable, or at least, not detrimental to one's interests" (Robinson, 1996, p576). It is argued that trust acts as a guideline, which influences the interpretation of social behaviours within a relationship.

Importance of trust

At the level of the individual, an increase in trust appears to be causally related to more rapid intellectual development, increased originality, increased emotional stability, and increased self-control (Rogers, 1961). Trust also increases security in a relationship, reduces inhibitions and defensiveness (Larzelere & Huston, 1980). At the group level, trust is required for effective problem solving, particularly as it allows for the conveying of appropriate information, and it avoids the abuse of the vulnerability of others. Trust also increases the ability to recognise and accept good ideas (Zand, 1972).

At an organisational level, Mishra and Morrisey (1990) argue that the benefits of increased trust include: improved communication; greater predictability, dependability and confidence; and a reduction in employee turnover. Trust is also asserted to be a key ingredient of co-operative relationships as it improves efficiency within systems of co-ordinated action, and it enhances effectiveness and job satisfaction (Schindler & Thomas, 1993). Any departure from a state of trust implies a potential constraint on organisational performance (Toma, Pelton & Strutton, 1993). The costs to an organisation in which its employees mistrust one another can be felt directly and indirectly. Large amounts of time, energy and resources are spent by employees protecting themselves or undermining the effort of others when they do not trust one another (McAllister, 1995).

Despite the fact that trust is an important factor in any relationship, it has not been the focus of much study. Robinson (1996) indicates that a lack of attention to the function of trust is found not only in relation to the study of psychological contracts, but also in

organisational theory in general. Gambetta (1988, p2) suggests that researchers "tend to mention trust in passing, to allude to it as a fundamental ingredient or lubricant, an unavoidable dimension of social interaction, only to move on to deal with less intractable matters". Thus, this research will attempt to contribute to an area that is lacking.

Trust and the psychological contract

It is argued that trust mediates the relationship between psychological contract breach and organisational commitment because a contract breach is believed to undermine the two conditions that lead to trust: judgements of **integrity** and belief in **benevolence**, which in turn can undermine employee contributions. Trust is based, in part, from judgements about **integrity** that are based on the perceived consistency of another's actions and the extent to which another's actions are congruent with his or her words (Mayer et al, 1995). Trust is thus cognitively established in that one develops beliefs about the probability of another's future actions based on rational reasons, such as past experience with that other party.

When an employee perceives a contract breach by an employer, he or she perceives an inconsistency between the employer's words and actions. As a result, the employee loses confidence that the contributions will be reciprocated by the employer in the future. The link between performance and outcomes is undermined, and the employee's commitment and motivation to contribute to the organisation is weakened (Porter & Lawler, 1968).

Another condition leading to trust is **benevolence**, whereby the trustee is believed to want to do good to the trustor because of the specific attachment they share (Mayer et al, 1995). Benevolence is the perception of a positive orientation of the trustee towards the trustor, and it takes into consideration the extent to which an individual is motivated to seek co-operative mutual gain rather than individualistic gain (Larzelere & Huston, 1980). Trust is therefore based on the relational bonds between the parties and the implicit assumptions that others in one's social relationships have respect and concern for one's welfare. These implicit assumptions are largely taken for granted and are often unacknowledged until violated (Gambetta, 1988).

When a psychological contract is violated, however, it may bring to consciousness the validity of these assumptions, which in turn undermines the foundation of the relationship itself. It is thus hypothesised that when obligations are unfulfilled, trust is undermined and this can weaken the relationship. Employees are thus less willing to invest in the relationship and less willing to act in ways that maintain it (Zucker, 1986). This in turn may lead to a decrease in an employee's contributions, including organisational commitment.

A study undertaken by Robinson (1996) indicated that unfulfilled promises or obligations led to anger and a decline in trust in the relationship between the psychological contract and subsequent employee contribution. These contributions included performing prescribed roles as part of one's job, engaging in innovative and spontaneous behaviours, as well as joining and remaining with the organisation. Thus it is proposed that trust will mediate the relationship between psychological contract breach and organisational commitment. A variable is "said to function as a mediator to the extent that it accounts for the relation between the predictor and the criterion variable" (Baron & Kenny, 1986, p1176). Considering the lack of research regarding trust as a mediator variable, this study will attempt to investigate its mediating effects on the relationship between psychological contract breach and organisational commitment (Hypothesis 2).

Aims and Rationale for Present Study

This research aims to investigate the relationship between the perception of violation of the psychological contract, organisational commitment and trust. While these relationships have been elaborated on theoretically, little has been done to substantiate these relationships empirically, as stated by Robinson (1996) and Shore and Tetrick (1994).

This research also aims to develop and validate a scale that measures the perception of psychological contract breach. Since an instrument that measures psychological contract breach could not be found in the literature, one of the aims of the present study was to develop such a scale.

Thus the hypotheses being tested include the following:

1) There is a negative relationship between psychological contract breach and organisational commitment.

2) Trust mediated the relationship between psychological contract breach and commitment.

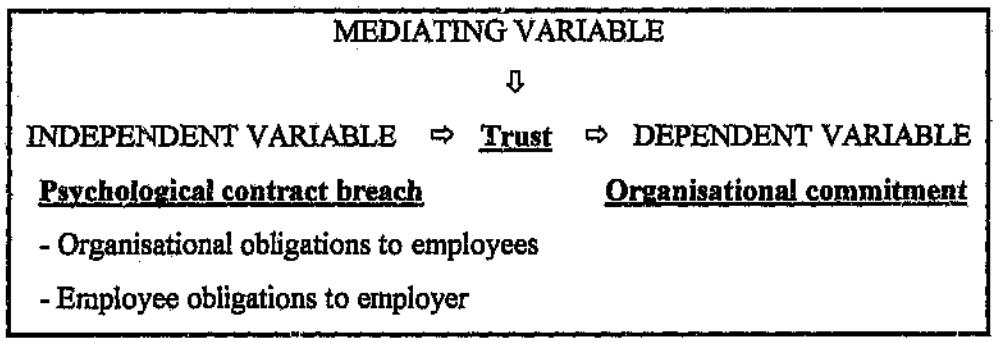

Figure 2 Model representing relationships investigated in the present research

CHAPTER 2

Methodology

Research Design

The design that was used for this research was that of a non-experimental approach. This is because it is difficult to manipulate the independent variable, a control group is absent and no random assignment can be undertaken. Non-experimental research is a "systematic, empirical enquiry in which the researcher does not have direct control of independent variables because their manifestations have already occurred or because they are inherently not manipulable" (Kerlinger, 1986, p348). The specific design is that of a cross-sectional correlational design. This involves the observation of variables at one particular point in time. This design aids in investigating the relationship or co-variation between the variables (Rosenthal & Rosnow, 1991).

In addition, this research attempted to combine qualitative and quantitative data through the process of triangulation to examine the variables more carefully, as this can provide greater insight and improve the validity of the findings (Neuman, 1994). This was undertaken by including open-ended questions that can provide in-depth understanding and perceptions of respondents. This design was utilised as the purpose of the present study was to explore the relationship between psychological contract breach and organisational commitment, and to explore the possibility that trust acts a mediating variable in that relationship.

Sample

Questionnaires were handed out at various departments of an organisation where members completed the questionnaire. The questionnaire was sent with a covering letter that explained the nature of the research, and that emphasised that participation was voluntary, and that confidentiality and anonymity would be ensured.

Of the 150 questionnaires distributed, 90 were returned, indicating a 60% response rate. However, after eliminating those questionnaires that were determined to be unusable, the sample was reduced to 84. The sample was composed of 34% women and 66% men. The mean age of the respondents was between 20 and 30 years of age, with the youngest

respondent being 22 years and the oldest being 56 years of age. The following tables provide a description of the sample.

Table 1: Descriptive statistics for Sample

Table 1.1: Home language

Home language	Percent (%)
English	72.5
Afrikaans	15
An African language	10
Other	2.5

Table 1.2: Number of years at organisation

Number of years	Percent (%)
0 to 5 years	41.8
5 to 10 years	34.2
11 to 15 years	7.6
16 to 20 years	11.4
21 to 25 years	5.1

Table 1.3: Education levels

Education	Percent (%)
Std 6 to 10	33.8
Undergraduate degree or diploma	26.3
Postgraduate degree or diploma	38.8
Other	1.3

Table 1.4: Age

Age group	Percent (%)
20 to 30	43.8
31 to 40	35
41 to 50	10
50 +	11.3

Quantitative measurements

Instruments:

The study was conducted by means of self-report questionnaires (Appendix A) that assessed individual's experience of the perception of psychological contract breach, organisational commitment and trust. Included in the questionnaire was a biographical section.

1) Biographical section

The biographical section aimed to elicit information about the respondents age, home language, gender, occupational status and tenure. The objective of the biographical questionnaire was to ascertain demographic information about the respondents.

2) Trust (Mediating variable)

Trust was measured by a seven-item trust scale, which is derived from the bases of trust as identified by Gabarro and Athos (1976). Responses were measured utilising a 5-point Likert scale, ranging from 'strongly disagree' to 'strongly agree'. Items include statements such as "my employer is not always honest and truthful" and "in general, I believe my employer's motives and intentions are good". The reported alpha coefficients are greater than .82 as reported by Robinson (1996). For the present study a reliability of .87 was reported.

