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## Employee Personality Traits and Reactions to Psychological Contract Breach in the Lebanese Context

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## Employee Personality Traits and Reactions to Psychological Contract Breach in the Lebanese Context

### Abstract

The aim of this paper is to examine the influence of employee personality traits on the response to a psychological contract breach within the Lebanese context. It specifically examines the influence of various typologies on job satisfaction, trust, loyalty, organizational commitment, and delves deeper into the result of having the psychological contract breached. A total of 30 comprehensive interviews were conducted in order to examine employee reactions to breach of the psychological contract, along with a qualitative analysis of their personality according to the Big Five personality trait model. The findings demonstrate that the concept of a “psychological contract” is not familiar within the Lebanese context. The relationship between one’s personality trait and the response to the psychological contract breach are also new concepts within the Lebanese context. The findings suggest that there is a strong relationship between employee personality traits and the response to the perceived psychological contract breach. For example, findings show that those who consider themselves to be extraverts and the neuroticisms have the most aggressive reaction to the breach of the psychological contract.

### Keywords

Personality Traits, Psychological Contracts Breach, Employee Reactions, Lebanon

## 1. Introduction

The concept of a psychological contract is deeply entrenched within human history and can be tracked back thousands of years, in fact a worshiper – deity relationship in any religion could be viewed as such a contract. Promises of redemption such as eternal happiness and deamination like eternal suffering which is made by the deity exists in the range of religions dating back to pre-biblical worships (Wellin, 2007). Few studies have tackled the relationship between personality traits and the perceived psychological contract (e.g. Raja, Johns, & Ntalianis, 2004). To the best of our knowledge, limited research was conducted in the Middle Eastern context and more specifically Lebanon,

The psychological contract concept derives its structure from two different parts of academia; the first being the business school which encompasses the modus operandi, standard procedures, and terms of reference that govern the actions, decisions and functions of employees (Rousseau, 1989). The second which deals with the broad range of human interaction, conceptualization, thoughts, feelings, cravings and attitudes that is a part of the domain of social sciences and psychology as suggested by Anderson and Schalk (1998). This mix introduces a vast terrain of unexplored subjects and as a result a great deal of theories are yet to be developed around it since the foundation of such a science which constitutes these domains in themselves are still under extensive study. The development and rate of growth of these domains are exponentially proportional to the development of the human race and its environment.

Within a Lebanese context, there is scarcity in the literature which has attempted to tackle such new concepts' existence and application. A variety of independent organizations have started a trend of delivering training sessions and seminars to support employee's skills development as well as businesses aiming to enriching their human capital (Hejase, Dah, & Danab, 1998). However, the concept of a physiological contract is rarely a subject matter for such trainings which is a clear signal of how unfamiliar the concept is to both business and managers. The demand to learn about the psychological contract has not yet developed to the extent of it naturally manifesting itself as a demanded training topic within the Lebanese market which should logically, in theory at least, lead to its acceptance and integration into business application when it is established in the cutler of business in the country.

In the same context, there is no clear understanding of the differences between a formal contract and a psychological contract. A formal contract is the written agreement signed between the employer and employee and defines the scope of function/terms of reference for the employee and the duties/obligations of the organization/employer towards the employee in return for his/her services where as a psychological contract is considered to be the set of mutual conceptions, expectations of the employer or employee that are unwritten and unformulated in a legal context but are formulated based on thought, gestures, and cues perceived by the person (McGuire, 2007).

The current paper aims is to explore new insights that may extend and challenge current assumptions in psychological contract theory and their implications. In addition, it aims to challenge the current assumptions of measurement in both contexts of qualifiers such as phenomenology research and quantifiers such as descriptive research. Therefore, examine the awareness of Lebanese managers and employees of the psychological contract concept based on their daily interactions. Examine the relationship between the manger/subordinates and how this relationship might be affected if it is breached.

Furthermore, this paper explores how employees' personality traits influences the perceived psychological contract breach; and how this breach affects employee's work-related attitudes such as job satisfaction, and commitment. This paper helps both managers and their subordinates to better understand the role of their personality dimensions when perceiving a psychological contract breach and its ramifications on their attitudes and behaviors.

## 2. Literature Review and Research Questions

Argyris (1960) crystallized the notion of a psychological contract, where he pioneered both shaping and introducing the notion to the business community after basing his work from the equilibrium theory.

Levinson (1962) then further developed the definition of the psychological contract by conceptualizing it as a set of expectations developed by both parties of the contract without an intention to do so nor communicate these expectations to the other party involved in the contract. Yet, such expectations govern the relation of the two parties of the contract (Coyle-Shapiro & Shore, 2007).

Next, Schine (1965) developed the concept of the psychological contract around the shared expectation stakeholders hold towards each other, namely the organization and the employee. Rousseau (1989) put forward a definition for the psychological contract which stipulates that it is "an individual's beliefs regarding the terms and conditions of a reciprocal exchange agreement between that focal person and another party" (p.123). Griller and Rousseau (1994) stipulated that the psychological contract defined at core as "the psychological contract encompasses the actions employees believe are expected of them and what response they expect in return from the employer" (Rousseau & Griller, 1994). Based on the above, it could be said that is an unwritten, employer-employee implied contract which denies the mutual anticipations and duties among stakeholders involved in the agreement.

## 2.1 Psychological Contract Breach and Employee Reactions

The terms psychological contract breach and violation were being used interchangeably up till the time when Robinson and Morrison (1997) implemented a distinction between both emotion and cognition. Response to violation of the psychological contract is usually more vigorous than the response to a breach. Moreover, the organization's code of conduct is put under scrutiny when promises and expectations are broken and consequently the issue becomes more personal for the victim of the breach (McGuire, 2007).

McGoldrick and Martin (2003) believed that the contract breach is an identified obligation that has not been satisfied by either parties of the contract. This would result in either an abnormality that is short lived whereby things return back to normal in a short period of time, or it could escalate into a violation experience on a large scale. Violations of a psychological contract could encompass emotional disturbance and sentiments of a negative nature towards the party accused of violating the contract terms. On the other hand, a contract breach could occur without inducing emotions of being violated despite the fact that feeling of violation could not be instigated without the occurrence of a psychological contract breach (Parzefall & Coyle-Shapiro, 2008).

Rousseau (1989), views the psychological contract violation as a serious occurrence. Response to a violation will have its ramifications not only at the satisfaction level, but will consequently affect the person's beliefs in terms of respect, code of conduct as well as other behavioral dimensions of the violator and the relationship associated to him/ her, inducing a feeling of anger and betrayal in the victim's mind (Rousseau, 1989). Robinson and Morrison (1997) define psychological contract violation as the "emotional and affective states that may follow from psychological contract breach" (Morrison and Robinson, 1997).

According to the literature in regard to this topic, there are five main behaviors that are considered to be an employee's response to the psychological contract breach. One, A reduction in the emotional attachment to the organization might occur when the employee perceives a psychological contract breach; thus, developing feeling of anger, disappointment, frustrations and anxiety. Two, when the breach occurs the employee's trust of the organization will be affected dissolving the emotional bond to the organization (Shore & Tetrick, 2006).

