Tilburg University

Contemporary psychological contracts

van der Smissen, Sjoerd

Link to publication in Tilburg University Research Portal

Contemporary psychological contracts

How organizational change and generational differences affect employer employee relationships

Sjoerd (A.I.M.) van der Smissen

Contemporary psychological contracts

How organizational change and generational differences affect employer employee relationships

Adrianus Isabella Michel van der Smissen

Contemporary psychological contracts

How organizational change and generational differences affect employer employee relationships

Proefschrift

door

Adrianus Isabella Michel van der Smissen

geboren op 17 december 1974 te Bergen op Zoom

For Pip

Promotor:

Prof. dr. M.J.D. Schalk

Copromotor:

Dr. C. Freese

Promotiecommissie:

Prof. dr. B.I.J.M. van der Heijden
Prof. dr. J. Paauwe
Prof. dr. M. van Vliet
Prof. dr. A. de Vos

TABLE OF CONTENTS

Chapter 1

Introduction

Ongoing globalization and advances in technology are changing the nature of work dramatically (Bresnahan, Brynjolfsson & Hitt, 1999; Dicken, 2011). This has caused an impetus in the contracting out of the organization's non-core activities which results in a reduction of the company's size (Brynjolfsson et al., 1994). In turn, this causes trends such re-engineering, downsizing, layoffs (Turnley & Feldman, 1998), enhanced influence of outside investors, off-shoring, outsourcing (Grunberg, Moore, Greenberg, & Sikora, 2008) corporate relocations, re-structuring, and new strategic initiatives (Bal, De Lange, Jansen & Van Der Velde, 2008). Since 2000 these developments have intensified due to turbulent settings and rapid changes in markets and the economy (Piderit, 2000), economic turmoil (Chalofsky, & Krishna, 2009), financial crises (Mitroff & Alparslan, 2003), and political developments (Van den Heuvel & Schalk, 2009). More recently, these developments have been intensified even more because of the credit crunch.

As a result, the nature of work is changing rapidly; it is becoming more demanding and different demands are put on the workforce (Frese, 2000; 2008). Employees are expected to work on flexible contracts and perform different tasks in ever-changing teams at a faster pace and in an increasingly technical environment. The velocity and impact of these changes, driven by globalization and technological advancement, is so significant nowadays, that it is more and more important for both employers and employees to be flexible and to adapt to new circumstances (e.g. Dicken, 2011). At the same time, there is a clear decline in the membership and the effectiveness of trade unions in collective bargaining (Nolan, 2011). This has impacted organizations and jobs, but also employment contracts and the relationship between employer and employee (e.g. Guest 2004). A search on Google Scholar (July 2015) using "changing employment contracts" resulted in 771,000 hits in the last 15 years.

Psychological contracts are expected to be affected as well, leading to the so-called new psychological contract that was first coined by Hiltrop (1995). Hiltrop's (1995, p. 289) description of the new psychological contract was later underlined and refined by Anderson and Schalk (1998) and De Vos, Buyens and Schalk (2003), among others. However, empirical research on this topic is scarce and researchers who investigated the existence of a new psychological contract (Sparrow, 1996; Van den Brande et al., 2002, Janssen et al., 2003; Huiskamp & Schalk, 2002) found mixed results. Although authors like Rousseau (1996), Herriot and Pemberton (1996), Guest (2004), Hall and Moss (1998), Ng and Feldman (2008) emphasize the importance of changes in the psychological contract, no direct empirical evidence for a new deal has been found so far. At the start of writing this dissertation (2008), there was substantial (scientific) interest in the topic of the "new psychological contract", and although scientific publications on this topic have declined since then, the importance of changing employee relationships has not. The main drivers behind changing employment relationships (e.g. globalization, advances in technology) have only gained in importance. Labor markets and the nature of work are more and more dynamic and employees need to adapt to new circumstances (Frese,

2008; Dicken, 2011) whereas empirical research on the effects of changing employment relationships from a psychological perspective is still scarce. In existing research on new psychological contracts (e.g. Hiltrop, 1995; Anderson & Schalk, 1998; Frese, 2000; Guest 2004), it is not specified what variables cause change in the psychological contract. Since psychological contracts concern the reciprocal exchange agreement between the focal person and the other party (Rousseau, 1989), for the purposes of this dissertation between the employer and employee, it is relevant to examine how both parties in the exchange relationship contribute to changes in the psychological contract or add to the existence of the so-called "new psychological contract". Consequently, in this thesis, it is examined how changes on the organizational level (such as restructuring, downsizing, frequent change) and changes as induced by the individual (e.g. different expectations or values that developed over time) affect psychological contracts.

Organizational change is an inherent part of an organization's life nowadays since the pervasiveness and urgency of change are increasing (Guest, 2004) and psychological contracts are presumed to be affected by organizational change as a result of changing demands (Schalk & Freese, 1997, 2000; Turnley & Feldman, 1998; Pate, Martin & Staines, 2000; Kickul, Lester & Finkl, 2002). However, well-founded insight into how organizational change affects psychological contracts is scarce. Though (longitudinal) research on organizational change and psychological contracts (e.g. Freese, Schalk & Croon, 2011) offers valuable insight into the effect of change programs, it does not provide insight into *how* organizational change affects the psychological contract and which factors are important. The research framework of this dissertation (examining the effects of several change antecedents) offers interesting avenues for theory development and practice that help to understand the dynamics of organizational change. Moreover, in organizational change research, the context is often ignored (Rousseau and Fried, 2001). Rousseau & Fried (2001) argue that the changing nature of work affects the dynamics of relationships between workers and organizations which is relevant when studying the effects of organizational change. Schalk (2012) points out that a taxonomy of context is still lacking. In this dissertation, we address this shortcoming by adding rich descriptions of and reflections on the role that context plays in influencing the variables being studied.

The same factors causing organizational changes (e.g. far-reaching globalization and rapid technological advancement) are also expected to affect the values and expectations of individual employees. An interesting perspective when examining changing expectations is the perspective of generational differences since there is a growing interest in generational dynamics, specifically about the characteristics of generation Y (e.g. Ng et al., 2010). Academic research on generational differences focuses mainly on work values (e.g. Parry & Urwin, 2011; Kowske, Rasch & Wiley, 2010; Twenge et al., 2010) and research on generational differences regarding psychological contracts is scarce (e.g. De Meuse et al., 2001; Hess & Jepsen, 2009; Lub, Blomme & Bal, 2011).