3) Organisational Commitment (Dependent variable)

Organisational commitment was assessed by utilising the Organisational Commitment Questionnaire (OCQ) developed by Mowday, Steers and Porter (1982). This assesses

three dimensions of employee's orientation toward the organisation. The first is a belief in and acceptance of the organisation's goals and values. The second dimension is the desire to maintain membership in the organisation, and the third is a willingness to exert effort on behalf of the organisation. Examples of items in the scale include statements such as "I find that my values and the organisation's values are very similar", and "I feel very little loyalty to this organisation". The scale is measured by a 7-point Likert scale, with responses ranging from 'strongly agree' to 'strongly disagree'.

The OCQ scale has been found to be reliable with Mowday et al (1979) reporting alpha coefficients ranging from .87 to .93. Barling and Bluen (1987) reported a reliability of .87 and a test-retest reliability of .84. In addition, the scale has shown adequate internal consistency reliabilities with an average of .88 in over 90 samples in various other studies (Morrow, 1993). Mowday et al (1979) reported adequate convergent, discriminant and predictive validity. For the present study an alpha coefficient of .85 was reported.

4) Psychological contract breach (Independent variable)

To assess the perception of the breach of the psychological contract, a scale was developed. The scale was based on Rousseau's (1990) list of promises that employers make to employees. In addition, the list of violations by Robinson and Rousseau (1994) was drawn on, as well as the input of various experts in the field. Two scales were developed, the first being the organisation's obligations to the employee and the second being the employee's obligations to the organisation.

The first scale (psychological contract breach of organisational obligations to employees) also assessed the weighted importance of each of the obligations as this would influence the extent to which a breach was perceived. To explain the manner in which the scale was created, each item was ranked in importance from being the least important to an employee (a score of 1) to being the most important (score of 5). Each item was also measured in terms of the individual's perception of the extent to which organisational obligations had changed since the retrenchments. These scores were weighted such that the more an item was deemed as important but was not fulfilled, the greater the perception of psychological contract breach. Thus the higher the score, the greater the perception of

psychological contract breach. This measure was utilised because it takes into account the individualised nature of psychological contracts, which Shore and Terick (1994) argue to be being highly subjective and defined and understood by individual employees.

For the perception of psychological contract breach scale to be classified as psychometrically sound, the scale has to be assessed in terms of its validity and reliability which are the two fundamental qualities that an instrument must display (Anastasi, 1988). **Reliability** refers to the consistency of a measurement, that is, a test is reliable if it consistently discriminates individuals over a period of time (Rosenthal & Rosnow, 1991). Reliability can be further defined as an instrument's accuracy, stability, precision and consistency of measurement (Anastasi, 1988). **Validity** refers to the extent to which an instrument measures what it is designed to measure and determines what can be inferred from test scores.

Reliability

The reliability of the scale was determined by means of an internal consistency measure. These measures gauge the degree of homogeneity of test items by examining the consistency of responses to all items in a scale and it involves a single administration of the scale. The Cronbach alpha represents a widely used method for establishing reliability and provides a comprehensive measure of the homogeneity of the scale, needed to permit clear interpretation of results (Anastasi, 1988). This study found that the psychological contract breach scale (in terms of the organisation's obligations to the employee) had an adequate reliability of .87 confirming the high internal reliability of the scale. The second scale of psychological contract breach that measured breach in terms of the employee's obligations to the organisation, is reported to have an adequate reliability of .92 in this study. Thus the scales possess adequate psychometric reliability to warrant its use in the present study.

Validity

Face validity refers to the degree to which an instrument appears to resemble the construct under consideration and it determines whether the instrument will be considered appropriate by respondents and users (Anastasi, 1988). The face validity of the instrument was ascertained by three industrial psychologists and three masters students. From this

examination, unsuitable and redundant items were omitted. While face validity is not a substitute for other types of validity, it is a desirable starting point.

Content validity refers to whether a test's contents is a representative sample of the universe of elements to be measured (Anastasi, 1988). Content validity involves the choice of appropriate items and thus the developer needs a broad understanding of the area under investigation. A useful manner in which to establish the homogeneity of items is through an item analysis. Further examination of an internal consistency coefficient was also carried out to establish content validity.

Factor Analysis

Factor analysis is a statistical technique that aims to reduce data by rewriting the test variables into a new set of components (Rosenthal & Rosnow, 1991). This new set of variables identify which variables measure what they claim to measure, thereby finding evidence for the validity of the scale. The perception of psychological contract breach scale was subjected to a factor analysis to assess the factor structure of the scale to further determine the validity of the scale.

Statistical analyses

Hypothesis 1: There is a negative relationship between psychological contract breach and organisational commitment.

To test this hypothesis, one needs to assess the degree to which a relationship exists between the variables, and this will be undertaken by means of a correlation analysis, in particular, Pearson's product-moment correlation coefficient. Correlations aim to describe or indicate the intensity and magnitude of related items or factors (Leedy, 1993). Pearson's r quantitatively describes the existence of a linear relationship between two measured variables, and it has an index that ranges from -1.00 to +1.00, which reflects the degree and direction of the linear relationship between two variables (McCall, 1990).

Correlations represent the degree of association between two variables, and causality cannot be assumed as rival hypotheses exist, mainly that a) it is possible that Y causes X

rather than the other way round, and that b) it is possible that neither of the two variables produce the other, but instead, the relationship is produced by a third, unspecified variable (Niele & Liebert, 1986).

Hypothesis 2: Trust mediates the relationship between psychological contract breach and organisational commitment.

This hypothesis will be assessed by means of multiple regression. To assess the variable of trust as a mediating variable, three assumptions or conditions need to be fulfilled, as identified by Baron and Kenny (1986). The **first** condition stipulates that the independent variable and the proposed mediator must both be significantly related to the dependent variable (organisational commitment) when considered separately. The **second** condition requires the independent variable to be significantly related to the mediator (trust) (Robinson, 1996). The **third** condition stipulates that the relationship between the independent variable and the dependant variable should be weaker or non significant when the mediator is in the regression equation than when the mediator is excluded from the equation (Baron & Kenny, 1986).

Qualitative Measurement

The research included in-depth questions to further elucidate the antecedents and effects of psychological contract violation, as well as its relationship to organisational commitment and trust (Appendix B), and this linked to the qualitative aspect of the research. Qualitative methods are holistic, meaning that aspects of cases are viewed in the context of the whole case (Ragin, 1994). Qualitative techniques are used to uncover essential features of a case and then illuminate key relationships among these features. The qualitative measuring instrument comprised of five questions that were the focus of interview sessions. These questions were based on issues originating from the relevant literature. Validation of these questions were based only on its face validity, in that they looked as though they measured what they were supposed to measure.

Content analysis is regarded as the most common method used for interpreting information obtained through qualitative research techniques. Content analysis is defined

as "a technique for making inferences by objectively and systematically identifying specified characteristics" (Krippendorf, 1980, p36). Content analysis involves the extraction of themes, and central to content analysis is the construction of categories that direct the coding of data. In this study, information was coded and a corresponding categorisation system developed. Meaningful statements were selected as illustrating these categories, following which interpretations transpired (Pirow, 1980).

This process can produce interesting findings but the frequency of a statement, theme or word is not necessarily related to its importance (Holsti, 1969). Qualitative content analysis is a flexible and impressionistic procedure for making content-descriptive observations or coding judgements. Pirow (1980) maintains that a researcher interested in organisational theory could use this technique to complement the use of other methods.

CHAPTER 3

Results

The following discussion will report all findings of the analyses undertaken and will do so in terms of the validation of the psychological contract breach scale and the previously stated hypotheses.

Validation of the Psychological Contract Breach Scale (PCB)

PCB - Organisational obligation's to employees

As part of the procedure in validating a scale, a factor analysis was undertaken to assess the extent to which the factors are evident. The factor analysis for psychological contract breach of organisation's obligation's to the employee was repeated until adequately pure factors could be found. The most appropriate solution was a three factor scale indicating three subscales within the scale as this limited contamination and impure variables. In further determining the number of factors in the scale, Kaiser's criteria which is based on decision that factors greater than one should be considered. However, this approach is criticised for overestimating the number of relevant factors (Kline, 1994). It is thus useful to utilise Cattel's Scree Plot technique which is a visual techniques that states that the steepest part of the graph is the most meaningful while the flatter sections provide little information (Cooper, 1983). This revealed that the first three factors explained the largest proportion of the variance.

The principle component analysis, the method of reducing or summarising variables, revealed which components explained the variance. The eigen-values noted below (Table 2.1) indicate the amount of variance among the variables accounted for by the factors.