Three, a feeling of betrayal will develop into job dissatisfaction (Rousseau, 1989), this reduction in satisfaction is considered one of the direct effects of the psychological contract. Four, the psychological contract breach is positively linked to the intention to leave the organization or position. Employees suffering a psychological contract breach will no longer feel committed to the organization; and as such are inclined to give up their jobs (Zhao et al., 2007). That said, a staff's intention to stop working for a company can only be altered through motivating him/her to complete a task or job (Panagiotou, 2017).

Five, Negative organizational citizenship behavior is strongly manifested when a psychological contract is breached (Tunely et al, 2003) as cited in (Shen et al., 2019). The OCB is defined as “the behaviors that are beneficial to the organization, discretionary, and not included in employees’ formal job descriptions” (Zhao et al., 2007). If an employee notices a breach, he/she will stop doing this extra job which is not included in the job description as such negligence will not affect the performance appraisal.

## 2.2 Personality Traits and its Ramifications

The first formulated personality theory was developed by the philologist Gordon Allport in 1936, who found more than 18000 words in the English-language dictionary which explains the different traits of a personality. Allport classified the personality traits into four major categories: 1) Personality traits: (e.g. sociable, fearful, and aggressive), 2) Temporary state which is a state of mind related to a specific incident or event, 3) Highly evaluative judgments of personal contact and reputation, 4) Physical characteristics are the general characteristics and are related to the base and formation of a person (Allport & Odbert, 1936) as cited in (John, Naumann & Soto, 2008).

Norman (1967) based on Borgatto (1964), Smith (1967), Tupes and Christal (1961) and Fiske (1949) further went through the various level of abstraction of the personality trait model developing the Big Five Model: (a) Extraversion or Surgency (talkative, assertive, energetic) (b) Agreeableness (good-natured, cooperative, trustful) (c) Conscientious (orderly, responsible, dependable) (d) Emotional stability (calm, not neurotic, not easy upset) (e) Culture (Intellectual, polished, independent, minded) (John, Naumann, & Soto, 2008).

The relationship between the variety of psychological contracts and personality traits have seldomly been tackled by researches despite the fact that personality traits are known to be significant antecedents (Hassan & Bashir, 2018). Some studies found significant relationships between extraversion and work-related outcomes (Raja et al., 2004). Extraverts are usually sociable, gregarious, assertive, talkative, active (Erdheim et al., 2006), and always look for materialistic compensation. However, they tend to have long term psychological contracts (Raja et al., 2004). It was found that the assertive component of the extraversion trait is associated with a desire for increased salary and status. Therefore, the trait is positively correlated with the perceived psychological contract breach because “extraverts will use their social skills to seek information about how well their psychological contract is being fulfilled” (Raja et al., 2004).

Tallman and Bruney (2008) expanded upon Raja’s study in which they made a regression analysis based on 163 employees in ten organizations which showed a significant relationship between extraversion traits and employee’s organizational commitment. Extraverted employees, being assertive, can stand up for their rights. When the psychological contract breach occurs, they tend to express their emotions such as anger, disappointment, and non-satisfaction with the situation. Consequently, the emotional attachment and commitment of the extraverted employee to the organization is affected which results in an increase employee turnover as a result of them leaving the organization. (Burger, 2009).

Low emotional stability amongst employees is related to traits such as anxiety, anger, embarrassment, fear, and insecurity. There is a negative correlation between neuroticism (emotional instability) and job satisfaction (Judge, Heller, & Mount, 2002) as cited in (Raja et al., 2004); (Erdheim et al., 2006) who found that emotional stability is negatively correlated with continuance commitment. Also, a positive correlation between emotional stability and transactional psychological contract was found to be apparent. (Raja et al., 2004).

It has been noted that individuals with neuroticism are generally not involved in long term relationships which demand trust in coworkers, high social skills, and initiative (Raja et al., 2004). Having emotional cases which exhibit anger and anxiety will mean that their reaction towards the psychological contract will be stronger; which leads to a decrease in the individual’s organizational commitment and increases the turnover intention (Burger, 2009).

Individuals with high conscientiousness are described as methodical, dependable, and risk averse (Goldberg, 1990).

Significant relationships between conscientiousness and job performance, work-related attitudes and work-related behaviors were found (Orvis et al., 2008). The tendency to engage in long-term employment exchange relationships, search for greater opportunities to make more achievement and success by always attempting to carefully and continually survey their psychological contract (Raja et al., 2004). They will always watch over their “relational contract” and ensure it is being well maintained. By being risk averse, they try to avoid unwanted surprises by always pursuing information about their current situation within the organization.

There is a positive relationship between the conscientious and the psychological contract (Raja et al., 2004). When the psychological contract breach occurs, those who are considered to be “low level conscientious employees” perceive a greater decline in job satisfaction compared to those with a relatively high score (Burger, 2009). However, the inverse is true in relation to the turnover intention; where it is higher for those who have a relatively high conscientiousness (Burger, 2009).

There is limited empirical evidence that agreeableness is an explanatory variable for the work attitudes and perceived psychological contract (Burger, 2009). However, (Judge et al., 2002) stated that there is a relationship between the agreeableness trait and job satisfaction. Erdheim et al. (2006) confirmed that such a relationship between agreeableness and normative commitment exists.

Individuals with the agreeableness trait are usually courteous, flexible, trusting, good-natured, cooperative, forgiving, soft-hearted, tolerant, sociable, and poses a desire to work and to communicate effectively and efficiently. When a breach occurs, individuals with low agreeableness (Burger, 2009) might have increased turnover intention. While individuals with a higher level of agreeableness would more likely interpret the breach in a less rigorous way.

Individuals who are considered to be open to new experiences are always searching for fresh experience and rational achievements. Someone who exhibits this trait in abundance might be more prone to daydreaming in contrary to those with low level of tolerance to new experiences who are considered realistic. There is a relationship between openness to experience and work-related attitudes (Burger, 2009). While a negative correlation between openness to experience and continuance commitment was proven to be apparent. (Erdheim et al., 2006). Raja et al., 2004) did not include the openness to experience in his study because he considered that there is no sufficient research history and weak relevance for organizational behavior. Based on the literature the following research questions could be formulated:

- To what extent does the psychological contract is well known in the Lebanese context?
- How does the interaction between the manager and their subordinates, perceived? through their personality dimensions, affect the psychological contract breach?
- Why does personality affect the psychological contract breach between the manager and the subordinates?

### 3. Method

#### 3.1 The Context of the Study

The study has been carried out within the Lebanese context from multiple sectors that ranged from medium to large sized operations working in the country; some of these companies are multinational companies who employ a Lebanese workforce. Selecting the purposive method of sampling allows the researcher to select between the main institutions within the same industry (Sakran and Bougie, 2010) as cited in (Easa, 2012) where a wide range of experiences and events can be encountered each within a different context; which is expected to yield better results that can compensate for the sample’s small size.