However, the lens of psychological contracts is an interesting one to better understand generational differences (Lub, Bal, Blomme & Schalk, 2014). In this dissertation, it is examined if and how generational differences are reflected in the psychological contract, combined with the effects of organizational change on psychological contracts.

More specifically, the aim of this thesis is:
A)   *to examine the relationship between organizational change and the fulfillment of the psychological contract and*
B)   *to examine whether psychological contracts differ between generations,*
to better understand how (the context of) change affects contemporary psychological contracts, what employees want from their employers, and what they are willing to offer in return.

1.1   THE THEORETICAL CONCEPT OF THE PSYCHOLOGICAL CONTRACT

In this dissertation, the concept of the "psychological contract" is central. A largely accepted definition of the psychological contract is that of Rousseau (1989, page 123): *"an individual's beliefs regarding the terms and conditions of a reciprocal exchange agreement between the focal person and the other party"*. Central is the reciprocity of the psychological contract, promises are being made and something is offered in exchange for it. Therefore, psychological contracts not only consist of the perceived obligations of the organization toward the employee but also consist of the obligations of the employee toward the organization. As indicated by Rousseau and Tijoriwala (1998), psychological contracts can be measured in different ways. In this dissertation, both the content and evaluation-oriented approach are used: the content-oriented approach examines the specific obligations based on promises made by the employer and employee. Examples are the provision of opportunities for training, challenging tasks, flexible working hours; working overtime when needed, and delivering good services. The evaluation-oriented assesses the degree of fulfillment of the employer obligations of the psychological contract.

Although universal agreement on how the psychological contract should be measured is lacking (see e.g. Conway & Briner (2005) for an overview), the work of Freese (2007) added to a classification that is now often used for describing the content of the psychological contract (e.g. De Vos, Buyens & Schalk, 2003; Freese Schalk & Croon, 2008; Lub, et al., 2011; Van den Heuvel & Schalk, 2009; De Vos & Freese, 2011). Based on a critical test of questionnaires that measure the psychological contract, the work of Schalk and Freese (2008) concludes that the use of psychological contract measurement by Freese and Schalk, Psycones, or Rousseau is recommended. The main dimensions for the employer obligations are: job content (e.g. varied work, challenging work and autonomy), career development (e.g. career opportunities, training and coaching, education), social atmosphere (cooperation with and support

from colleagues, appreciation and support), organizational policies (e.g. participation, fairness, communication, ethics), work-life balance (e.g. consideration for personal circumstances, scheduling own working time and holidays) and rewards (e.g. salary, benefits packages, pay for performance) whereas employee obligations consist of in-role obligations (e.g. good cooperation, integrity, dedication to work) and extra-role behavior (e.g. volunteering for extra tasks, flexibility, working overtime). The Tilburg Psychological Contract Questionnaire (Freese, Schalk & Croon, 2008) consists of several questions regarding the aforementioned topics as well as regarding the fulfillment of these topics. Both are used to explore generational differences respectively in the content of the psychological contract and to examine the link between organizational change and the fulfillment of psychological contracts.

1.2 KEY ISSUES

In this thesis two key issues are addressed: the relationship between organizational change and fulfillment of psychological contracts and generational differences in the content of the psychological contract. Both factors may contribute to the understanding of the so-called new psychological contract or contemporary psychological contracts as the author prefers to refer to it.

1.2.1 Key issue one: organizational change and the psychological contract

The relationship between organizational change and the psychological contract is the first key issue in this dissertation. More specifically, the relationship between organizational change, the fulfillment of the psychological contract and the concept of contract reciprocity are tested. Finally, the role context plays in influencing these relationships is also included in this study.

Various authors (Freese, 2007; Rousseau, 1995; Turnley & Feldman, 1998; Pate et al., 2000) state that organizational change may result in violations of the fulfillment of the employer's obligations (perceived obligations are not fulfilled), for example with regard to rewards, social atmosphere at work, career opportunities, job security, compensation and advancement opportunities, communication and HR practices. The lack of these fulfillments or violations may eventually result in adjustments to the content of the psychological contract (the employee's perceived obligations toward the organization). However, this thesis does not solely focus on the effects of one single change intervention but rather on investigating what factors in the change process really matter, also because organizational change is a construct that contains multiple variables that influence the psychological contract. Consequently, in this dissertation, several variables were selected in line with the findings of studies of change recipients' reactions to organizational change by Oreg et al. (2011). They argue that there are

five primary antecedent categories of reactions to organizational change: I) the internal context (organizational conditions and circumstances), II) the change content (what was the change about), III) the perceived benefit/harm (e.g. impact on change recipient), IV) the change process (e.g. how the change was implemented) and V) the change recipients' characteristics (e.g. personal traits). The categories of Oreg et al. (2011) are represented by six change antecedents. Internal context is taken into account by looking at the successfulness of past changes and the frequency of change. Change content is represented by looking at the type of change. Perceived benefit/ harm is taken into account by including the personal impact of changes on the individual and change process by looking at the recipients' perception toward change management and the perceived justice of changes. Furthermore, characteristics of the change recipient are included in this research by looking at the effects of several control variables (e.g. education, job level and gender).

According to Blau (1964) the employee aims to maintain a balance in the exchange between what is offered by the employee himself and what he receives in return from the organization. Robinson et al. (1994) demonstrated empirically that employees reciprocate the treatment they receive by adjusting their own obligations to their employer. Freese (2007) found similar results. The reciprocity in the psychological contract is also the subject of study: it is examined whether the fulfillment of employer obligations affects the obligations of the employee toward the organization. However, organizational change does not affect all organizations or employees in the same way. Factors that are of influence are personal characteristics such as education, profession, position in the labor market, and organizational factors such as the culture of the organization and the industry, which need to be included. So in line with Rousseau and Fried (2001), we added descriptions to the context of our research settings to be able to interpret results better and to formulate meaningful conclusions.

Finally, the eventual success and effects of organizational change on for example the intention to quit or commitment partially depend at least on an individual's resistance or attitude toward change (Oreg, 2006; Van den Heuvel & Schalk, 2009). Since attitude toward change is expected to be affected by organizational change antecedents and in turn to be related to the fulfillment of employer obligations, the role of attitude toward change is also taken into account.