Table 2.1: Eigenvalues Extraction: Principle Components

Value	Eigenvalue	% Variance Explained	Cumulative Percentage
1	6.37	31.88	31.88
2	1.63	8.18	40.07
3	1.56	7.8	47.88

Table 2.2: Factor loadings

Variable	1	2	3
1. Salary	.44*	.35	.34
2. Employee benefits	-.02	.46*	.51*
3. Retirement provisions	.12	.07	.13
4. Job security	.54*	-.25	.38
5. Feedback	.63*	.02	.02
6. Training & development	.57*	-.28	.42*
7. Career path	.54*	-.41	.46*
8. Self growth & improvement	.65*	-.06	.19
9. Autonomy	.65*	.11	-.43*
10. Challenging work	.58*	-.33	-.29
11. Sharing of ideas	.72*	-.01	-.31
12. Informed of changes	.45*	.51*	.14
13. Participation	.58*	.35	-.01
14. Recognition	.56*	.01	.07
15. Social contact	.27	-.46*	.11
16. Friendly work environment	.70*	.08	-.09
17. Respect & dignity	.79*	.10	-.24
18. Honesty and sincerity	.74*	.145	-.26
19. Being fair & consistent	.59*	.151	.08
20. Emotional support	.36	-.413*	-.11
Explained Variance		47.88	

Table 2.3: Factor loadings: Varimax rotation (* Marked loadings are > .40)

Variable	1	2	3
1. Salary	.26	.17	.59*
2. Employee benefits	-.19	-.06	.67*
3. Retirement provisions	.05	.09	.17
4. Job security	.19	.66*	.21
5. Feedback	.51*	.32	.19
6. Training & development	.19	.71*	.22
7. Career path	.11	.80*	.15
8. Self growth & improvement	.42*	.48*	.25
9. Autonomy	.80*	.03	-.04
10. Challenging work	.56*	.37	-.29
11. Sharing of ideas	.76*	.20	-.03
12. Informed of changes	.41*	-.04	.56*
13. Participation	.57*	.05	.38
14. Recognition	.42*	.33	.19
15. Social contact	.07	.52*	-.18
16. Friendly work environment	.65*	.25	.17
17. Respect & dignity	.81*	.21	.10
18. Honesty and sincerity	.78*	.15	.11
19. Being fair & consistent	.48*	.25	.31
20. Emotional support	.27	.41*	-.28
Variance explained	31.9	8.2	7.8

The analysis suggested that the scale was comprised of three subscales, which were subsequently termed relational obligations, transactional obligations and tangible benefits respectively. In addition item 3 did not contribute to the variance and item 8 was contaminated as it was not distinguishable between factors 1 and 2. Consequently, these items were dropped from the scale, as was item 12 which was also found to be contaminated. Future research would need to further verify these issues.

PCB - Employee obligations to organisation

The second scale that was considered measured psychological contract breach in terms of employee obligations to the organisation. The factor analysis revealed a two factor structure.

Table 3.1: Eigenvalues Extraction: Principle Components

Value	Eigenvalue	% Variance Explained	Cumulative Percentage
1	6.68	51.4	51.4
2	1.34	10.4	61.8

Table 3.2: Factor loadings

	FACTOR	
Variable	**1**	**2**
1. Working overtime	.69*	-.30
2. Loyalty	.81*	.10
3. Extra-role behaviour	.80*	-.29
4. Advanced notice of leave	.53*	.52*
5. Maintaining confidentiality	.68*	.49*
6. Commitment in difficulties	.74*	.20
7. Performance	.85*	.04
8. Supporting management	.80*	.01
9. Work more important than self	.72*	-.45*
10. Clients more important than self	.82*	-.29
11. Providing value in return for salary	.62*	-.34
12. Logical & objectiveness	.73*	.19
13. Respecting authority	.40*	.42*
Variance explained	61.8	

Table 3.3: Factor loadings: Raw Varimax rotation (* Marked loadings are > .40)

	FACTOR	
Variable	**1**	**2**
1. Working overtime	.73*	.19
2. Loyalty	.57*	.58*
3. Extra-role behaviour	.80*	.27
4. Advanced notice of leave	.10	.73*
5. Confidentiality	.23	.81*
6. Commitment in difficulties	.46*	.62*
7. Performance	.64*	.56*
8. Supporting management	.61*	.51*
9. Work more important than self	.85*	-.07
10. Clients more important than self	.82*	.29
11. Providing value in return for salary	.70*	.12
12. Logical & objectiveness	.46*	.61*
13. Respecting authority	.05	.58*
Variance explained	51.4	10.4

Items 2, 6, 7, and 8 were impure and contaminated. While it would be appropriate to expand the structure to three factors, as suggested by Kaiser's normalisation criteria, this criteria has been criticised for overestimating the number of factors (Kline, 1994). Thus, the two factor structure was reported as identified by Cattel's scree plot technique. It is thus argued that the scale is comprised of two subscales. These have been termed transactional and relational obligations respectively.

Quantitative Results

Hypothesis One:

There is a negative relationship between psychological contract breach and organisational commitment.

In order to assess whether there was a negative relationship between psychological contract breach and organisational commitment, a Pearson product-moment correlation was performed. The results indicated significant negative relationships between psychological contract breach and organisational commitment ($p < 0.05$). This was true for both psychological contract breach in terms of organisational obligations to employees and employee obligations to organisations (Table 5). Thus the null hypothesis that there is no relationship between contract breach and organisational commitment is rejected.

Table 4: Correlations between psychological contract breach (PCB) and organisational commitment

Variable	Organisational commitment
PCB - organisational obligations	-.45*
PCB - employee obligations	-.49*

* $p < 0.05$ (N = 84)

Hypothesis Two:

Trust mediates the relationship between psychological contract breach and organisational commitment.

Before the analysis could be undertaken to assess whether or not trust mediates the relationship between psychological contract breach and organisational commitment, the assumptions had to be tested. The first assumption to be tested was to determine that the independent variable (psychological contract breach) and the mediator (trust) significantly related to the dependent variable (organisational commitment) when considered separately. The correlations undertaken produced significant negative relationships as indicated above (Table 4) which indicated that the independent variable of psychological contract breach was significantly related to the dependent variable (organisational

commitment). In addition, correlations between the mediator (trust) and the dependent variable of organisational commitment were found to have a significant positive relationship with $r = .597$ ($p < 0.05$). (Table 5) Thus the first condition was met.

Table 5: Correlations between variables

Variable	1	2	3	4
PCB - Organisational obligations	1.00			
PCB - Employee obligations	.304*	1.00		
Organisational Commitment	-.441*	-.488*	1.00	
Trust	-.527*	-.285*	.597*	1.00

* $p < 0.01$ ($N = 84$)

The second condition requires the independent variable (psychological contract breach) to be significantly related to the proposed mediator (trust). This condition was tested by regressing trust on psychological contract breach in terms of organisational obligations to employees and employee obligations to organisations. The analysis revealed that psychological contract breach was significantly related to trust (Table 6). Hence the mediator fulfilled the second condition.

Table 6: Regressions of psychological contract breach on trust

Variable	Trust
PCB - Organisational obligations	-.527
PCB - Employee obligations	-.294
R squared	.297
F	16.326
Degrees of freedom	(2, 77)
Change in R squared	.279

($p < 0.05$)

The last condition stipulates that the relationship between the independent and dependent variables should be weaker or non-significant when the proposed mediator is included in

the regression equation than when the mediator is excluded from the equation. To test this condition, regressions were undertaken with and without the mediator (Table 7). The findings were that the third condition was not met in that the relationship was not weaker or non-significant when the mediator (trust) was included in the regression equation.

Table 7: Regressions of trust on contract breach and commitment relationship

Variables	Organisational Commitment
Trust	.599
PCB - Organisational obligations	-.441
PCB - Employee obligations	-.448
R squared	.686
F	22.3
Degrees of freedom	(3, 75)

($p < 0.05$)

To further assess the mediating affect of trust on the relationship between psychological contract breach and organisational commitment partial correlations were undertaken. Partial correlations identify the degree of the relationship between two variables after the relationship with a third variable has been removed (Howell, 1992). Partial correlations were undertaken between the independent and dependent variables, whereby the moderating variable of trust was partialled out. While an appreciable relationship was found, no significant correlations were found. The results are presented in Table 8.

Table 8.1: Partial correlations between independent and dependent variables

Partial variable: Trust		
Variable	1	2
PCB - Organisational obligations	1.00	
Organisational commitment	-.184	1.00

* $p < 0.05$

Table 8.2: Partial correlations between independent and dependent variables

Partial variable: Trust		
Variable	1	2
PCB - Employee obligations	1.00	
Organisational commitment	-.403	1.00

* $p < 0.05$

Qualitative results

This section deals with the results generated by the content analysis. The presentation of the interviews are in the form of data matrices, wherein blanks represent the absence of a classifiable response by an individual to the applicable issue. Moreover, individuals may have contributed to more than one category of investigation, therefore the total category of scores may not be comparable to the sample size.

In terms of the biographical composition of the interview sample (N = 10), there were 4 (40%) males and 6 (60%) females, and of this sample 6 (60%) were in managerial positions. The subjects were asked to respond to a number of questions, among which particular questions attempted to elucidate the relationship between psychological contract breach and organisational commitment, and the role of trust in this relationship.