### 3.2 Research Instruments (Interviews)

Given the qualitative nature of the study, in comparison to the sample size utilized in quantitative research methods, the sample size utilized in such research method is considered to be of small size. The main reason is that qualitative research methods interests are usually focused on getting answers on the why and how pertaining a specific problem, function, event, subculture, setup or a group of social activities (Dworkin, 2012). To that effect, for studies utilizing in-depth discussions with participants, a size of 25 to 30 could be considered as a convenient minimum to achieve both redundancy and saturation need for the study (Dworkin, 2012).

At the time of the study, a representative pool of potential interviewees was selected by the manager of the company. A total of 30 in depth semi-structured interviews were conducted based on the protocol of detailed qualitative studies as suggested by McInnis (2012). Based on McInnis interview, this study's interview protocol asked the respondents about their work, their duties, their incomes and responsibilities. The study's participants were around 25-40 years old and held a university degree. The interviews were conducted in the meeting room (at the company's premises) during the daily working hours. Of the 30 interviews, 29 were audio-recorded after taking the participants' permission. As for the one which was not audio recorded interview, notes were taken. Given the nature of the interview, and the openness and narrative answers it requires, some interviews lasted for more than one hour. On average, a total of thirty hours was spent on conducting the interviews.

Prior to starting the interview, the participant was informed of the purpose and assured of confidentiality of the interview details as well as his rights to withdraw at any moment. The interview was structured into three parts, starting with some general questions to establish a relaxed entourage and collect background and demographic information. Questions about the interviewee's responsibilities, term of reference, loyalty and contribution then followed. The second part focused on interviewee's awareness on the differences between formal and psychological contract; and was asked to describe the terms of his/her psychological contract with the organization. The interview was also supported by follow up questions which were designed to elaborate further on the point if the respondent failed to answer the question. Moreover, questions about the implicitly and explicitly promises made by the employer were also asked. The last part dealt with satisfaction, trust, and psychological contract violation and breaches from the perspective of both interviewee levels.

## 4. Data Analysis

This study emphasized on meaning analysis; more specifically, it focused on the content analysis. Content analysis was defined by Kvale (2007) as "a technique for a systematic quantitative description of the manifest content of communication" (ibid, p. 105). Nevertheless, the study considered the definition of content analysis by (Elo & Kyngäs', 2008) which considers content analysis as "a research method for making replicable and valid inferences from data to their context, with the purpose of providing knowledge, new insights, a representation of facts and a practical guide to action" (ibid, p. 108). This method is considered to be interpretive and is implemented through a coding process and identification of themes or patterns (Hsieh & Shannon, 2005).

This study has adopted both summative and directive data analysis processes to achieve its purpose and derive the required results. The directive approach was implemented since it has directed its attention to studying the psychological contract and the personality traits within a Lebanese context. Thus, utilizing the collected data from previous studies conducted within western context and attempting to project it within the Lebanese work market. The study also used the summative data analysis approach by dissecting the various data collected from the interviews, categorizing them and carefully listing all the relevant points that can be utilizing in drawing a clear picture about the interviewee's job and experiences.

This study adopted Elo and Kyngäs' (2008) directed and summative model. The interviews were conducted in Arabic and transcribed into English. The interviews were revisited repeatedly in order to develop a deeper understanding of the employee's experiences. Each interview was then transcribed into around seven pages resulting in a total of 252 pages. After transcribing all the interviews, an overview of the whole data sample was visible. The following step was to run over the transcriptions again while applying Dey's (1993) questions on each interview. So, each interview was scrutinized against the following WH questions (a) "Who is telling? (b) Where is this happening? (c) When did it happen? (d) What is happening? (e) Why?". The processes meticulously followed Dey's instructions (p. 6).

In the open coding section, the transcribed texts were dissected and specific sections, paragraphs, and words of specific relevance to the study's scope were identified. These selected words were marked and categorised under their respective headings. The headers or titles, under which these extracts were placed, were in themselves the perceived thoughts, reactions or observations from the conducted interviews.

The main focus during the analysis or the dissection of the transcriptions was to obtain evidence relevant to the query and the research question. This aimed to understand the interaction between the manager and the employee, and how personality affects the psychological contract breach between the manager and the subordinates. The following questions were raised during the analysis of the data collated from the interviews. These questions guide the process of classification of information and producing results.

- Does the manager/employee have any idea of the notion of psychological contract?
- Does the manager/employee know he/she have actually passed through / suffered a psychological contract breach?
- How did the manager/employee perceive the breach?
- How did the employee/manager react to the breach?
- What factors affect the response of both manager and employee when responding/managing the breach and its ramifications?
- How does the personality trait of each individual contribute to the reactions to the breach and the attempt to resolve, moderate the impact of the breach?

## 5. Validity and Reliability

Denzin and Lincoln (2011) called for the usage of exclusive terminologies to qualitative research such as "trustworthiness", "credibility", "authenticity" and "transferability". The study noted these limitations and perspectives, and gave special attention throughout to the norms of reliability and validity in dealing with data in the collection, analysis and results production stages. The study made a detailed description of all aspects of the business/organization sectors in Lebanese industries that were included in this study. The study followed transparent data collection and analysis techniques. To ensure the validity of the research, each respondent was allocated a one-hour time slot for the interview. The interviews were conducted with no prejudgments or bias, and the main focus was on exploring the interviewees' own perspectives, thoughts and reactions without any attempt to evaluate, deduce, the only objective at that point was to assure the questions were well communicated.

The participants have been asked about their opinions in the accuracy of the data. To ensure accuracy of data collation, a copy of the transcribed conversation was then sent to each of the respondents individually to verify the content. Naturally, this course of action acts as a transparency controller and will help to reduce the chance of bias or any human error in the documentation of the interview. It is worth noting that this study is based on culture specificity, and locational context which renders its transferability as a whole an unwise practice. The relatively small sample of thirty interviews and the exploratory nature of the study can be considered a prohibiting factor against generalization of the findings. However, this study was able to, with much care; build on the findings of other studies made in a different context. It can act as a base of other studies or a wider study in the same local context. It can also be useful for studies in the Arab World where cultural similarities can be found.

## 6. Findings

### 6.1 The Manager's Awareness of Psychological Contract

Figure 1 shows that of the ten managers who participated in the study, only 30% were aware of the concept psychological contract. These managers were able to enhance results, restore employee productivity by minimizing the psychological contract breach effect. Manager's interventions, based on their knowledge of the psychological contract concept, helped improve the interpersonal and working relations amongst their teams. Consequently, the team's overall productivity was improved or maintained standards following a breach.