1.2.2 Key issue two: generational differences and the psychological contract

The second main topic in this dissertation is if and how generational differences in work values will be reflected in the psychological contract. It is examined whether perceived employee and employer obligations differ per generation, whether differences exist in the fulfillment of obligations and whether these differences can be linked to perceived differences in engagement.

A generational cohort is often defined as "an identifiable group (cohorts) that shares birth years, (social) location and significant life events at a critical development stage (Kupperschmidt, 2000, p. 66). According to Manheim (1952) the most critical stage is between age 16 and 25. Events during this formative stage influence the development of personal values and behavior later in one's life and the reactions to these events are supposed to remain relatively stable over time (Kowske, Rasch & Wiley, 2010). Empirical evidence that supports the idea of critical social events is provided by Schuman and Rodgers (2004) who found that social events were indeed remembered differently by cohorts that actively experienced these events during the formative life stage.

Though, according to Lub (2014), the concept of generations is an important concept to describe societal changes in the sociological and historical domain, it was not broadly studied in the domain of management research until the end of the 1980s. Since then, academic research on generational differences has focused mainly on work values (e.g. Parry & Urwin, 2011; Kowske, Rasch & Wiley, 2010; Twenge et al., 2010) and very little attention has been given to generational differences in the way the employment relationship is experienced (Lub, Bal, Blomme & Schalk, 2014). However, the same formative events that lead to generational differences in (work) values are likely to cause differences in psychological contracts (also since the concepts of work values and psychological contracts are closely related) and different authors point to the impact of values on psychological contracts (e.g. Anderson & Schalk, 1998; Rousseau, 1996). Accordingly, the lens of psychological contracts is an interesting one to better understand generational differences (Lub, Bal, Blomme & Schalk, 2014). The underlying principle in the literature is that employees' personal values shift between generations. These changes in values are expected to be reflected in the psychological contract. This suggests that the content of the psychological contract differs between generations.

Work value literature indicates that younger generations place less value on work for its own sake, score lower on work centrality and score lower on work ethics (e.g. Twenge et al., 2011). Since differences in these work values exist, it would be interesting to examine whether these differences are reflected in the emotional bond with the organization. The latter is confirmed by Lub et al. (2011) who found a decline in commitment from older to more recent generations. Although limited, there is also support for a positive relationship between psychological contract fulfillment and engagement (Chambel & Oliveira-Cruz, 2010; Van den Heuvel, 2012). Accordingly, it is interesting to examine whether differences in work values are reflected in the employees' work engagement. Engagement is defined as a positive fulfilling work-related state of mind that is characterized by vigor, dedication and absorption (Schaufeli et al., 2002). The relationship between psychological contract fulfillment and engagement is discussed later in this dissertation.

1.3   DISSERTATION OUTLINE

In the following Chapters, four studies are presented that answer the central research questions of this dissertation. The data used in all of these studies was collected within 7 organizations and (in different compositions) used for analyses and testing of the hypothesis. An overview of the design of the studies, the title and hypotheses of each study is presented in Table 1.

TABLE 1: OUTLINE DISSERTATION

Chapter	Title	Objective and main variables	Design
2	Contemporary psychological contracts: How both employer and employee are changing the employment relationship Published: *Management revue. Socio-economic Studies* 24.4 (2013): 309-327 Presented (poster): EAWOP Conference, Maastricht (2011)	Objective: to explain and explore how both organizational change and generational differences influence psychological contracts and may add to the understanding of the concept of the "new psychological contract". Integration of several relevant constructs used in this dissertation. Main variables: - The (new) psychological contract - Organizational change (antecedents of change) - Generational differences and work values	Conceptual study
3	Organizational change and the psychological contract: How change is related to the perceived fulfillment of obligations Based on the following publication: *Journal of Organizational Change Management,* 26. 6 (2013): 1071–1090 Presented: DUTCH HRM Network, Groningen (2011)	Objective: to determine the effects of four selected change antecedents on both the attitude toward change and the fulfillment of employer obligations. Main variables: - Frequency of change (change antecedent 1) - Type of change (change antecedent 2) - Change history (change antecedent 3) - Impact of change (change antecedent 4) - Attitude toward change - Psychological contract fulfillment (employer part)	Survey study N=2,494

Chapter	Title	Objective and main variables	Design
4	Context matters: The influence of organizational change on psychological contracts in various organizational settings To be submitted Presented: EAWOP Conference, Münster (2013) Annual Meeting of the Academy of Management, Philadelphia (2014)	Objective: to determine the effects of six antecedents of organizational change on the fulfillment of employer obligations and the effects of fulfillment of employer obligations on employee obligations in different organizational contexts. Mixed method approach to interpret differences in answering patterns between organizations. Main variables: - Frequency of change (change antecedent 1) - Type of change (change antecedent 2) - Change history (change antecedent 3) - Impact of change (change antecedent 4) - Justification of change (change antecedent 5) - Change management (change antecedent 6) - Psychological contract fulfillment (employer part) - Contract reciprocity - Influence of context	Survey study N=3,379 Interview study N=28
5	Generations and Psychological Contracts: Do different generations have a different perception of their psychological contract and are these differences reflected in their engagement toward the organization To be submitted. Presented: International Congress of Applied Psychology, Paris (2014)	Objective: to determine whether generational differences in the content of the psychological contract, the fulfillment of psychological contracts and engagement and to see whether a possible relationship between contract fulfillment and engagement can help to explain generational differences in engagement. Main variables: - Generational differences - Content of the psychological contract - Fulfillment of the psychological contract - Engagement	Survey study N=3,196

In Chapter 2, a comprehensive model is developed that describes how different trends are expected to affect psychological contracts. First, a literature review on the topic of the so-called "new psychological contract" is offered. In particular the fact that cause and effect are not clear in these scientific studies, combined with a lack of academic research, makes it necessary to better explain what factors lead to changes in the psychological contract and what kind of effect they may have. It is argued that both organizational change and generational differences may lead to changes or differences in psychological contracts, resulting in what the author refers to as "contemporary psychological contracts". In this Chapter, propositions are developed that form the basis for the research in the other Chapters of this thesis. This Chapter ends with concluding

notes, discussion and presents avenues for future research.