1. How have the retrenchments affected the organisation and the survivors who have remained behind?

The majority of the respondents (7) said that one of the greatest changes that has occurred since the retrenchments has been the decline in trust in the organisation, and the related decrease in job security (6). Despite the fact that some respondents asserted that people in the organisation experienced anger (4), disillusionment and even bitterness (4), many respondents felt that the retrenchments represented an opportunity in which the organisation could take the necessary steps forward to improve the organisation (6). One respondent acknowledged feeling guilty that he continued working for the organisation while many other employees had been retrenched.

Theme (N=10)	Frequency
Lack of trust	7
Greater insecurity	6
Opportunity for change	6
Increased stress and workload	5
Decreased loyalty commitment and effort	4
Feelings of bitterness	4
Feelings of anger and resentment	4
Feelings of guilt	2

2a. What role do you think trust has in the relationship between you and the organisation?

The most frequently cited role of trust in the relationship between employees and the organisation was that it allowed individuals to perceive the organisation as being reliable in that it fulfilled its promises (6). For example, a subject responded "When they say something will happen, then you know that it will". Another frequently cited answer was that trust was the foundation of any relationship and that a relationship could not exist without its existence (5). Certain respondents suggested that a result of this trust was to increase commitment to the organisation and that this was likely to increase one's efforts towards the organisation (4).

Theme (N=10)	Frequency
Generates sense of reliability	6
Is the basis for a relationship (sense of reciprocity)	5
Increases commitment to and effort for the organisation	4
Fosters a sense of security	3
Engenders sense of accountability	2
Allows for team work	1

2b. What do you think influences trust in this relationship?

A recurrent theme was that the organisation's ability to be transparent and honest (6) and the degree to which the organisation was reliable in its promises and communications (5) influenced the trust in the relationship. As stated by a respondent "visibility, openness, transparency and regular communication leads a long way to trust". Four subjects suggested that regular communication and the organisation's ability to take responsibility of its actions also influenced the experience of trust in the relationship. Three subjects believed that the exchange of the employees contributions for appropriate returns or benefits helped to maintain trust in the relationship.

Theme (N=10)	**Frequency**
Honesty/transparency of organisation	6
Organisational integrity	5
Communication from organisation	4
Accountability of organisation	4
Benevolence - mutual exchange	3
The opportunity for autonomy	1

2c. What do you think are the outcomes or consequences of this trust?

Seven subjects believed that one of the outcomes of trust was an increased sense of security within the organisation. Half the respondents also suggested that trust allowed individuals to be committed to the organisation and that it was thus easier to be loyal to the organisation when they trusted the company.

Theme (N=10)	**Frequency**
Sense of security	7
Loyalty and commitment	5
Autonomy to do one's job	2
Mutual exchange and gain	2
Belief in integrity of organisation	2
Participation in decision making	1

2d. How have the retrenchments changed trust if at all?

The common belief among subjects was that trust had been eroded through the retrenchment process. An outcome of this was decreased commitment and productivity (4). However, 3 subjects suggested that their trust in the organisation was unchanged.

Theme (N=10)	**Frequency**
Mistrust /Uncertainty	7
Less effort put into work / decreased productivity	4
Decreased commitment	3
Unchanged	3

3a. What do you think influences your commitment to the organisation?

Responses to this question were varied. However, two common responses were that the organisation's honesty and trustworthiness influenced commitment, as well as the provision of recognition for their efforts. Another common response was that one of the issues that influenced commitment was the fact that the organisation provided opportunities for autonomy. Other issues that influenced commitment included job satisfaction, earning a market related salary and the fact that the organisation was reputable and one of the leading retailers in its field.

Theme (N=10)	**Frequency**
Honesty and trust	4
Recognition for one's efforts	4
Individual autonomy to get job done	4
Job satisfaction -enjoying job	3
The organisation's reputation and name	3
Paying a market related salary	3
Career prospects and job security	2
Communication	1

3b. How has the retrenchment changed your commitment, if at all?

Most respondents acknowledged that commitment and effort had declined after the retrenchments. One respondent said "For about 2 months I don't think I ever saw the parking lot full after five pm. They had to be here at 8am and leave at 4:30pm and that was all people were willing to do. No more than that." This is illustrative of the manner in which commitment and motivation was affected by the retrenchment. Three subjects acknowledged that the insecurity had resulted in an increase of resignations within the company and that there was likely to be more resignations once the year drew to a close. There were, however, respondents who believed that despite the retrenchments, they continued to be committed to the organisation.

Theme (N=10)	**Frequency**
Decreased commitment and loyalty	7
Lack of motivation and effort	5
Possibility of resignations	3
Unchanged	2
Disillusioned	1

4. Where do you go from here in terms of your career and future in the organisation?

Most respondents were positive about the future of the organisation and they believed that "things (could) can only get better". In addition half the respondents acknowledged that the retrenchments were necessary if the organisation was to succeed. Five subjects also asserted that the new leadership would help to ensure positive changes and a better vision towards which they could strive.

Theme (N=10)	**Frequency**
Positive future	6
Change was necessary	5
Leadership has improved	5
Time needed to improve	3
Put in greater effort to improve	2

In summary, thus it would appear that there is congruence between the qualitative and quantitative results in that there was a negative relationship between psychological contract breach and organisational commitment. Despite this congruence, there were divergent views concerning the manner in which psychological contracts were breached, as is to be expected as psychological contracts are individualised by nature. With rega. to the issue of trust, similar findings were found in that a decline in trust led to a decline in organisational commitment. However, there were also some divergent views within the sample which appeared to contradict the general quantitative trends.

CHAPTER 4

Discussion

Introduction

The economic climate of change and uncertainty within which organisations exists, and the need to be competitive in the global market has resulted in a marked increase in retrenchments across the world, and South Africa is no exception. Much research has been undertaken to assess the affects of retrenchments on the individuals who have lost their jobs. What has often been overlooked is the practical issue of how the productivity and morale of the people who were not affected by the layoffs. This is significant in that it is the retrenchment survivors that determine the organisation's effectiveness (Brockner, 1992).

Thus, the aim of this study was to explore the relationship between psychological contract breach and organisational commitment in retrenchment survivors. The mediating effect of trust on this relationship was also assessed. In addition the study attempted to develop and validate a psychological contract breach scale. In this section the results that were reported are discussed in terms of the literature and its theoretical implications.

Psychological contract breach scales

One of the aims of this study was to develop and validate a psychological contract breach scale that measured organisational obligations to employees and employee obligations to organisations. The items that were included in the scale were generated from a literature review and consultation with experts in the field. The items were then examined by various people so as to establish their face validity as well as to identify inappropriate items. After this a 20 item scale was designed. To improve the scale, items were assessed to identify if any of the items were too highly correlated with each other (above 0.8). However, none of the correlations exceeded 0.8 and as such all of the items were included in the scale.

Overall, the results of the present study indicate that the psychometric properties of the psychological contract scale are satisfactory. It emerged from the factor analysis that the psychological contract breach scale of organisational obligations to employees was comprised of three factors, namely relational obligations and transactional obligations and

tangible benefits. However, three items (in particular items 3, 8 and 12) were contaminated and therefore had to be dropped to improve the scale. This scale was found to have an adequate reliability with an alpha of .87.

With regards to the psychological contract breach scale of employee obligations to the organisation, support was found for a two factor scale comprised of transactional and relational obligations. Again however, items 2, 7, 8, and 9 were found to be impure and were also dropped from the scale. The scale reported a satisfactory alpha coefficient of .92. Thus the scales have been shown to be psychometrically sound and are potentially useful measuring instruments for investigating psychological contract breach. However, the instrument needs to be further researched and validated so as to provide industry with a useful instrument.

Relationship between psychological contract breach and organisational commitment

The first hypothesis sought to explore the relationship between psychological contract breach and organisational commitment. A negative relationship was found between the variables which suggested that the greater the perception of psychological contract breach, the greater the decline of organisational commitment. The qualitative data further supports these findings in that a common theme that was elucidated suggested that breaches of the psychological contract had reduced organisational commitment.

In addition, it was indicated that since the retrenchments had occurred, employer obligations had not been fulfilled, and that this led to a decline in the commitment in the exchange relationship. An illustrative comment made by a respondent was that "many things were said during the retrenchment but they were never carried through, and the feeling is, why should we put in so much effort if they're not keeping their word". This reflects decreased commitment in that employees appeared to be less willing to exert extra effort on behalf of the organisation (Luthans et al, 1985). The finding of a negative relationship between psychological contract breach and organisational commitment is supported by similar findings in research by Robinson (1996), Robinson and Morrison (1995), and Robinson and Rousseau (1994).

Before explanations for the findings are discussed, it is necessary to emphasise that organisational commitment develops gradually and that it is maintained with little attention until some triggering event - such as a retrenchment - sets off a re-evaluation of that line of action (Guzzo, Noonan & Elron, 1994). This implies that the psychological contract is ever present but is only given full attention in response to triggering events (Schein, 1980). Accordingly it is possible that the degree of one's commitment can change rapidly as a result of a re-evaluation of the psychological contract which is precipitated by changes in the work environment such as retrenchments.