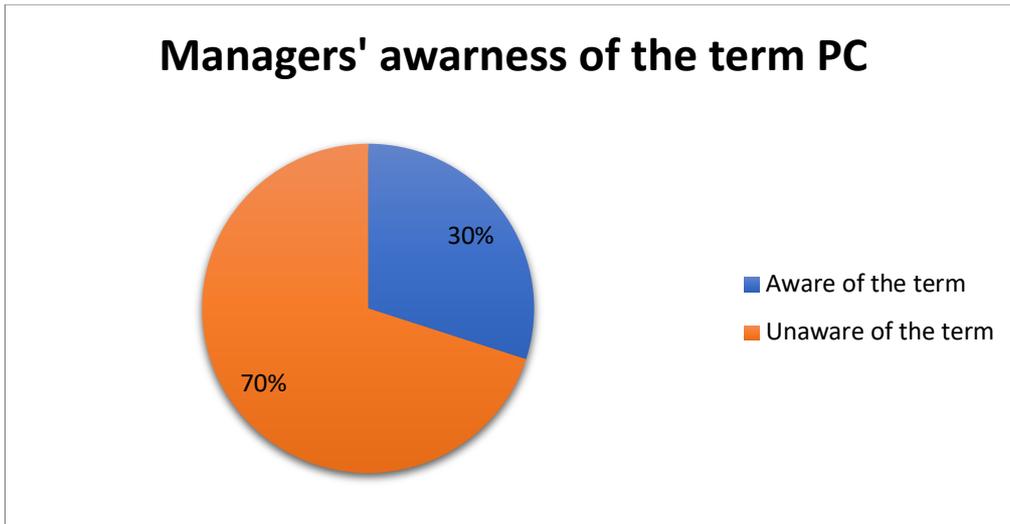


Fig.1: Managers' awareness of the term PC

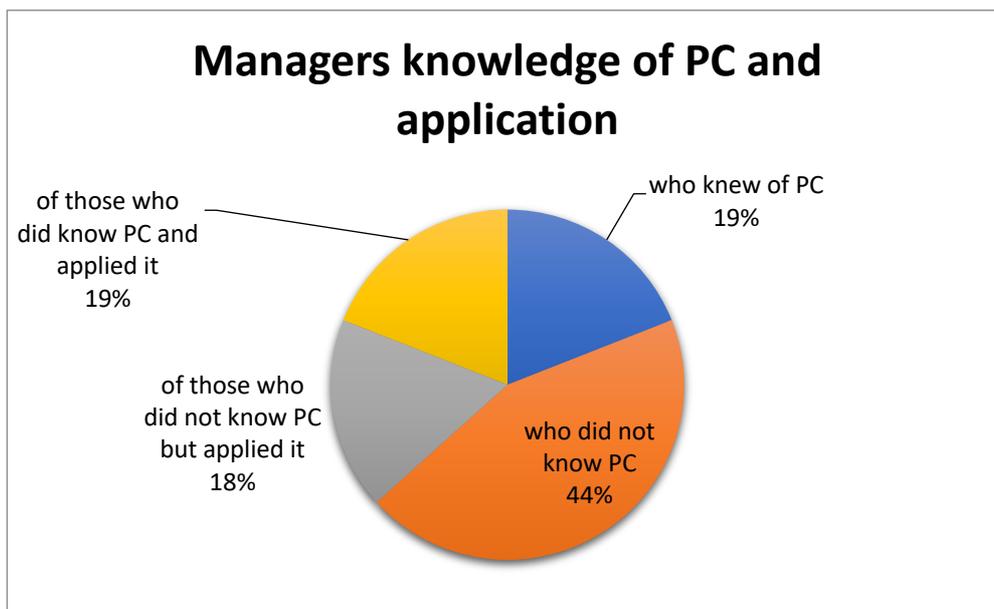


Fig.2: Managers' knowledge of the term PC and its application in Lebanon

Figure 2 depicts the ratios of managers in terms of “psychological contract” knowledge, and who actually responded to the contract’s breach. To translate, 19% of the managers were aware of the PC concept and applied it to manage a perceived breach. 28 % of the managers who were not aware of the PC concept noticed the effects of unfulfilled promises and failed expectations. The larger portion of the sample of the respondent managers had no idea of the concept nor had they noticed any changes in staff performance related to a breach. The 44% of the respondent managers, having no idea of the concept, had their views more focused on the legal written contract that constitutes the formal terms of reference.

Interviews with managers and their subordinates asserted that those who did know the concept; or those who simply notice a fall of performance and probed for causes were able to achieve improvement. In less favourable situations, those managers were at least able to either neutralize or partially neutralize the effects of a perceived psychological contract breach. Instead of imposing sanctions of the team components failing to deliver, these managers were able to avoid - to an extent - negative attitudes that can undoubtedly decrease the moral and performance of the whole team.

## 6.2 The Response to the Psychological Contract Breach

Figure 3 demonstrates the percentages of respondents who were subjected to a breach as well as the percentage of those who had their breach fully or partially resolved in comparison with those who were not supported/communicated with following a breach.

29 % percent of employee respondents considered that their breach of psychological contract was partially resolved, however, only 14% perceived a full resolution. The majority, 57 %, had no support or help to encounter the breach’s ramifications.

The respondents who had their breaches managed weather fully or partially showed positive signs of recovery from the consequences.

In short, there exists a set of factors that moderate the reactions of people to psychological contract breaches and violations. Factors such as management intervention, personality traits, incentive packages and hopes of future better rewards. However, the main variable that remains to be explored in line with this study’s question is the role or effect of the personality traits in moderating the response to the violation or breach.