Chapter 3 presents a quantitative study among 2,494 respondents working within 5 organizations. This study examines how organizational change affects the fulfillment of the psychological contract. The influence of frequency, impact, type of change and former experiences in the fulfillment of the psychological contract are assessed, as well as the mediating role of the employee's attitude toward change. At the same time, it is examined whether the same change antecedents that influence the fulfillment would also affect attitude toward change. The relationship between the four aspects of organizational change and the attitude toward change as well as the fulfillment of the psychological contract are examined by using regression analyses of the respondents' data which was filled in on an online questionnaire.

Chapter 4 presents a survey study among 3,379 respondents that is combined with 28 interviews and analyses of rich data available from the 7 participating organizations on organizational change, psychological contracts and psychological contract reciprocity. The aim of this study was three-fold. First, the influence of six organizational change characteristics (frequency, impact and type of change, successfulness of past changes, the justification of changes and change management) on fulfillment of the psychological contract is examined. This to determine the effects of organizational change on psychological contracts using quantitative data. Second, context characteristics (the external environment, job and worker factors, organizational factors and time) are gathered to see whether these can explain the differences in psychological contract reactions associated with organizational change. Third, psychological contract reciprocity is studied by investigating whether fulfillment of the employer's obligations is associated with the perceived obligations of the employee. A mixed method approach was used in this study. Regression analyses were used to test the relationships between change characteristics and fulfillment of the psychological contract and to test the reciprocal character of the psychological contract. Qualitative data from interviews and desk research is used to interpret the results and to offer explanations for the differences in answering patterns between organizations.

Chapter 5 is a survey study among 3,196 respondents on generational differences. It is examined if and how generational differences are reflected in psychological contracts and the engagement of employees. This study looks for generational differences in the content and the evaluation of the psychological contract as well as in engagement. Furthermore, it is examined whether the fulfillment of the psychological contract affects the engagement of the employee and his own obligations toward the organization and whether these effects help to explain differences in engagement between generations. The Tilburg Psychological Contract Questionnaire (TPCQ) by Freese, Schalk and Croon (2008) was used to measure the dimensions of the psychological contract. Several statistical analyses were used to test for generational differences in the content of the psychological contract, the evaluation of the psychological contract and engagement. In

addition, regression analyses were used to test for significant effects of the evaluation of the psychological contract on the employees own obligations and engagement.

In Chapter 6, the results of the four studies are discussed. The Chapter argues how the findings of this thesis have an impact on science as well as on practice. It elaborates on how general managers, HR managers and change managers can use the results of this study to better align change management approaches with context and employee needs. Furthermore, it advises how managers can use insight into generational differences to better deal with generational diversity and to attract and maintain talent. Both trends shine a new light on what is called the "new or contemporary psychological contract". Finally, the limitations of this thesis are presented and suggestions for future research are made.

REFERENCES

Anderson, N., & Schalk, R. (1998). The psychological contract in retrospect and prospect. *Journal of Organizational Behavior, 19(S1),* 637-647.

Bal, P.M. De Lange, A.H., Jansen, P.G.W., & Van Der Velde, M.E.G. (2008) Psychological contract breach and job attitudes: A meta-analysis of age as moderator. *Journal of Vocational Behavior, 72(1),* 143-158.

Blau, P.M. (1964). *Exchange and power in social life.* New Brunswick, NJ: Transaction Publishers.

Bresnahan, T., Brynjolfsson, E., & Hitt, L., (1999). Information technology and recent changes in work organizations increase the demand for skilled labor, in M. Blair & T. Kochan (Eds.). *The new relationship: human capital in the American corporation.* Washington DC: Brooking Institution.

Brynjolfsson, E., Malone, T.W., Gurbaxani, V., & Kambil, A. (1994), Does information technology lead to smaller firms? *Management Science, 40(12),* 1628-1644.

Cavanagh, S.J. (1995). A "new" psychological contract for nurses: some management implications. *Journal of Nursing Management, 4(2),* 79-83.

Chalofsky, N., & Krishna, V. (2009). Meaningfulness, commitment, and engagement: The intersection of a deeper level of intrinsic motivation. *Advances in Developing Human Resources, 11(2),* 189-203.

Chambel, M.J., & Oliveira-Cruz, F. (2010). Breach of the psychological contract and the development of burnout and engagement: A longitudinal study among soldiers of a peacekeeping mission. *Military Psychology, 22(2),* 11-127.

Conway, N., & Briner, R.B. (2005). *Understanding psychological contracts at work. A critical evaluation of theory and research.* Oxford: Oxford University Press.

De Meuse, K.P., Bergmann, T.J., & Lester, S.W. (2001). An investigation of the relational component of the psychological contract across time, generation, and employment status. *Journal of Managerial Issues, 13(1),* 102-18.

De Vos, A., Buyens, D., & Schalk, R. (2003). Psychological contract development during organizational socialization: adaptation to reality and the role of reciprocity. *Journal of Organizational Behavior, 24(5),* 537-559.

DeFillippi, R. J., & Arthur, M. B. (1994). The boundaryless career: a competency based perspective. *Journal of Organizational Behavior, 15(4),* 307-324.

Dencker, J.C., Joshi, A., & Martocchio, J.J. (2007). Employee benefits as context for intergenerational conflict. *The International Journal of Human Resource Management, 17(2),* 208–220.

Dicken, P. (2011). *Global Shift: Mapping the Changing Contours of the World Economy, 6th edition.* London: Sage.

Eisner, S.P. (2005). Managing generation Y. *SAM Advanced Management Journal, 70(4),* 4-15.

Freese, C. (2007). *Organizational change and the dynamics of psychological contracts: A longitudinal study* (Doctoral dissertation). Tilburg University, ISBN/EAN: 978-90-5335-122-2.

Freese, C., & Schalk, R. (2008). How to measure the psychological contract? A critical criteria-based review of measures. *South African Journal of Psychology*, 38(2), 269-286.

Freese, C., Schalk, R., & Croon, M. (2008). De Tilburgse psychologisch contract vragenlijst. *Gedrag en Organisatie*, 21(3), 278-294.

Freese, C., Schalk, R., & Croon, M. (2011). The impact of organizational changes on psychological contracts: A longitudinal study. *Personnel Review, 40(4),* 404 – 422.

Frese, M. (2000). The changing nature of work. In N. Chmiel (Ed.). *Introduction to Work and Organizational Psychology* (pp. 424-439). Oxford: Blackwell.

