

## When employees feel betrayed: a model of how psychological contract violation develops

Elizabeth Morrison and Sandra Robinson, *The Academy of Management Review*, 1997, 22, 1, 226-256.

### Objective

- Examines approaches to the conceptualisation of violation of the psychological contract, and implications for practice and research.

### Background

- Definitions:
  - **Psychological contract:** expectations about the reciprocal obligations that compose an employee-organisation exchange relationship; a set of beliefs about what each party is entitled to receive and obligated to give, in exchange for the other party's contributions. Note the distinction between psychological contracts that are **transactional** (entailing specific, short-term, extrinsic benefits) versus those that are **relational** (entailing broad, open-ended and long-term obligations, which include not only extrinsic benefits but also socio-emotional elements such as loyalty and support).
  - **Violation:** an emotional/affective state resulting from a perceived breach of the psychological contract.
  - **Trust:** expectations/beliefs regarding the likelihood that the other party's future actions will be favourable, or at least not detrimental, to one's own interests). An important factor is past experience.

### Main points

- Presents a dynamic model of violation (p 232), the main elements of which are (1) renegeing, (2) incongruence, (3) salience, (4) vigilance, (5) comparison process, (6) interpretation process.
- Relational exchange is governed by 'norms of non-instrumental concern', whereby the parties do not care much about immediate 'repayment'. The degree of **trust** is also important.
- Applications for practice:
  - For employers: (1) reduce incongruence by providing realistic job previews and frequent communication regarding obligations under expectations; (2) managing employees' perceptions of obligations and promises over time, especially during periods of organisational change; (3) exercise caution when conveying promises, especially at the contract-formation stage.
  - For employees: (1) engage organisational agents in explicit discussion of obligations at the contract-formation stage, especially when there are cultural differences/ambiguities involved; (2) this is especially important when promises are vague, implicit, or open-ended, or when significant time has elapsed since certain 'promises' were made.