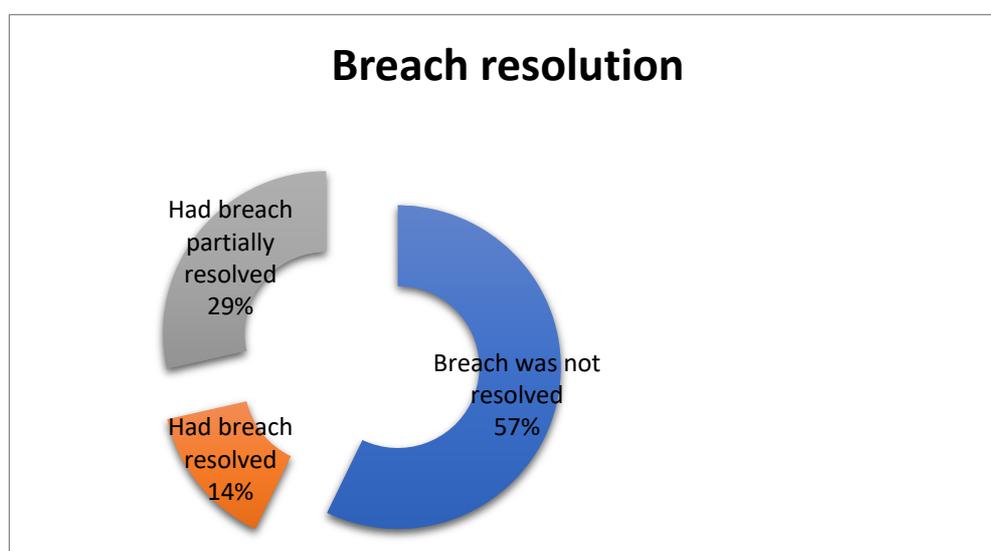


Fig.3 Percentage of resolved, partially and not resolved breaches

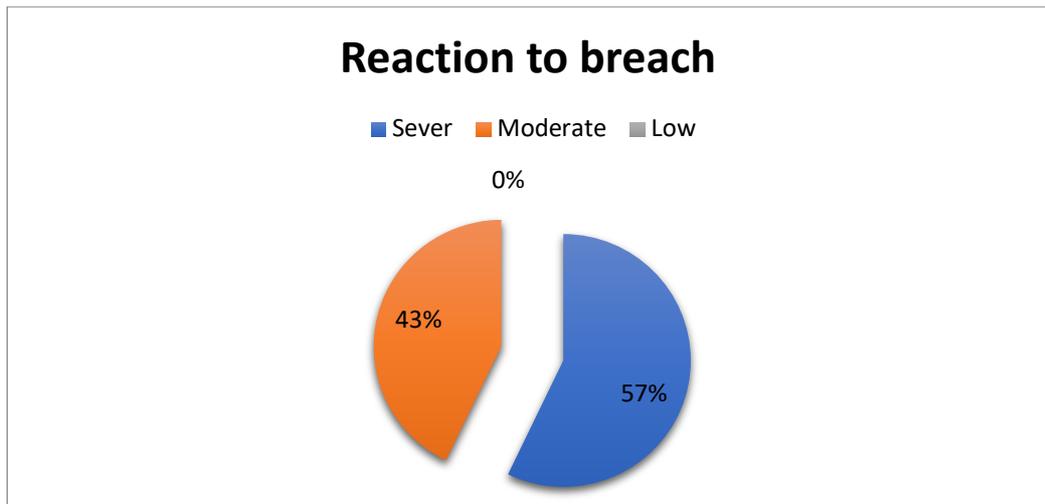


Fig.4 The severity level of employees' response to a perceived PC breach

Figure 4 depicts severity level of employees' response to a perceived PC breach. It shows that none of the respondents took the breach passively. While 57% had a strong reaction to the breach of the contract, 43% reacted in a moderate manner.

Staff who have suffered a breach of contract but had a good incentive package had moderately reacted to the breach. Employees with moderating factors either by traits or perception reacted in a similar moderate manner. As one of the respondents said, "I cannot blame the organization for the manager's actions".

### 6.3 Personality Traits and Response of the Psychological Contract Breach

The study has found that a strong relationship between personality traits and psychological contract exists. It was able to demonstrate that perceived psychological contract violation or breach has its toll on the employees' actions and behavioural patterns. It was evident that these reactions can be predicted, and its ramifications can be noticed in terms of the employees' levels of job satisfaction, turnover and commitment to the organization.

It is most likely that an employee who has suffered a psychological contract breach will experience particular emotional states or reactions. Feelings of anger, injustice or disappointment are examples of such state. It is most likely that the staff's job satisfaction and organization commitment will be also negatively affected in a proportional level to that of dismay. In short, the more the breach is perceived as severe, the more severe the staff's reaction towards the employer, manager or job.

This study showed that that extraversion trait is the most influential personality dimension in the relationship between the psychological contract and work-related attitudes. Contradictory to Raja et al, (2004), extraverts were considered capable of predicting perceived psychological contract breach and having high turnover intentions. When a breach of the PC occurs to such individuals, they will directly express their emotions and stand up for their perceived rights. The individual will show feelings of disappointment leading to a turnover and possibly quitting the job. In the study sample, one of the respondents, an extravert, felt disappointed, dissatisfied, and demonstrated willingness to leave the job at the first opportunity.

It is worth mentioning that the respondent's breach was resolved although the manager was not aware of the PC concept, the manager was assisting through communication to enforce a positive relationship. Another respondent, with the same trait, has manifested similar reactions to a breach with some difference in manifesting emotions, negative reactions of anger and reduction in productivity.

The emotional stability (neuroticism) dimension which relates to the levels of satisfaction and organizational commitment. people with this trait are less affected by the breach and their negative sensations.

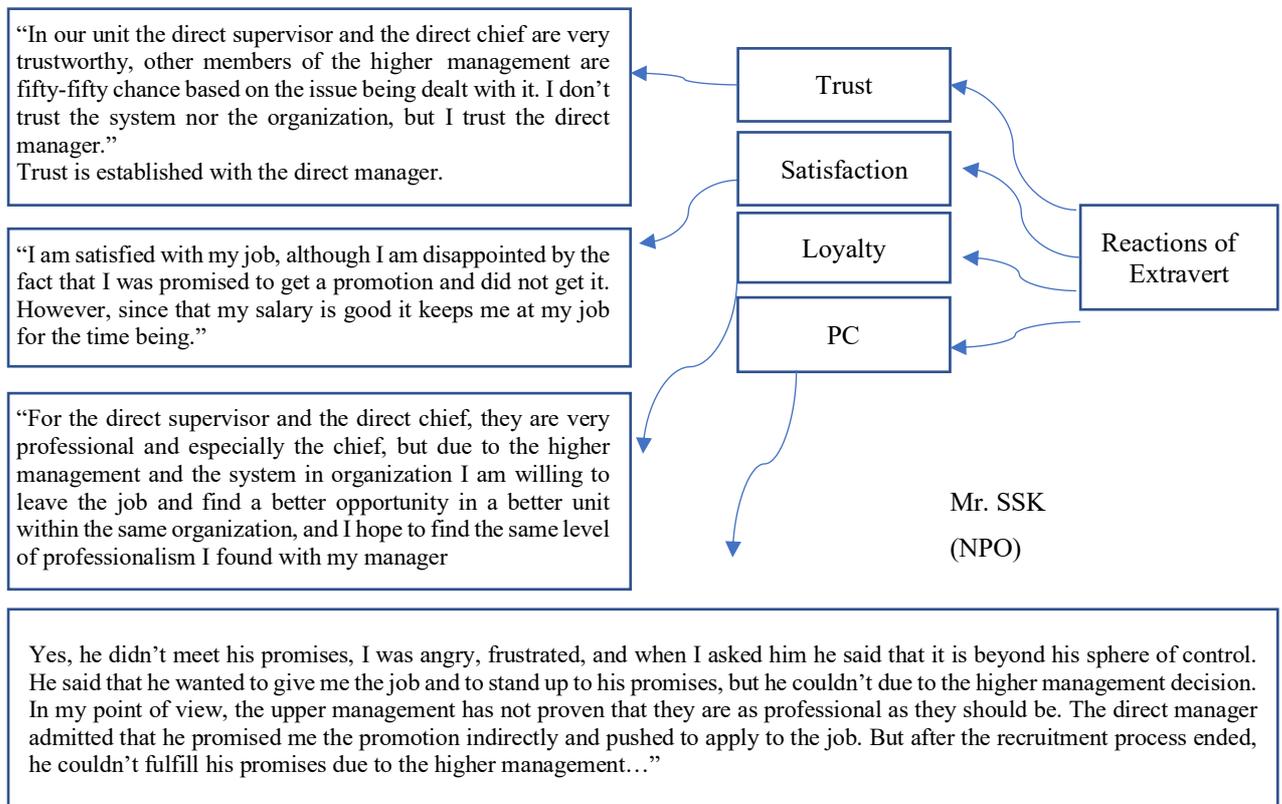
Individuals with who embody the conscientious personality trait are characterized with high conscientiousness, methodical, dependable, and risk averse (Goldberg, 1990). Both job satisfaction and employee performance are positively related to conscientiousness (Agarwall, 2017). The employees who have low level conscientiousness are considered to be less loyal and more inclined to quit the job when the breach occurs. In line with Raja et al, (2004) findings which suggest that there is a strong correlation between conscientious and PC breach. Three employees, working in different companies, having the same personality trait, had similar experiences when a PC breach occurred. The intention to quit the job was there without any feeling of remorse. One of the respondents said that after experiencing multiple breaches, he is struggling to find better opportunities without communicating any emotion to the management pertaining the breach.