Frese, M. (2008). The changing nature of work. *In* N. Chmiel *(Ed.). Introduction to Work and Organizational Psychology* (pp. 397–414). *Oxford: Blackwell.*

Granrose, C.S., & Baccili, P.A. (2006). Do psychological contracts include boundaryless or protean careers? *Career Development International, 11(2),* 163-182.

Grunberg, L., Moore, S., Greenberg, E.S., & Sikora, P. (2008). The changing workplace and its effect: A longitudinal examination of employee responses at a large company. *Journal of Applied Behavioral Science, 44(2),* 215-236.

Guest, D. (2004). The psychology of the employment relationship: an analysis based on the psychological contract. *Applied Psychology, 53(4),* 541-555.

Hall, D.T., & Moss, J.E. (1998). The new protean career contract: Helping organizations and employees adapt. *Organizational Dynamics, 26(3),* 22-37.

Hendry, C, & Jenkins, R. (1997). Psychological contracts and new deals. *Human Resource Management Journal and Editorial to special issue on The New Deal in Employment 7(1),* 38-44.

Herriot, P., & Pemberton, C. (1995). A new deal for middle managers. *People Management, 1(12),* 32-4.

Herriot, P., & Pemberton, C. (1996). Contracting Careers. *Human Relations, 49(6),* 757-790.

Hess, N., & Jepsen, D.M. (2009). Career stage and generational differences in psychological contracts. *Career Development International, 14(3),* 261-283.

Heuvel, van den, S. (2012). *The influence of the psychological contract on attitude toward change* (Doctoral dissertation), Tilburg University, ISBN/EAN: 978-90-5335-577-0.

Heuvel, van den, S. van den, & Schalk, R. (2009). The relationship between fulfillment of the psychological contract and resistance to change during organizational transformations. *Social Science Information, 48(2),* 283-313.

Hiltrop, J.M. (1995). The changing psychological contract: the human resources challenge of the 1990s. *European Management Journal, 13(3),* 286-294.

Hiltrop, J.M. (1996). Managing the changing psychological contract. *Employee Relations, 18(1),* 36-49.

Huiskamp, R., & Schalk, R. (2002). Psychologische contracten in arbeidsrelaties: de stand van zaken in Nederland. *Gedrag en Organisatie, 15(6),* 370-385.

Janssen, M., Sels, L., & Van den Brande, I. (2003). Multiple types of psychological contracts: a six cluster solution. *Human Relations,* 1349-1377.

Kickul, J., Lester, S.W., & Finkl, J. (2002). Promise breaking during radical organizational change: do justice interventions make a difference? *Journal of Organizational Behavior, 23(4),* 469-488.

Kowske, B.J., Rasch, R., & Wiley, J. (2010). Millennials''(lack of) attitude problem: An empirical examination of generational effects on work attitudes. *Journal of Business Psychology, 25(2),* 265-279.

Kupperschmidt, B. (2000). Multi-generation employees: strategies for effective management. *The Health Care Manager, 19(1),* 65-76.

Lub, X.D., Blomme, R.J., & Bal, P.M. (2011). Psychological contracts and organizational citizenship behavior: a new deal for new generations? *Advances in Hospitality and Leisure, 7(1),* 109-130.

Lub, X.D. (2014). *Generations and their psychological contract.* (Doctoral dissertation). Tilburg University, ISBN: 978-94-6191-980-9.

Lub, X.D., Bal, P.M, Blomme, R.J., & Schalk, M.J.D. (2014). Why do generational differences in psychological contracts exist? In: Parry, E. (Ed.). *Generational Diversity at Work: New Research Perspectives.* Palgrave/MacMillan.

Mannheim, K. (1952). The problem of generations. In P. Kecskemeti (Ed.). *Essays on the Sociology of Knowledge* (pp. 378-404). London, UK: Routledge.

Mitroff, I.I., & Alpaslan, M.C. (2003). Preparing for evil. Harvard Business School Pub..

Nolan, P. (2011). Money, markets, meltdown: the 21st century crisis of labour. *Industrial Relations Journal, 42(1),* 2-17.

Ng, T.W.H., & Feldman, D.C. (2008). Can you get a better deal elsewhere? The effects of psychological

contract replicability on organizational commitment over time. *Journal of Vocational Behavior 73(2),* 268–277.

Ng, T.W.H., Schweitzer, L., & Lyons, S.T. (2010). New generations, great expectations: a field study of the millennial generations. *Journal of Business and Psychology, 25(2),* 281-291.

Oreg, S. (2006). Penalty, context, and resistance to organizational change. *European Journal of Work and Organizational Psychology, 15(1),* 73-101.

Oreg, S., Vakola, M., & Armekanis, A. (2011). Change recipients' reactions to organizational change: A 60 year review of quantitative studies. *Journal of Applied Behavioral Science, 47(4),* 461-521.

Parry, E., & Urwin, P. (2011). Generational differences in work values: a review of theory and evidence. *International Journal of Management Reviews, 13(1),* 79-96.

Pate, J., Martin, G., & Staines, H. (2000). Exploring the relationship between psychological contracts and organizational change: a process model and case study evidence. *Strategic Change, 9(8),* 481-493.

Piderit, S.K. (2000). Rethinking resistance and recognizing ambivalent attitudes toward organizational change: A multidimensional view. *Academy of Management Review, 25(4),* 783-794.

Robinson, S.A, Kraatz, M.S., & Rousseau, D.M. (1994). Changing obligations and the psychological contract: A longitudinal study. *Academy of Management Journal, 37(1),* 137-152.

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

Rousseau, D.M. (1995). *Psychological contracts in organizations.* Thousand Oaks, CA: Sage.

Rousseau, D.M. (1996). Changing the deal while keeping the people. *Academy of Management Executive, 10(1),* 50-59.

Rousseau, D.M., & Fried, Y. (2001). Location, location, location: Contextualizing organizational research. *Journal of Organizational Behavior, 22(1),* 1-13.

Rousseau, D.M., & Tijoriwala, S.A. (1998). Assessing psychological contracts: Issues, alternatives and measures. *Journal of Organizational Behavior, 19(S1),* 679-695.

Schalk, R. (2012). Waar is de organisatie in Gedrag en Organisatie? *Gedrag & Organisatie, 25(3),* 285-292.

Schalk, R., & Freese, C. (1997). New facets of commitment in response to organizational change: research trends and the Dutch experience. In: C.L. Cooper & D.M. Rousseau (Eds.). *Trends in Organizational Behavior* (4, pp. 107-123). Chichester: John Wiley.