Four explanations have been propounded in the literature for the relationship between psychological contract breach and organisational commitment. The first explanation for this relationship is explained in terms of Robinson's et al (1994) assertion that employees who perceive a contract breach will change their state orientation i.e. they will attempt to cope with the contract breach by lowering perceived obligations of the employer, or of themselves to the organisation. This can be expressed through silence, retreat, destruction or exit (Shore & Tetrick, 1994). In terms of this study, it can be argued that this changed state orientation was expressed by means of decreased organisational commitment and a desire to resign from the company. As explained by one of the respondents, the retrenchments increased employee job insecurity, and it was difficult to feel sufficiently loyal enough to contribute to the organisation as people were uncertain that they would receive anything in return. In addition, interviewees acknowledged that employees in the organisation were considering alternative job opportunities outside of the organisation. As a respondent noted "After the retrenchments their (employee's) loyalty started drifting. And it was obvious in the way people were getting their CV's up and running so that that they could get out of here at the first chance they got". This reflects a lack of desire to remain a member of the organisation (Luthans et al, 1985), and it is thus argued that the decrease of organisational commitment found in this study is a result of a perception of decreased obligations after a contract breach.

Schein (1980) provides a second explanation for the relationship between psychological contract breach and organisational commitment. He asserts that organisational commitment and loyalty is dependent firstly, on the nature of what is to be exchanged

between employees and the organisation. The second factor that the generation of commitment is dependent on is the employee's expectations of what the organisation will provide to them and what they owe in return, and the extent to which this matches the organisation's expectations of what they will give and get in return. Thus the findings of this study can be understood in terms of employee's beliefs that what they expect to get from the organisation is not matched in terms of what the organisation can give in return. As a result of this discrepancy, commitment and loyalty are undermined. Thus the findings of this study concur with research undertaken by Robinson and Morrison (1995) and Robinson and Rousseau (1994) who found a decrease in organisational citizenship behaviour and an increase in employee turnover after psychological contract breach.

A third viewpoint that needs consideration in explaining the negative relationship between psychological contract breach and organisational commitment relates to organisational justice theory. As explained by Brockner et al (1992) it is suggested that the extent to which employees perceive a contract breach and experience decreased commitment is based on the extent to which the event is perceived to be fair. In particular, they assert that if people believe the retrenchment process to be unfair then loyalty will drop sharply, even more so in survivors who were less committed at the outset than in survivors who were more strongly committed to the organisation (Brockner, 1992).

Fairness judgements depend on the outcomes associated with the layoff (distributive justice), the procedures used to implement the retrenchment (procedural justice) and the quality of the interactions in implementing procedures (interactional justice) as elaborated on above (Robinson & Rousseau, 1994). With regards to this study, respondents raised various issues that they perceived to be unfair in the retrenchment process. Firstly, the possible lack of planning in the retrenchment process appeared to be a cause for concern. An interviewee asserted that he could not understand the lack of planning. "There were some people who were restructured for the third time in 4 months". Another respondent concurred that the retrenchments "were handled rather messily. I believe quite a few people were re-employed even before they got their retrenchment payouts". Thus the procedures undertaken in the retrenchment appeared to be unfair.

The second issue in this study regarding fairness was that top management had been largely unaffected by the retrenchment process. As was pointed out by a respondent, "the mystery to me was why they didn't start with the top guys". However, at the time that the research was being undertaken, steps were being taken to deal with this issue and it appeared that this later created a sense of fairness for the interviewees. It was stated that "they should have been the first to go. But they're gone now and nobody shed any tears when they left". Despite this, there was also a feeling that valuable employees had been lost in the process, as indicated by responses such as "A lot of the people that shouldn't have gone were lost".

A third concern regarding fairness that was raised by interviewees, involving procedural justice issues, was that of employee participation in the retrenchment process. Some respondents asserted that the process was top-down in that they believed that "employees were consulted... because that was the right way to do it. Everybody felt that they were being asked how things should be done but that the decisions had been made already". On the other hand, other interviewees felt that the employees were consulted to give their feedback concerning the proposed new structure. "They (management) took whatever was given from the employees and they then put forward another proposal. So they did consult with employees in the process".

The concerns that have been referred to above all relate to the issue of fairness. Research has found that survivors react more favourably to retrenchments to the extent that they believe that the layoff is fair (Brockner, 1992). With regard to the present study, some of the respondents believed that certain aspects of the retrenchments were dealt with inappropriately, and it is these perceptions of unfairness of distribution, procedure and interaction that possibly act to contribute to the decline in organisational commitment.

Apart from the justice theory perspective, the findings of this study can be explained by a fourth perspective - group value theory, which asserts that relationships allow individuals to validate their beliefs and behaviours, and they provide an opportunity to feel accepted and respected. Fairness plays an important role in this relationship as fair treatment symbolises that they are being treated with dignity and respect which contributes to a

sense of self-identity and self-worth. However, if individuals perceive that they have been unfairly treated, they can react negatively in terms of decreased job satisfaction, organisational citizenship and organisational commitment (Tyler & Rind, 1990). Thus, perceptions of unfairness in the retrenchment process may have contributed to influence the decrease of commitment in the relationship between psychological contract breach and organisational commitment.

Trust as a mediator

Little research has been undertaken whereby trust has been manipulated as a mediating variable Robinson (1996) undertook research in which trust was found to be a significant mediator of the relationship between psychological contract breach and employee contributions to the firm such as performance and organisational citizenship behaviours. In this study, trust as a mediator variable in the relationship between contract breach and organisational commitment was assessed.

Trust is argued to be central to problem solving, communication, predictability and reliability and improved organisational performance (Mishra & Morrissey, 1990). When trust is broken, it is argued that employees would be less willing to invest in the relationship with the organisation and that they would be less willing to act in ways that maintain that relationship (Robinson, 1996). Thus the unexpected findings of this study was that trust did not appear to mediate the relationship between psychological contract breach and organisational commitment.

It must be noted that many respondents believed that while the process of retrenching was a negative experience, it was a necessary one in that it provided an opportunity for progress and improvement. Particularly, at the time that this research was undertaken, there were changes in terms of organisational leadership that appeared to have a positive effect on employees. All interviewees concurred that "things (could) only get better. There's a more positive spirit in the building, everyone's motivated and keen again". Thus it is believed that the new leadership helped the organisation to reach a turning point such that employees were more motivated to overcome the negativity normally associated with retrenchments. It is therefore possible that at the time of the research, trust had been

restored sufficiently to not produce the expected results. Further research is required to elucidate this relationship, particularly as this may not necessarily be found in other organisations.

However, respondents did acknowledge that at the time of the retrenchments trust had decreased. Certain respondents believed that the organisation had not fulfilled many of its promises, and this created mistrust. As an interviewee explained, "they created various expectations but they didn't deliver them. They've broken the trust". This refers to what Davis and Schoorman (1995) define as integrity, which is based on the perceived consistency of another's actions and the extent to which one's actions are congruent with their words. Thus the retrenchments presented a situation in which an inconsistency was perceived, such th employees no longer believed that the organisation would fulfill promises or expectations that were created during the retrenchment process. While this study did not find support for the hypothesis that psychological contract breach is negatively related to organisational commitment, additional analyses revealed other significant results.

Trust, psychological contract breach and organisational commitment

The relationship between psychological contract violations and trust was assessed and a significant negative relationship was found such that the greater the perception of psychological contract breach, the greater the decline in trust. According to MacNeil (1985) obligations within the employee - employer relationship entail a variety of socio-emotional concerns such as trust and beliefs in good faith and fair dealings. It has been argued that when such obligations are not met, these feelings are likely to be eroded (Robinson & Rousseau, 1994). The results found in this study appear to support this viewpoint, and indicate that the erosion of trust diminishes employee's willingness to exert considerable effort on behalf of the organisation (Luthans et al, 1985).

Again, the perspective of procedural justice theory helps to understand these results. Psychological contract breaches might be considered a form of unfair treatment, in that injustice is based on the act of ayal rather than the actual outcome. Thus it might be a

sense of betrayal or unfair treatment that leads to the erosion of trust (Robinson & Morrison, 1995).

In addition, a significant positive relationship was found between trust and organisational commitment, implying that the greater the decline in trust, the greater the decline in organisational commitment. These findings are significant given that trust is crucial to organisational effectiveness. Trust has a 'spiral reinforcement' such that a decline in trust often leads to further declines in trust (Robinson & Rousseau, 1994). A lack of trust is associated with a decrease in the quality and quantity of communication and co-operation, which in turn, may further reduce subsequent trust and commitment. In addition, a lack of trust has been associated with a decline in effective problem solving and performance (Zand, 1972).

With regards to the outcome of the mistrust, a respondent stated that she would continue to make the effort to work hard because of a need to fulfill her own standard of work, but she noted that after the retrenchments "you think to yourself, instead of working until 6 or 7 o'clock, you'll work until 5 o'clock and then I'm going home, where normally that wouldn't be". According to Davis and Schoorman (1995), this refers to the benevolence which is the perception of a positive orientation of the trustee towards a trustor, and it takes into consideration the extent to which an individual is motivated to seek co-operative mutual gain rather than individualistic gain (Larzelere & Huston, 1980).