Internalising the “agreeableness trait” is characterized by being courteous, flexible, trusting, good-natured, cooperative, forgiving, soft-hearted, and tolerant. Thus, when the breach occurs to individuals with low levels of agreeableness, they will be less forgiving, and have stronger intentions to leave their organization (Berger, 2009). In this study, three of the interviewees having these characteristics displayed similar reactions to a breach, manifesting feelings of sadness, inability to forgive their managers for lying to them and not standing up for their promises.

Individuals with openness to openness to unfamiliar “experience trait” seek new experiences. When a breach occurs, he/she will become dissatisfied, lose trust, and enter in an infinite loop of daydreaming; leading to loss of career unless the manager intervenes to break this state. One of the managers in the sample had recounted his experience of such a case, a team member was not able to produce, and consequently got terminated. The manager respondent notes that he/she has learned from this specific case to review with his team members the mutual expectations on a monthly basis to be able to align their perceptions and ensure fulfilment of promises and evaluation of setbacks.

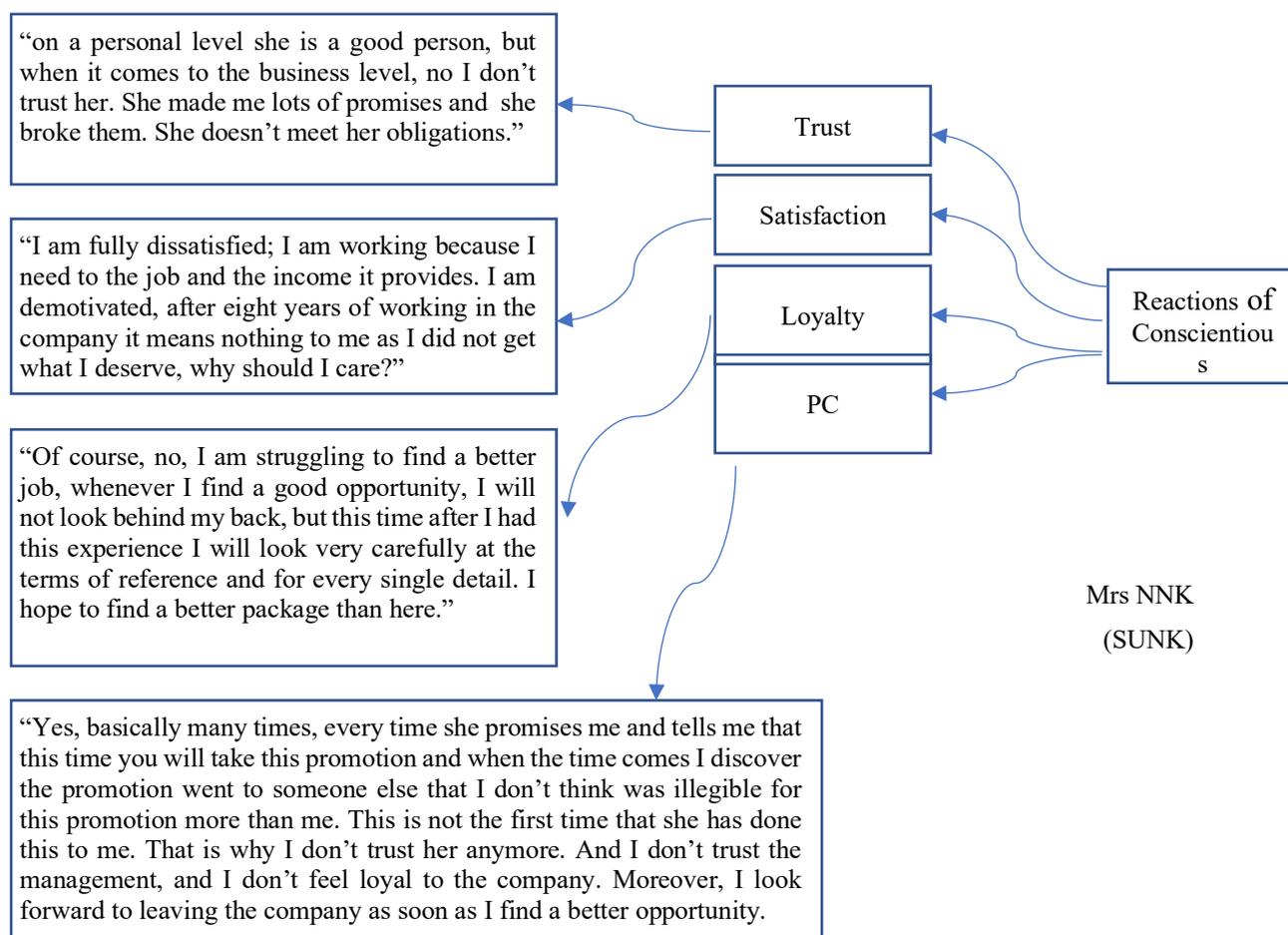
#### **6.4 Perceiving the Psychological Contract Breach**

The following diagrams demonstrate the explanations provided by some of the interviewees for their responses to psychological contract breach according to their personality traits