Schalk, R., & Freese, C. (2000). The impact of organizational changes on the psychological contract and attitudes toward work in four health care organizations. In: Isaksson, Hogstedt, C. Eriksson & T. Theorell (Eds.). *Health effects of the new labor market,* (pp. 129-143). New York: Kluwer Academic.

Schuman, H. & Rodgers, W.L. (2004). Cohorts, chronology, and collective memories. *Public Opinion Quarterly, 68(2),* 217-254.

Sims, R.R. (1994). Human resource management's role in clarifying the new psychological contract. *Human Resource Management, 33(3),* 373-382.

Solnet, D., & Hood, A. (2008). Generation Y as hospitality employees: Framing a research agenda. *Journal of Hospitality & Tourism Management, 15(4),* 59-68.

Sparrow, P. (1996). Transitions in the psychological contract: some evidence from the banking sector. *Human Resource Management Journal, 6(4),* 75-92.

Stone, K.V.W. (2001). The new psychological contract: implications of the changing workplace for labor and employment law. *Ucla Law Review, 48(3),* 519-661.

Strausss, W., & Howe, N. (1991). *Generations; the history of America's Future 1584 - 2069.* New York: William Morrow.

Twenge, J.M., Campbell, S.M., Hoffman, B.J., & Lance, C.E. (2010). Generational differences in work values: leisure and extrinsic values increasing, social and intrinsic values decreasing. *Journal of*

Management, 36(5), 1117-1142.

Turnley, W.H., & Feldman, D.C. (1998). Psychological contract violations during corporate restructuring. *Human Resource Management, 37(1),* 71-83.

Van den Brande, I., Janssens, M., Sels, L., & Overlaet, B. (2002). Psychologische contracten in Vlaanderen: 'old deals'?!. *Gedrag en Organisatie, 15(6),* 355-369.

Chapter 2

**Contemporary psychological contracts:
How both employer and employee are
changing the employment relationship**

2.1   ABSTRACT

The employment relationship between employer and employee has gone through fundamental changes in the last decades, influencing psychological contracts. It is unclear, however, exactly *how* psychological contracts are changing. This article offers a comprehensive model that focuses on two factors affecting changes in psychological contracts: organizational change and generational differences between employees.

2.2   INTRODUCTION: THE WORLD OF WORK IS CHANGING

Many publications in management sciences have highlighted the influential changes that have occurred in the relationship between employee and employer over the last decades (e.g. Frese, 2000; Guest 2004). Employees are expected to work on flexible contracts, on different tasks, in changing teams, at a faster pace and in an increasingly technical environment. Continuing financial market instability and uncertainty have resulted in disruption and job losses (Mc Donnell & Burgess, 2013) which has impacted organizations, but also employment contracts, resulting in a decline in mutual loyalty between the employer and the employee (Martin, Staines, & Pate, 1998). Declining job security is coupled with increasing demands for employees to become more flexible, innovative, and willing to contribute to the organization above and beyond the letter of their formal job descriptions (Anderson & Schalk, 1998). Simultaneously, both academics and practitioners are struggling how to define talent management and how to deal with talent management issues and questions about retention, motivation and recruitment in practice (Cappelli & Keller, 2014). Since 2000 these developments have intensified due to turbulent settings in the world economy and fast changes in markets (Piderit, 2000).

It is argued that changes in the relationship between employer and employee result in a new psychological contract (Sims, 1994; Rousseau, 1995; Cavanagh, 1995; Rousseau, 1996; Anderson & Schalk 1998; Hiltrop, 1995, 1996; Stone, 2001; Guest, 2004) sometimes described as a new deal (Herriot & Pemberton, 1995; Hendry & Jenkins, 1997). However, researchers who empirically investigated the existence of a new psychological contract or new deal (Sparrow, 1996; Van den Brande et al., 2002; Janssen et al., 2003; Huisman & Schalk, 2002) found mixed results. Only a minor part of the workforce has a so called new psychological contract. Moreover, we note that in literature cause and effect relationships are not clear. It is argued that factors in the business and social environment affect psychological contracts. However, it remains unclear how these different factors affect the psychological contract and which factors really matter. Therefore, it is important to understand whether and how psychological contracts are affected by different factors.

The first contribution of this article is to create a comprehensive model in which different factors that affect the psychological contract are highlighted. Based on literature

we distinguish two categories of influencing factors. First, psychological contracts are expected to be affected by organizational change as a consequence of changing demands (Schalk & Freese, 1997, 2000; Turnley & Feldman, 1998; Pate, Martin & Staines, 2000; Kickul, Lester & Finkl, 2002). Second, the same factors causing organizational changes such as far-reaching globalization and rapid technological advancement are also assumed to affect the values and expectations of individual employees. A lot has been written about these changing values and expectations, for instance on generations (e.g. Zemke et al., 2000; Strauss & Howe, 1991, 2000; Hicks & Hicks, 1999) and more popular literature on the new employee (Shirky, 2008). By combining both perspectives in our model we open up new areas of research and formulate guidelines to put contemporary literature on the modern employee and on generational differences within organizations to an empirical test.

The second contribution of this article is that it offers a comprehensive model on how organizational change and shifting demands of employees affect the fulfillment and the content of the psychological contract and how fulfillment and content of the psychological contract interact. Research on the changing psychological contract has mainly focused on the changing content of the contract. This is a restricted way of studying psychological contracts since as Rousseau and Tijoriwala (1998) have indicated psychological contracts can be measured in three ways: content-oriented, feature-oriented and evaluation-oriented. In this article two ways are taken into account: the content-oriented and feature-oriented way. Furthermore, we offer possible explanations on how organizational change and shifting values and expectations of the individual employee may affect the psychological contract. In order to do so, we first offer a critical overview of current research on the new psychological contract. We offer explanations for the incompatible results in current research to provide a solid basis for further research.

2.3   THE (NEW) PSYCHOLOGICAL CONTRACT

We define the psychological contract as: *"An individual's beliefs regarding the terms and conditions of a reciprocal exchange agreement between the focal person and the other party"*. This definition is based on Rousseau (1989) and largely accepted. It focuses on the individual perceptions (about promises made) in the employment relationship. General beliefs in society about contracts are, according to Rousseau (1995), social contracts. Although not promise-based, social contracts influence how promises are interpreted by individuals. Social contracts are associated with the values that are prominent in the wider society context. These values affect how individual contract perceptions operate. Norms or social contracts affect the nature and, more importantly, the interpretation of promises. Psychological contracts are individual perceptions that are influenced by social contracts, but are idiosyncratic.