To understand the results found in this study, one can draw on literature from the distributive justice perspective. Employees attempt to maintain an equitable balance between their contributions and what they receive from their organisation. If employees therefore believe that the organisation has failed to fulfill their obligations, they may decrease their commitment to the organisation (Robinson & Morrison, 1995).

CHAPTER 5

Conclusion

Theoretical implications of the present study

The first implication to be considered is a methodological one. The application of triangulation in investigating perceptions around retrenchments represents an advance over previous studies methodological approaches. The application of a combination of techniques allows the qualitative methods to enhance and qualify the quantitative methods, as well as contributing to scientific respectability (Kahn & Cannell, 1987).

In terms of the theoretical implications of this study, it is suggested that the definition of the psychological contract be broadened to include the pertinent issues of trust and commitment as they appear to be integral to the concept. Psychological contracts have been defined as the beliefs and expectations of the terms and conditions of a reciprocal exchange agreement and relationship between two parties (Rousseau, 1989). The qualitative data suggested that without trust there was little possibility for any relationship between employees and the organisation. It is thus argued that if there is any mistrust, particularly in the form of a lack of integrity in the organisation, it is unlikely that one would expect expectations to be fulfilled or even reciprocated in the relationship (Robinson, 1996). And as the findings of this study have indicated, if there is no trust or maintenance of the reciprocal relationship, then commitment is not likely to occur. Thus, this study argues for an expansion of the concept of psychological contracts to include the factors of trust and commitment.

Practical implications of the present study

It is acknowledged that retrenchments and the manner in which they are handled have a negative effect on employee's productivity, morale and overall commitment to the organisation. The practical implication of this is that if retrenchments are mismanaged, organisations stand to lose a large portion of the savings they hoped to achieve by implementing retrenchments in the first place. It is thus imperative that organisations plan and implement retrenchments with more attention focused on its impact on those who remain (Brockner, 1992).

This research therefore suggests that the efforts must be made by organisations to ensure that the retrenchments are fair and justified. Fair procedures are also essential such as providing ample advanced warning, providing adequate explanations for the reasons for the retrenchments and providing caretaking services. Efforts must also be made to involve employees in the decision-making process, to provide full information to the organisation about the process, and emphasise the possibility of new opportunities for the organisation (Brockner, 1992).

Limitations

One of the limitations of this study was that it focused on the perceptions of *employees* of an organisation. Future research needs to consider both managers or employer's and employee perceptions of retrenchments and their outcomes, particularly as their relationship is a reciprocal one.

A second limitation concerns the research design. A cross sectional design was used, and this can be said to weaken the study as it allows only for descriptive studies as they establish only association between variables and not causality (Rosenthal & Rosnow, 1991). Future research could possibly achieve more meaningful results by utilising a longitudinal research design. This could be especially useful in determining the changing effects of the retrenchment both immediately after the event and then after a period of recovery.

A third shortcoming that needs consideration is the voluntary nature of the selection of respondents. The utilisation of volunteers violates the requirement of random sampling by placing limitations on the statistical procedures that can be undertaken (Sayer, 1984). Bearing in mind that the research was conducted in only one organisation, the generalisability and ecological validity of the findings may also be limited. In addition, the questionnaires were self-administered and the problem that this presents is that questions that may have appeared ambiguous or unclear could not be clarified (Neuman, 1994).

A further point for consideration is that of response sets. Anastasi (1988) states that response biases arise when individuals provide socially desirable responses and as a result

responses are not accurate. In an attempt to reduce the likelihood of this occurring, the cover letter emphasised anonymity and confidentiality would be ensured. However, it was found that some organisational members were reluctant to participate in the study because data collection of the questionnaires was handled by the personnel department of the organisation, and considering the sensitivity surrounding retrenchments this is not surprising. It is thus possible that subjects may have felt that their anonymity was not sufficiently guaranteed, and as such questionnaire responses may have been influenced by a fear of a lack of confidentiality, as well as by the general levels of mistrust within the organisation. A further problem with self report measures is that the results may be influenced by expectations of the research outcome by participants (Anastasi, 1988). In this regard, the cover letter avoided a detailed explanation of the specific nature of the study.

Qualitative techniques are also characterised by various weaknesses. Qualitative research methods typically involve a small number of respondents who provide descriptive information about their own thoughts and feelings towards a particular subject matter. Dillon, Madden and Firtle (1987) note that these thoughts and feelings are not necessarily representative of the broader population. In the present research the interview sample comprised of only 10 subjects, selected from the 'questionnaire sample', which may further limit the validity of findings. However, their responses are still instrumental in terms of reinforcing and interpreting the quantitative conclusions.

The technique of interviewing is open to potential sources of subjectivity and bias since it involves a process of interaction, which means that parties to the interview procedure infl ence and react to each other in different ways (Kahn & Cannell, 1987). It can be argued that data obtained from interviews are a combination of interviewee' perceptions, and the respondent's percept.. s and appraisal of what the interviewer would consider to be an appropriate answer (Neuman, 1994). To control this, the researcher refrained from communicating her own feelings and perceptions to the interviewees.

Another concern surrounds the organisational climate in which the research was undertaken. Two weeks before the research began an announcement was made that

services within the organisation would become more centralised, and plans were put forward for restructuring in the higher, managerial levels of the organisation. Thus, these plans for change may have increased feelings of insecurity and uncertainty, which may have influenced findings.

Finally, the size of the sample of 84 respondents was another limitation in this study. The disadvantage of such a small sample size is that it does not allow for confident generalisations to the larger population (Neuman, 1994). In addition, the inadequate sample size may have prevented significant relationships from being detected. In particular, the sample size may have influenced the finding in this study that trust did not mediate the relationship between organisational commitment and psychological contract breach. To clarify this issue, future research will need to be undertaken with a larger sample size.

Directions for future research

This research focused on employee's reactions to retrenchments and their behaviours. It is suggested that future research attempt to include the perspectives of the organisation in terms of managerial perceptions as the psychological contract is a based on a mutual relationship.

Future research would also need to be undertaken to further establish the mediating effect of trust in the relationship between psychological contract and organisational commitment. It is also suggested that other factors, apart from trust, be investigated that may mediate the relationship between psychological contract breach and organisational commitment.

In addition, it is suggested, as mentioned above, that future research would do well to utilise a longitudinal design. The correlational design used in this study only establishes association between variables and causality cannot be assumed. Future research could possibly achieve more meaningful results by utilising a longitudinal research design.

Conclusion

This research had three major aims. The first was to explore the relationship between psychological contract breach in terms of organisational obligations to employees and employee obligations to the organisation, and organisational commitment in retrenchment survivors. A significant negative relationship was found. The second aim was to assess the mediating effect of trust in this relationship, and unexpectedly, there was no support for this hypothesis. The insignificant findings are significant in themselves as it is a possible indication of other factors that influence the relationship.

The third aim of this study was to develop and validate a psychological contract breach scale in terms of employee and organisational obligations, as it was identified as being appropriate in South Africa where retrenchments have become common place. To fully appreciate the nature of the findings in this study, further research needs to be undertaken in this field.

References

Ahtha[illegible], [illegible] & Tan, D. (1994). Reassessing and reconceptualising the multi-dimensional nature of organisational commitment. Psychological Reports, 75, 1379-1390.

Allen, N.J. & Meyer, J.P. (1990). The measurement and antecedents of affective, continuance and normative commitment to the organisation. Journal of Occupational Psychology, 63, 1-18.

Anastasi, A. (1988). Psychological Testing. (6th ed.). New York: Macmillan.

Angle, H.L. & Lawson, M.B. (1994). Organisational commitment and employee's performance ratings: Both types of commitment and performance count. Psychological Reports, 75, 15391-1551.

Ashford,S.J. & Cummings, L.L. (1983). Feedback as an individual resource: Personal strategies of creating information. Organisational Behaviour and Human Performance, 32, 370-398.

Barling, J. & Bluen, S.D. (1987). Psychological functioning following an acute disaster. Journal of Applied Psychology, 72(4), 683-690.

Baron, R.M. & Kenny, D.A. The moderator-mediator distinction in social psychological research: Conceptual, strategic and statistical considerations. Journal of Personality and Social Psychology, 51, 1173-1182.

Bies, R.J. (1987). The predicament of injustice: The management of moral outrage. Research in Organisational Behaviour, 9, 289-319.

Brockner, J. (1988).The effects of work layoffs on survivors: Research, theory and practice. Research in Organisational Behaviour, 10, 213-255.

Brockner, J. (1992). Managing the effects of layoffs on survivors. California Management Review, Winter, 9-27.

Brockner, J. Grover, S. Reed, T & DeWitt, R. (1992). Layoffs, job insecurity, and survivors work effort: Evidence of an inverted-U relationship. Academy of Management Journal, 35(2), 413-425.

Brockner, J. Grover, S. Reed, T. DeWitt, R. & O'Malley, M. (1987). Survivor's reactions to layoffs: We get by with a little help from our friends. Administrative Science Quarterly, 32, 526-541.

Brooke, P.B. Russel, D.W. & Price, J.L. (1988). Discriminant validation of measures of job satisfaction, job involvement and organisational commitment. Journal of Applied Psychology, 73(2), 139-145.

