

Research Project / Dissertation

The role of psychological contracts in organizational socialization and identification

A longitudinal study involving officer candidates of the German Armed Forces

Research Question

- How does early psychological contract breach perceived by newcomers impact on their attitudes in the process of their organizational socialization and identification?
- Are there any cross-level effects between levels of causation and targets of newcomer's reactions?

Rationale

An organization expecting new members to quickly learn to perform effectively are well advised to facilitate their newcomers' integration, hence the process of becoming a full organizational member. This involves acquiring knowledge, skills and abilities as well as internalising the organization's mission, values and norms, regarding oneself and acting as a part of the community, and displaying organizational commitment. This process of organizational socialization is affected by both the organization's socialization tactics and the newcomer's attitudes and behaviors which are in turn subject to experiences the person makes in the process of encountering organizational reality.

Research on newcomers in military organizations, in particular officer candidates, has been largely focusing on issues of formal education and training, and thus acquisition of military technical knowledge and appropriate skills. Questions as to how and under what conditions young officer candidates come to identify with an organization and its values and norms, and what factors may facilitate or prevent this have not been as prominent yet. This research attempts to identify possible effects of appropriate factors on organizational socialization and identification processes. In particular, a focus will be put on the psychological contract.

Psychological contracts

An organization striving to recruit the most qualified individuals is likely to engage in an attractive self-presentation in regard of its reputation, structures and processes, working conditions, culture and climate, incentive systems, career prospects, and so forth. Frequently, positive aspects and advantages are overemphasized considerably whereas negative aspects and disadvantages are neglected. Prospective new organizational members thus come to build exaggerated, even unrealistic, expectations and perceptions of what they have been promised, respectively, of what the organization owes them. This is part of the psychological contract which may be defined as “individual’s belief regarding the terms and conditions of a reciprocal exchange agreement between the focal person and another party” (Rousseau, 1989).

A newcomer's expectations however frequently turn out to remain unfulfilled (Wanous, Poland, Premack & Davis, 1992), a fact that has been shown to be one major reason for an employee to quit early (Buckley, Fedor, Veres, Wiese & Carraher, 1998). This is especially true if individuals not only feel that their expectations in regard to their jobs have remained unfulfilled, but that the organization has actually failed to fulfil its obligations toward them – an issue that is referred to as a breach of the psychological contract, or even as violation if accompanied by an individual's deep feelings of betrayal. Breach or violation of an individual's psychological contract has been found to occur quite frequently and thus appears to be an organizational reality rather than an exception (Robinson & Rousseau, 1994). A number of employee reactions pertaining to perceptions, attitudes and behaviors have been identified in previous research, such as trust (e.g., Robinson, 1996), organizational commitment (e.g., Sturges, Conway, Liefoghe & Guest, 2003), and performance (e.g., Turnley, Bolino, Lester & Bloodgood, 2003). In regard to organizational commitment, three aspects were identified (Meyer & Allen, 1997): Affective commitment which refers to the extent to which an individual feels emotionally attached to the organization, continuance commitment which is the extent to which an individual weighs pro's and con's of being with the organization, and normative commitment, the extent to which an individual feels obligated to stay with the organization.

Research on psychological contracts of organizational newcomers has so far been done on the development, or adjustment, of newcomers' perceived demands and their own obligations during their first few months due to their encountering organizational reality (e.g., de Vos, Buyens & Schalk, 2003; Thomas & Anderson, 1998). Yet, it is far less clear how and to what extent newcomers' conceptions of the contents and terms of their psychological contracts having been violated may disrupt the – initially extremely vulnerable – process of integration into, and identification with, their new organization. The research described here intends to identify potential corresponding effects. Based on the knowledge that a newcomer entering an organization goes through a process of socialization in that he or she is socially integrated, comes to learn and to identify with the organization's values and norms and to grow committed to the organization, and that experiences of psychological contract breach may harm organizational commitment, the following hypotheses on potential effects of these experiences on socialization and identification processes are proposed.

Hypothesis 1: The more a newcomer experiences that their psychological contract with the organization has been recently violated the lesser this individual will come to accept what they perceive as the organization's values and norms.

Hypothesis 2: The more a newcomer experiences that their psychological contract with the organization has been recently violated the lesser this individual will report to identify with the organization itself.

Hypothesis 3: The more a newcomer experiences that their psychological contract with the organization has been recently violated the lesser this individual will perceive himself or herself to be socially integrated with his or her group.