An interesting theme in psychological contract research is how psychological

contracts changed as a result of changes in society and organizations (Sims, 1994; Rousseau, 1995; Cavanagh, 1995; Rousseau, 1996; Anderson & Schalk 1998; Hiltrop, 1995, 1996; Stone, 2001; Guest, 2004). Literature on this topic reveals that some authors describe the new contract between employer and employee as a new deal, in which the psychological contracts of employees are expected to be different from traditional contracts (Herriot & Pemberton, 1995; Hendry & Jenkins, 1997). Others focus on the implications for careers, which are reflected in concepts such as the protean career (Hall & Moss, 1998) or boundaryless career (DeFillippi & Arthur, 1994; Granrose & Baccili, 2006). The emergence of a "new" psychological contract was coined by Hiltrop's (1995) typology of old versus new psychological contracts. Hiltrop's (1995, p. 289) description of the new psychological contract included the following: "There is no job security". The employee will be employed as long as he or she adds value to the organization, and is personally responsible for finding new ways to add value. In return, the employee has the right to demand interesting and important work has the freedom and resources to perform it well, receives pay that reflects his or her contribution, and gets the experience and training needed to be employable here or elsewhere.

Anderson and Schalk (1998) also underline that old psychological contracts focus on job security, continuity, loyalty and fairness, whereas the emergent new forms of contracts focus on employability and flexibility. Similarly, Hendry and Jenkins (1997) comment that because organizations are expected to become 'learning' organizations, employees are empowered to take on greater responsibility for their personal development and career prospects. Employability and less job security are central to the concept of the new employment relationship, as it is discussed by several authors (e.g. Rose, 2000; Roehling et al., 1998 and Kickul & Lester, 2001). De Vos, Buyens and Schalk (2003) add a balance between work and private life. Hiltrop's (1995) study did not provide any empirical evidence for the new psychological contract. A search for empirical studies on the new psychological contract learned that research on this topic is scarce. Researchers who did investigate the existence of a new psychological contract (Sparrow, 1996; Van den Brande et al. 2002, Janssen et al. 2003; Huisman en Schalk, 2002) found mixed results. Sparrow (1996) found evidence for the existence of a new psychological contract in the banking sector, in the form of fragmented psychological contracts. Van den Brande et al. (2002) found that only a small number of employees had a 'new' psychological contract in a study on a representative sample of the Flemish Belgian workforce. Therefore, they conclude that a transformation from traditional employment relationships toward 'new deals' had been restricted to a very small group of young and highly educated professionals and managers. The study by Huiskamp and Schalk (2002) partly confirmed the existence of the new psychological contract; several aspects related to for example flexibility were not confirmed, however.

In sum, authors like Rousseau (1996), Herriot and Pemberton (1996), Guest (2004), Hall and Moss (1998), Ng and Feldman (2008) emphasize the importance of

changes in the psychological contract but no direct evidence for a new deal was found. There is not much empirical research available and the findings of the available studies on the new psychological contract are inconclusive.

Despite the inconclusive results, it is important to further develop the concept of changes in the psychological contract. First, literature is consistent on the enormous amount of changes in the world of work. However, how each of these changes affects the psychological contract, has not been subject of debate yet. Changes on different levels are expected to impact on psychological contracts. How developments on the organizational level (e.g. downsizing, restructuring) and the individual level (e.g. different values and expectations of the employee) have an effect on the psychological contract remains to be sorted out. It is an open question how these changes interact and influence the psychological contract. This question is important since it is vital to determining what items to focus on when measuring changes in the psychological contract.

Second, the inconsistent results of previous empirical studies could be due to the restricted focus of the researchers. Research on the new psychological contract has hitherto been focused on the changing content of the psychological contract. The content-oriented approach examines the specific terms of the contract, like for example the provision of opportunities for training, job opportunities and safety, flexibility in working hours, working overtime, the quality of services delivered and challenging tasks. This is only one way of studying psychological contracts. As Rousseau and Tijoriwala (1998) have indicated, psychological contracts can be measured in three ways: content-oriented, feature-oriented and evaluation-oriented. The feature-oriented approach assesses the psychological contract on certain attributes or dimensions. Contracts can, for example, be characterized as short-term, or have an extended scope and influence on non-work activities, or be seen as transactional or flexible arrangements. The evaluation-oriented approach assesses the degree of fulfillment or violation experienced within the context of the psychological contract. The evaluation-oriented approach can offer explanations. It could well be that fulfillment of expectations; contract violation and breach eventually result in differences in the content. An opportunity for further research is to use and combine different approaches to measure the impact of different trends on the psychological contract.

Third, it is important to situate these results in concrete relevant settings. We do agree with Roehling et al. (1998) that it is overly simplistic to assume, as current research does, that factors in the business and social environment that are driving changes in the employment relationship have an equal influence across organizations or industries. Nor do changes in business and society influence countries or individuals in exactly the same way. An important avenue for further research is thus to take differences between organizations when it comes to psychological contracts into account. The same applies for the country perspective. When it comes to the employee who changes his expectations it is also important to differentiate between different groups of employees

(in this research for example generations). In this study some notions are being made about country and industry.

Fourth, Freese (2007) showed that whether the psychological contract of a particular employee has changed depends on whether the individual employee notices the changes and whether these changes matter to the individual. The way people interpret the changes that happen around them is a core issue in whether or not contract change takes place. Taking into account the attitude toward change (Piderit, 2000) in research on changing psychological contracts is an important avenue in future research.

Although a lot has been written about psychological contracts in general, empirical research on the so called new psychological contract is scarce. Simultaneously, the evidence for the so called new psychological contract is inconclusive. The reasons for this are sought in the way studies on changes in the psychological contract have been designed. Most important is that cause and effect have not been explicitly studied and described. In the next paragraph a general model is developed that describes the general processes of cause and effect on the impact of changes in organizations and value shifts on the psychological contract.

2.4 EMPLOYER & EMPLOYEE DRIVE CHANGE IN THE PSYCHOLOGICAL CONTRACT

The model that is outlined here addresses how changes in the psychological contract occur and how different factors influence the psychological contract. Organizational change and the changing values of contemporary employees both influence the psychological contract.