Brooks, M. (1994). Retrenchment: End of career or start of a new career? Human Resource Management, August, 28-29.

Caldwell, D.F. Chatman, J.A. (1990). Building organisational commitment. Journal of Occupational Psychology, 63, 245-261.

Caudron, S. (1996). Teach downsizing survivors how to thrive. Personnel Journal, January, 38-48.

Chusmir, L.H. (1982). Job commitment and the organisational woman. Academy of Management Review, 7(4), 595-602.

Cooper, J. (1983). Factor analysis: An overview. The American Statistician, 37(2), 141-147.

Dillon, W. Madden, T & Firtle, N. (1987). Marketing Research in a Marketing Environment. Boston: Irwin.

Dunham, R.B. Grube, J.A. & Cataneda, M.B. (1994). Organisational Commitment: The utility of an integrative definition. Journal of Applied Psychology, 79, 370-380.

Durcan, J. & Oates, D. (1996). Career Paths for the 21st Century. London: Random House

Farrell, D. & Rusbult, C.E. (1981). Exchange variables as predictors of job satisfaction, job commitment and turnover. Organisational Behaviour and Human Performance, 28, 78-95.

Fisher, J.D. & Baron, R.M. (1982). An equity based model of vandalism. Population and Environment, 5, 182-200.

Gabarro, J.J. & Athos, J. (1978). Interpersonal Relations and Communications. New York: Prentice Hall.

Gambetta, D. (1988). Trust: Making and breaking co-operative relations. New York: Basil-Blackwell.

Greenberg, J. (1987). A taxonomy of organisational justice theories. Academy of Management Review, 12, 9-22.

Greenberg, J. (1990). Employee theft as a reaction to underpayment inequity: The hidden cost of pay-cuts. Journal of Applied Psychology, 75, 561-568.

Guzzo, R.A. & Noonan, K.A. (1994). Human resource practices as communications and the psychological contract. Human Resource Management, 33, 447-462.

Guzzo, R.A. Noonan, K.A. & Elron, E. (1994). Expatriate managers and the psychological contract. Journal of Applied Psychology, 79(4), 617-626.

Hackett, R.D. Bycio, P & Hausdorf, P.A. (1994). Further assessments of Meyer & Allen's (1991) three component model of organisational commitment. Journal of Applied Psychology, 79(1) 15-23.

Holsti, O. (1969). Content Analysis of the Social Science and Humanities. Massachusetts: Addison-Wesley.

Howell, D.C. (1992). Statistical methods for psychology. Calif rnia: Duxbury Press.

Jacobson, D. & Hartley, J. (1991). Mapping the context. In J. Harley, D. Jacobson, B. Klandermans & T. van Vuuren. (Eds). Job insecurity: Coping with Jobs at Risk. London: Sage.

Joubert, L. (1993). Managing retrenchment positively: An EAP perspective. Human Resource Management, February, 28-31.

Kahn, R & Cannel, C. (1987). The dynamics of interviewing: Theory, techniques and cases. New York: Wiley & Sons.

Kerlinger, F.N. (1986). Foundations of Behavioural Research. (3rd ed.). Orlando: Holt, Rhinehart & Winston Inc.

Kline, P. (1994). An Easy Guide to Factor Analysis. London: Routledge.

Krippendorf, K. (1980). Content Analysis: An Introduction to its Methodology. Beverly Hills: Sage.

Larzelere, R.E. & Huston, T.L. (1980). The dyadic trust scale: Toward understanding interpersonal trust in close relationships. Journal of Marriage and the Family, August, 595-604.

Leedy, P. (1993). Practical Research: Planning and Design. (5th ed.). New York: Macmillan Publishing Co.

Levy, Andrew & Associates. (March 1988). Wage Settlement Survey. Unpublished study. Johannesburg.

Lind E.A & Tyler, T.R. (1988). The Social Psychology of Procedural Justice. New York: Plenum Press

Lucero, M.A. & Allen, R.A. (1994). Employee benefits: A growing source of psychological contract violations. Human Resource Management, 33, 425-446.

Luthans, F. McCaul, H. & Dodd, N. (1985). Organisational commitment: A comparison of American, Japanese and Korean employees. Academy of Management Journal, 28(1), 213-219.

Mayer, R.C. Davis, J.H. & Schoorman, F.D. (1995). An integrative model of organisational trust. Academy of Management Review, 20, 709-734.

McAllister, D.J. (1995). Affect and cognition based trust as foundations for interpersonal co-operation in organisations. Academy of Management Journal, 38(1), 24-59.

McCall, R.B. (1990). Fundamental Statistics for the Behavioural Sciences. (5th ed.). San Diego: Harcourt Brace Jovanvich Publishers.

Mishra, J. & Morrisey, M.A. (1990). Trust in employee/employer relationships: A survey of West Michigan managers. Public Personnel Management, 19(4), 443-461.

Morrison, E.W. & Robinson, S.L. (1997). When employees feel betrayed: A model of how psychological contract violation develops. Academy of Management Review, 22(1), 226-256.

Morrow, P. (1993). The Theory and Measurement of Work Commitment. Connecticut: JAI Press Inc.

Mowday, R, Porter, L. & Steers, R. (1979). The measurement of organisational commitment. Journal of Vocational Behaviour, 14, 224-247.

Mowday, R. Steers, R. & Porter, L. (1982). Employee-Organisation Linkages: The Psychology of Commitment, Absenteeism and Turnover. New York: Academic Press.

Neale, M.A. & Northcraft, G.B. (1991). Factors influencing organisational commitment. In R Steers & L Porter (Eds). Motivation and Work Behaviour. (5th ed). p290-297. New York: McGraw Hill.

Niele, J.M. & Liebert, R.M. (1986). Science and Behaviour. USA: Prentice Hall.

Neuman, W.L. (1994). Social Research Methods: Qualitative and Quantitative Approaches. Massachusetts: Allyn & Bacon.

O'Reilly, C.A. & Chatman, J.A. (1986). Organisational commitment and psychological attachment: The effects of compliance, identification and internalisation on pro-social behaviour. Journal of Applied Psychology, 71, 492-499.

Ortney, A. Clore, G. & Collins, A. (1988). The Cognitive Structure of Emotions. England: Cambridge.

Parks, J.M. & Kidder, D.L. (1994). 'Till death do us part...' Changing work relationships in the 1990's. In C.L. Cooper, & D.M. Rousseau. Trends in Organisational Behaviour. 111-136. England: John Wiley & Sons Inc.

Pirow, P.C. (1980). How to do Business Research. Johannesburg: Juta Publishers.

Porter, L.W. & Lawler, E.E. (1968). Managerial Attitudes and Performance. Homewood: Irwin.

Ragin, C. (1994). Constructing Social Research. California: Pine Forge Press.

Robinson, S. (1996). Trust and the breach of the psychological contract. Administrative Science Quarterly, 41, 574-599.

Robinson, S. Kraatz, M.S. & Rousseau, D.M. (1994). Changing obligations and the psychological contract: A longitudinal study. Academy of Management, 3[illegible], 137-152.

Robinson, S. & Morrison, E.W. (1995). Psychological contracts and OCB: The effect of unfulfilled obligations on civic virtue behaviour. Journal of Organisational Behaviour, 16, 289-298.

Robinson, S. & Rousseau, D.M. (1994). Violating the psychological contract: Not the exception but the norm. Journal of Organisational Behaviour, 15, 245-259.

Rogers, C. (1961). On Becoming a Person. Boston: Houghton Mifflin.

Romzek, B.S. (1989). Personal consequences of employee commitment. Academy of Management Journal, 32(3) 649-661.

Rosenthal, R. & Rosnow, R. (1991). Essentials of Behavioural Research: Methods and Data Analysis. London: McGraw Hill.

Rousseau, D.M. (1989). Psychological and implied contracts in organisations. Employee Responsibilities and Rights Journal, 2, 121-139.

Rousseau, D.M. (1990). New hire perceptions of their own and their employer's obligations: A study of psychological contracts. Journal of Organisational Behaviour, 11, 389-400.

Rousseau, D.M. & Greller, M.M. (1994). Human resources practices: Administrative contract makers. Human Resource Management, 33, 385-401.

Sayer, A. (1984). Methods in Social Science: A Realist Approach. London: Hutchinson Press

Shore, L.M. & Tetrick, L.E. (1994). The psychological contract as an explanatory framework in the employment relationship. In C.L. Cooper, D.M. Rousseau. Trends in Organisational Behaviour, 1, 91-107.

Schein. E.H. (1980). Organisational Psychology. (3rd ed.). New Jersey: Prentice Hall Inc.

Schindler, P.L. & Thomas, C.C (1993). The structure of interpersonal trust in the workplace. Psychological Reports, 73, 563-573.

Sims, R.R. (1994). Human resource management's role in clarifying the new psychological contract. Human Resource Management, 33, 373-382.

Steers, R.M. (1977). Antecedents and outcomes of organisational commitment. Administrative Science Quarterly, 3(22), 47-56.

Strumph, S.A. & Hartman, K. (1984). Individual exploration to organisational commitment or withdrawal. Academy of Management Journal, 27(2), 308-329.