Psychological contract fulfilment or breach in particular has been shown to affect an individual's organizational commitment.

Hypothesis 4: The more a newcomer experiences that their psychological contract with the organization has been recently violated the lesser this individual will report to be affectively committed to the organization.

Hypothesis 5: The more a newcomer experiences that their psychological contract with the organization has been recently violated the lesser this individual will report to be normatively committed to the organization.

Hypothesis 6: The more a newcomer experiences that their psychological contract with the organization has been recently violated the more this individual will report continuance commitment toward the organization.

Furthermore, another issue to be dealt with in this research pertains to the question whom the individual perceives as the other party to the contract. So far, researchers have been usually referring to “the organization” as the entity having obligations toward the individual. However, the organization as a rather abstract contract party needs agents acting on its behalf and entering into direct interaction with the organization's contract partners. For the new organizational member, a number of potential actors may appear as the organization's representatives accordingly, such as mentors, colleagues, instructors, or supervisors. Sure enough, these actors may also hold their own psychological contracts with the newcomer so that a research design seems to be required which can discriminate between a newcomer's psychological contracts with individuals acting on behalf of themselves, i.e. as principals, and contracts where the newcomer perceives these individuals to act on behalf of the organization, hence being agents for the organization as the contract party. The following hypotheses refer to these cross-level effects.

Hypothesis 7 (a - f): The effects proposed in hypotheses 1-6, referring to psychological contract breach by the organization as the individual's contract partner, are moderated by the individual's perceptions of to what extent his/her supervisor has recently fulfilled or broken the psychological contract.

Hypothesis 8 (a - f): The effects proposed in hypotheses 1-6, referring to psychological contract breach by the organization as the individual's contract partner, are moderated by the individual's perceptions of to what extent his/her group of fellow-workers has recently fulfilled or broken the psychological contract.

The proposed hypotheses and the theoretical background on organizational values and norms, socialization and psychological contracting this research is based on furthermore are dealt with in the particular context of newcomers having recently entered the German Armed Forces as officer candidates.

Methods

Research Setting, Procedures, and Data Collection

This research is intended to observe the socialization process of 530 German Armed Forces officer candidates (most of whom having recently graduated from German secondary school and aged 19 years on average) throughout their first twelve months with their organization. A panel design containing four data collection points in time was used. Data were collected shortly after entry (t_1) and three (t_2), six (t_3) and twelve months thereafter (t_4).

Additionally, at each of the data collection points subjects were asked to briefly describe up to five major events (observations or personal experiences referring to supervisors, comrades or the organization as an entity) which they believed had substantially influenced, either positively or negatively, their attitudes toward the organization. The information to be obtained through qualitative analyses may provide additional insights into the contents of the psychological contract in the military context, prerequisites of newcomers' perceptions of contract fulfilment or breach, and the nature of their primary reactions – referring to beliefs, attitudes, or behavior – to their most salient experiences during early socialization.

Measures

All dependent and independent variables were measured using seven-point Likert scales.

Perceptions of psychological contract fulfilment (by the organization, supervisors, and the individual's group of comrades) were measured using specially developed scales of 12-19 items each, and asking subjects to assess the extent to which they believed these contract partners had fulfilled or broken their psychological contracts they were holding with them.

Acceptance of organizational values was indirectly assessed through comparison of individually perceived organizational values and the extent to which these values were appreciated personally, using a list of 50 potential organizational values, based on the OCP (O'Reilly, Chatman & Caldwell, 1991). Organizational identification was measured using six items developed for use in the military context (Mael & Ashforth, 1992; Mael & Alderks, 1993).

Social integration was measured using the six items dimension "People" from the socialization questionnaire by Chao, O'Leary-Kelly, Wolf, Klein & Gardner (1994).

To measure affective, continuance and normative organizational commitment, a selection of items from the scales by Meyer and Allen (1997) was used.

Results gained from the distinct data collection points in time will be compared in order to obtain findings on the overall process. Preferentially, multiple regression analyses will be used to test the proposed hypotheses.

Sample

This research is intended to observe the socialization process of 530 officer candidates in the German Air Force (n=360) and Navy (n=170) throughout their first twelve months with their organization. At the time of the first survey most of them had recently graduated from German secondary school; average age was 19.79 years (s.d. = .93 years). From the whole of 530 subjects, 78.6 % were male.

Results

As processing and evaluation of the data is currently under way, no definite results may be reported yet. However, this may be the case by early August 2006.

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