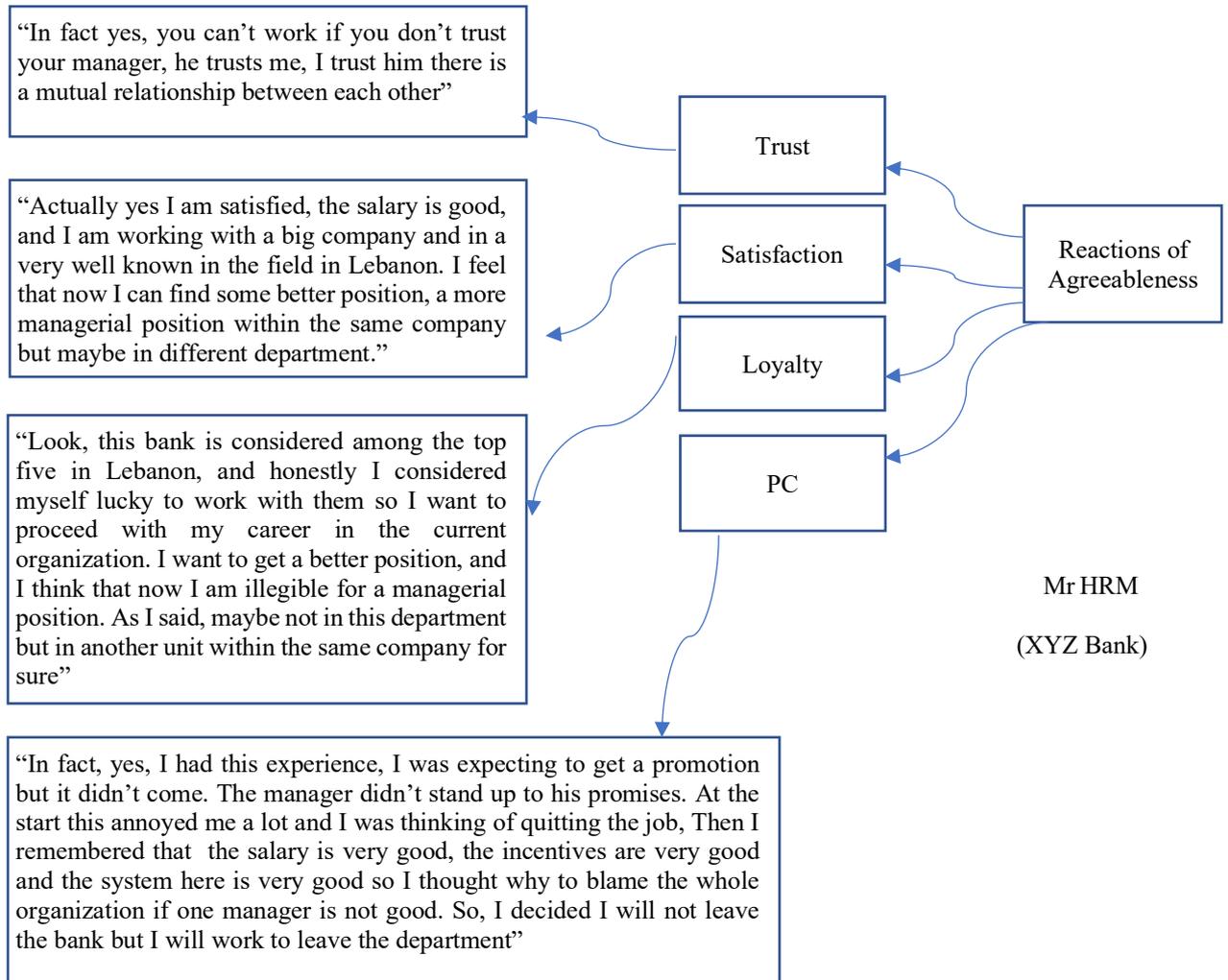


As shown by the excerpt from the interview, and based on his personality traits as an extravert, he is unsatisfied with his job and has a tendency to express his feelings. Similar to extraverts, he is the first to display the traits associated with the psychological contract violations and breaches. He has perceived violations because he was promised to get a new promotion and he didn't get it. He was then demotivated which in turn caused him to be less satisfied with his job. The only reason which motivates him to remain working is the financial aspect of him earning a salary. He expressed anger toward the management. He doesn't trust the higher management of the unit. And he doesn't consider them professional as they should be. His intention to turn over is very high and he is waiting for a good chance to leave the unit even if he considered his direct manager professional to work with.

**EMPLOYEE PERSONALITY TRAITS AND REACTIONS TO PSYCHOLOGICAL CONTRACT BREACH IN THE LEBANESE CONTEXT**



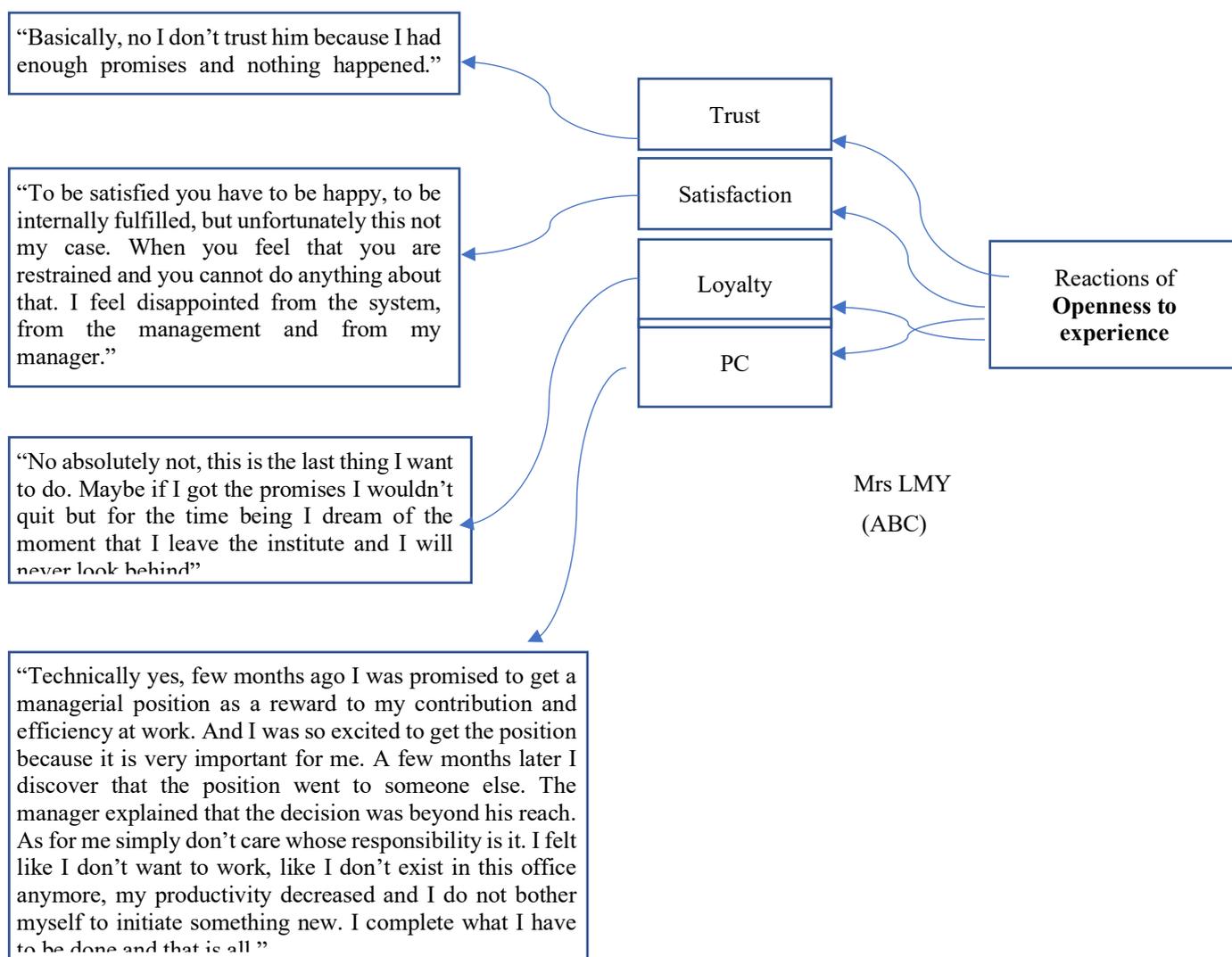
According to such excerpts this employee is separating her personal feeling from the professional one. Her excessive feeling of disappointment from her manager made her feel dissatisfied and demotivated to work. She works only because she needs to, but she hasn't showed her manager her state of dissatisfaction. Being dissatisfied, demotivated, and unhappy in her job after suffering from a breach after continuously receiving promises from her manager that were not upheld. On the other hand, when interviewing the manager and asking her about giving promises she mentioned "I never give promises, I don't build castles in the air" and she repeated twice to assure the idea. As for the employee, she no longer feels loyal to the company and she has the intention to turn over and this is consistent with the conscientious personality traits.