Tajfel, H. & Turner, J. (1979). An integrative theory of intergroup conflicts. In W.G. Austin, S. Worchel. The Social Psychology of Intergroup Relations. Philadelphia: W.B. Saunders.

Tett, R.P. & Meyer, J.P. (1993). Job satisfaction, organisational commitment, turnover intention and turnover: Path analyses based on meta-analytic findings. Personnel Psychology, 46, 80-90.

Toma, A, Pelton, L.E. & Strutton, D. (1993). Relationship between psychological climate and trust between salespersons and their managers in sales organisations. Psychological Reports, 72, 931-939.

Wagar, T.H. (1993). Influence of job security and compensation policies on rated perceptions of future job applicants. Psychological Reports, 72, 167-170.

Weiner, Y. & Vardi, Y. (1980). Relationships between job, organisation and career commitments and work outcomes: An integrative approach. Organisational Behaviour and Human Performance, 26, 81-96.

Zand, D.E. (1972). Trust and managerial problem solving. Administrative Science Quarterly, 17, 229-239.

Zucker, L.G. (1986). Production of trust: Institutional sources of economic structure1840-1920. In B.M. Staw & L.L. Cummings. Research in Organisational Behaviour, 8, p53-111. Greenwich: JAI Press.

Department of Psychology

UNIVERSITY OF THE WITWATERSRAND, JOHANNESBURG

Private Bag 3, WITS 2050 South Africa • Telegrams 'Uniwits' • Fax (011) 716-2476 • Telephone (011) 716-2407

Dear Sir/Madam

The attached questionnaire forms part of a research project I am conducting through the Industrial Psychology department at the University of the Witwatersrand, as part of my Masters degree. Permission has been granted by Mr John McCloskey to approach you as a respondent, and it would be greatly appreciated if you would participate in this research. The aim of the study is to examine the effects of retrenchments on those who have remained with an organisation, i.e. the survivors of retrenchment.

Your participation in this study is voluntary. Confidentiality will be ensured as you are not required to give your name. All the information will be treated in the strictest confidence as only general trends rather than individual's responses will be reported. Similarly, your company will be provided only with a summary of the findings, and therefore cannot be used by your employer to your disadvantage The information will only be used for research purposes. Should you wish to participate in this research, please complete the attached questionnaire, which should take approximately 15 minutes. As there are no wrong or right answers to the questionnaire, please ensure that you respond honestly and accurately. Your co-operation will be greatly appreciated.

Should you have any queries, I can be contacted at 646-0366 (H).

Thank you for your time taken to participate in this study.

Yours sincerely

Dilnaaz Karim
(Masters student)

Fiona Donald
(Student Supervisor)

The University of the Witwatersrand rejects racism and racial segregation. It is committed to non-discrimination particularly in the constitution of its student body in the selection and promotion of its staff, and in its administration.

Section A
Biographical Data

1. Department currently working in: _____

2. Age: _____

3. Home language: _____

4. Gender: (please tick)

Male	Female

6. Are you curre tly working: (please tick)

full time	part time	other

7. Occupational status/position: _____

8. How long have you worked for the current organisation: _____

9. Highest level of education reached: (please tick)

Std 8 - 10	Undergraduate degree / diploma	Postgraduate degree / diploma	Other (please specify)

Section B

Listed below are various obligations that you may expect or believe your organisation to have towards you. This questionnaire assesses the extent to which you, as a retrenchment survivor, perceive that these obligations have changed since the retrenchments.

1) Indicate the extent to which you believe your organisation's obligations have changed towards you *since the retrenchments* by making a cross in the appropriate place.

2) In addition, indicate the extent to which these expectations are important to you by rating the expectations from 1 to 5 in the last column, according to the following scale.

1	2	3	4	5

1 = Extremely important to me
2 = Somewhat important to me
3 = Indifferent
4 = Not so important to me
5 = Not at all important to me

Organisation's obligations	Greatly improved	Somewhat improved	Unchanged	Deteriorated	Greatly deteriorated	Importance rating 1-5
1. Paying a market related salary that reflects my work						
2. Providing me with employee benefits that will maintain my health and well-being eg. health care, sick-leave etc.						
3. Ensuring that I will be provided for during retirement eg. pensions						
4. Ensuring job security so that I can work for the organisation for many years to come						
5. Giving constructive feedback on my performance						
6. Training and developing me to advance in my career						
7. Providing a clear career path for me in the organisation						
8. Providing an opportunity for me to experience self-growth and improvement						
9. Allowing me to work independently						
10. Providing challenging work that will allow me to use my skills						
11. Allowing me to share my ideas and contribute to discussions						

Organisation's obligations	Greatly improved	Somewhat improved	Unchanged	Deteriorated	Greatly deteriorated	Importance rating 1-5
12. Keeping me well informed of organisational changes that affect me						
13. Allowing me to participate in and influence organisational changes that affect me						
14. Giving recognition for the extra effort that I put in						
15. Providing opportunities for social contact with my colleagues eg. recreation, sport etc.						
16. Ensuring that I can work in an environment that is warm and friendly.						
17. Treating me with respect and dignity						
18. Dealing with me in an honest and sincere manner						
19. Being fair and consistent in the organisation's decisions and actions						
20. Providing emotional support with my personal problems						

Section C

Listed below are various obligations that you as an employee may have towards your organisation. This questionnaire assesses the degree to which you perceive that these obligations may have changed since the retrenchments.

1) Indicate the extent to which you feel your obligations to the organisation have changed ***since the retrenchments*** **by making a cross in the appropriate place.**

Employee obligations	Greatly increased	Somewhat increased	Unchanged	Somewhat decreased	Greatly decreased
1. An obligation to work overtime without additional pay/ remuneration					
2 Supporting the image of the organisation and being loyal to the organisation's products & services					
3. Volunteering to perform tasks that are not strictly within my role					

Employee obligations	Greatly increased	Somewhat increased	Unchanged	Somewhat decreased	Greatly decreased
4. Giving advanced warning if taking a job elsewhere					
6. Maintaining confidentiality about company information					
7. An obligation to remain working in the organisation through difficult periods					
8. Performing at my best possible level					
9. Supporting decisions and policies made by management					
10. To put work above my personal needs at times					
11. Putting clients needs before my own					
12. Providing value to the organisation for the salary that I am receiving					
13. Maintaining a logical and objective perspective on my work					
14. Respecting the authority of my manager					

Section D

Listed below are a series of statements that represent possible feelings that you might have about your employer. **Please indicate the extent to which you agree or disagree with the statements by making a cross in the appropriate column.**

	Strongly disagree	Disagree	Uncertain	Agree	Strongly agree
1. I believe my employer has high integrity.					
2. My employer is not always honest and truthful.					
3. I can expect my employer to treat me in a consistent and predictable fashion.					
4. In general, I believe my employer' motives and intentions are good.					
5. I don't think my employer treats me fairly.					
6. My employer is open and up-front with me.					
7. I am not sure I fully trust my employer.					

Section E

Listed below are a series of statements that represent possible feelings that you might have about the organisation for which you work. **Please indicate the degree of your agreement or disagreement with each of the following statements by making a cross in the appropriate column.**

1	2	3	4	5	6	7

1 = strongly disagree
2 = moderately disagree
3 = slightly disagree
4 = neither agree or disagree
5 = slightly agree
6 = moderately agree
7 = strongly agree

	1	2	3	4	5	6	7
1. I am willing to put in a great deal of effort beyond that normally expected in order to help this organisation be successful .							
2. I talk about this organisation to my friends as a great organisation to work for.							
3. I feel very little loyalty to this organisation.							
4. I would accept almost any type of job assignment in order to keep working for this organisation.							
5. I find that my values and the organisation's values are very similar.							
6. I am proud to tell others that I am part of this organisation.							
7. I could just as well be working for a different organisation as long as the type of work was similar.							
8. This organisation really inspires the very best in me in the way of job performance.							
9. It would take very little change in my present circumstances to cause me to leave this organisation.							
10. I am extremely glad that I chose to work for this organisation rather than others I was considering at the time I joined.							
11. There's not too much to be gained by sticking with this organisation indefinitely.							
12. Often, I find it difficult to agree with this organisation's policies on important matters relating to its employees.							
13. I really care about the fate of this organisation.							
14. For me this is the best of all possible organisations for which to work.							
15. Deciding to work for this organisation was a definite mistake on my part.							

Author: Karim, Dilnaaz.
Name of thesis: The relationship between the psychological contract, trust and organisational commitment in retrenchment survivors.

PUBLISHER:
University of the Witwatersrand, Johannesburg
©2015

LEGALNOTICES:

Copyright Notice: All materials on the University of the Witwatersrand, Johannesburg Library website are protected by South African copyright law and may not be distributed, transmitted, displayed or otherwise published in any format, without the prior written permission of the copyright owner.

Disclaimer and Terms of Use: Provided that you maintain all copyright and other notices contained therein, you may download material (one machine readable copy and one print copy per page)for your personal and/or educational non-commercial use only.

The University of the Witwatersrand, Johannesburg, is not responsible for any errors or omissions and excludes any and all liability for any errors in or omissions from the information on the Library website.