This interviewee is an individual with the “agreeableness trait” and as such he is trusting and courteous. When breaches occur, persons of this type tend to be less forgiving, and with a stronger intention to leave their organization. In this specific case, because the company is big and provides moderator factors which include high salary and high incentives the intention to leave the organization is diminished and it is transferred to the will to shift to another department within the same company.

We can say that the psychological contract breach is partially solved because of the incentives systems of the bank and the high salary it provides, it helps moderates the breach and keep the employee at his and gradually forgive the bank. He continues with his intention to leave only the current department and not the entire company.

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Not being able to exert trust, the manager is an effect of violation of the psychological contract. When the manager fails to establish the trust with his employees, this is due to psychological contract breach and violation. This employee had unfulfilled promises which made her unhappy and unsatisfied about her job; this increases the intension for daydreaming and in turn decreases her productivity.

**7. Conclusion, Implications and Limitations**

The aim of our paper was to increase our understanding of what psychological contract is and how employees experience it. Furthermore, its aim is to contribute to the deepest knowledge of the psychological contracts within the Lebanese context. A top-bottom inductive strategy (Shepherd & Sutcliffe, 2011) that combines between the deductive approaches was followed. Bottom-up theorizing similar to “theory building from cases” that was proposed by other scholars (e.g., Eisenhardt & Graebner, 2007; Yin, 2003, 2004) was also used. In the main study, the totals of thirty semi-structured interviews were conducted with ten managers and twenty of their respective subordinates.

## 7.1 Theoretical and Practical Implications

Our Study reinforced the strong correlation between personality traits and the response to a psychological contract breach. A new insight into the Lebanese context emerged as this concept was not known within a national context. The study has also found support for the consciousness trait, contrary to previous studies where the consciousness trait was not given a high level of consideration in the measurement of effect of the psychological contract breach on the employee response.

The study has also found to support to the openness to experience dimension and the correlation between the intention to turn over and satisfaction and the psychological contract breach. Given the explanatory nature of this study in a specific context, some themes, which revolve around the manager' actions' effect on his follower's life, emerged from the interviews. To highlight the importance of such a concept in the human capital management. Hence, it can enhance the relationship between manager and employee and with them performance and productivity.

Our findings have important implications on all sectors in the Lebanese context. to start with, acquiring the necessary knowledge of the concept of the psychological contract, and the best practice techniques to communicate with their staff. This knowledge helps managers avoid the violation; it also provides the knowhow on, and how to respond to the psychological contract breach reactions to avoid entering the phase of dissatisfaction, and disloyal to the company. Therefore, when the psychological contract is applied in any company the performance and skills of the workforce will be enhanced allowing for more competitiveness and production. The psychological contract will improve the interpersonal relationship and increase the level of trust which elevates levels of satisfaction and loyalty.

## 7.2 Limitations and Further Research

Although this study has some limitations, they were limited despite the fact that in Lebanon very few support the academic research purpose. Most of the companies from different sectors in the Lebanese context rejected the request to participate. The sample was relatively small with ten companies from different business sectors and with thirty interviewees' pertaining ten managers and twenty employees /subordinates. The shortage of time, there was not enough time to search for more volunteers.

Moreover, one of the HR managers in a company prohibited the voice recording, so it was very time consuming, and made it more difficult to take notes at the time the manager and his subordinates were speaking. In addition, calling for a meeting was sometimes difficult, some of them were not able to sacrifice time to participate in a study that it does not have any return to him/her or to his company.

This study opens the door for several other studies to be conducted within the Lebanese context. It is evident that the concept is still in its baby steps, and "only the tip of iceberg is visible", yet the very few who utilized it have benefited highly, in terms of communication and productivity. The concept needs to be probed in depth and more study that includes a larger sample of respondents covering a wider variety of people need to be studied especially those with relatively less educational level to be able to verify the results with higher levels of confidence.

Quantitative studies may be conducted to test the effects that the dimensions have on the employee response to the psychological contract breach and to two-way interaction study (interaction models that study the effect of extraversion and emotional stability, these were extended with a second moderator (i.e. agreeableness and conscientiousness), and three-way interaction effects in order to get a further understanding of the impact that personality has on breach – work-related attitude relationships.

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### Appendix A: Details of the Interview Participants

Organization / Company	No. of interviewees	Position of respondent	Gender	Age	Years of Experience	Education
NPO non-profit	3	Manager	M	40-60	20	P. G
		Employee	M	20-40	9	G
		Employee	F	20-40	10	G
XYZ Bank	3	Manager	M	20-40	10	PG
		Employee	M	20-40	5	G
		Employee	M	20-40	3	G
FAR Pharmaceutical	3	Manager	F	40-60	15	PG
		Employee	F	20-40	5	G
		Employee	F	20-40	8	G
MBW Bank	3	Manager	F	40-60	10	PG
		Employee	F	20-40	2	PG
		Employee	F	20-40	4	G
ANG Int.Retail	3	Manager	M	40-60	20	PG
		Employee	F	20-40	5	PG
		Employee	F	20-40	5	G
IT	3	Manager	M	40-60	10	G
		Employee	M	20-40	10	G
		Employee	M	20-40	5	G
SUNK Industrial	3	Manager	M	40-60	10	PG
		Employee	F	20-40	5	PG
		Employee	F	20-40	2	G
DAN Industrial	3	Manager	M	40-60	12	PG
		Employee	F	20-40	3	G
		Employee	M	20-40	6	G

ABC Educational	3	Manager	M	40-60	20	PG
		Employee	F	40-60	16	G
		Employee	M	20-40	8	G
BBB	3	Manager	M	40-60	15	G
		Employee	F	20-40	5	G
Broadcasting		Employee	F	20-40	4	G