In our model we refer will refer to "the employer who changes the deal" when organizational change is the driver behind psychological contract change. According to Freese (2007), organizational change often results in violation of employer obligations. It is expected that organizational change will particularly affect the fulfillment of the perceived organizational obligations. Furthermore, changing expectations and practices on the employer side may also result in employees adjusting their perceptions as to what they are obliged to provide to the organization and what to receive in return. The latter may result in adjustments of the content or features of the employee side of the psychological contract.

The shift in values and expectations of the employee may also cause changes in the psychological contract. This is referred to as "the employee who changes the deal". In this case the adjustments in the psychological contract are induced by the employee. Sparrow and Hiltrop (1994), Hiltrop (1995) and Roehling et al. (1998) write about a shift in employee attitudes regarding career management, leadership style, rewards and motivation, working hours, opportunities for development, autonomy, flexibility and meaningful work experiences. These shifts in employees' values may result in a changing appraisal of the content or features of the employee side of the psychological contract.

Our change model of psychological contract comprises both perspectives. We do not believe in one new universal psychological contract but rather try to explain the effects of different trends on the psychological contract. Both organizational change processes and changing expectations and values of employees will affect the psychological contract. The effects of organizational change will most likely be visible through the (un)fulfillment of the psychological contract. Shifting demands of (groups of) employees will most likely directly influence the content and features of the psychological contract. Both perspectives and the underlying characteristics of change are discussed further in the following two Chapters and are summarized in Figure 1.

FIGURE 1: CHANGE MODEL OF PSYCHOLOGICAL CONTRACTS
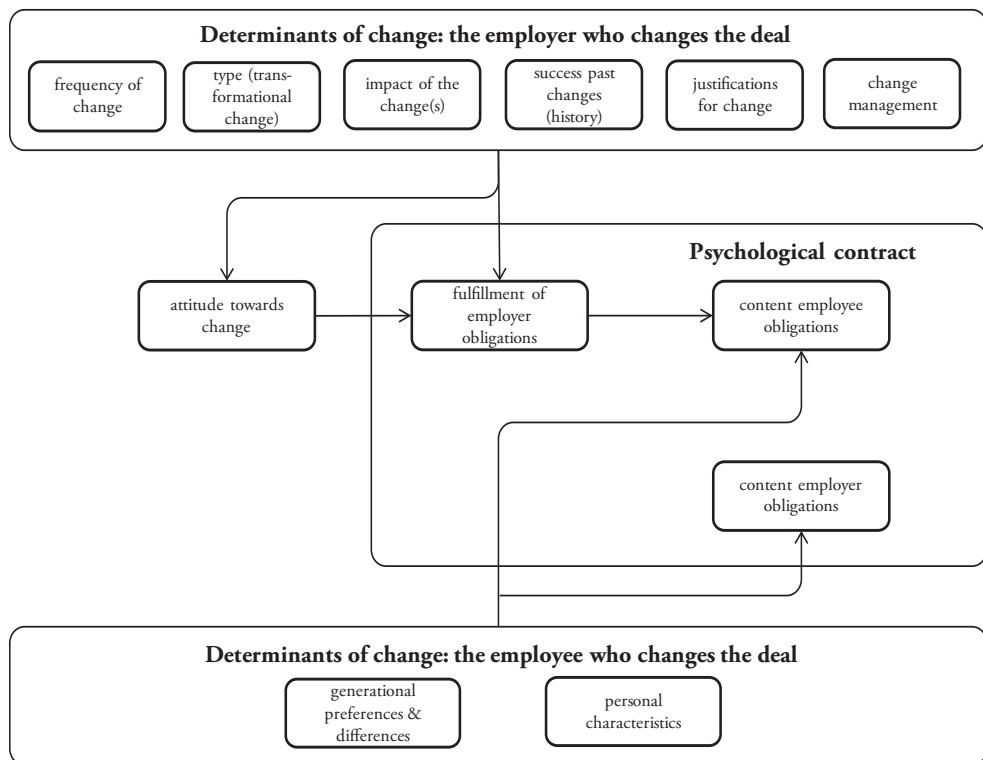
Although we formulate general propositions on how both organizational change and value shifts in employees affect psychological contracts, we want to note that it is important to take the setting in which these changes take place into account. First of all as Parry and Urwin (2011) point out, the concept of global generations is still subject of debate. The question whether the differences between generations are identical in different countries is not answered yet. Simultaneously, the degree of flexibility in economics and legal regulations regarding the protection of employment differs among countries. This is likely to influence the perception of the psychological contract. Here,

we take these differences into account by focusing on Western Countries. Most research on both (new) psychological contracts (e.g., Sparrow, 1996) and generational differences (e.g., Kowske, Rasch & Wiley, 2010) has been done in Western countries and our propositions are based on that research.

A second important contextual factor is industry or sector. Although research on differences in values has been done in different industries, the empirical evidence for generational differences when it comes to psychological contracts is based on the hospitality industry (Lub, Blomme & Bal, 2011). This is an interesting sector since a lot of employees working in that industry are from generation Y, and therefore generational differences will probably be prevalent. This leads to the proposition that generational differences might also be visible in other industries in which a substantial part of the labor force is generation Y. Of course this still needs to be empirically tested. Furthermore, the effects of organizational change differ strongly between sectors and organizations. The propositions regarding organizational change that are proposed in this article are expected to be especially prominent in organizations in turbulent contexts, such as profit organizations that operate in a competitive business (for example telecom or consulting). The external context organizations operate in only becomes more challenging because of technological advancements, globalization, the world economy and fast changes in markets (Piderit, 2000). Since all industries are confronted with the effects of these developments it is hard to hypothesize how these developments differ per country or industry. More in depth insight in the dynamics of organizational change needs to be provided by more empirical research.

Third, Van den Brande at al. (2002) found that the new psychological contracts were restricted to a very small group of young and highly educated professionals and managers. In the same vein, the study of Huisman and Schalk (2002) concluded that highly educated people were overrepresented amongst employees with new psychological contracts. In general also when it comes to the effects of organizational changes, educational level and job level matter. We expect that the propositions formulated here are more prominent for highly educated people working in higher job levels.

2.5   THE EMPLOYER CHANGES THE DEAL

When the employer changes the deal, there are multiple variables that influence the psychological contract. To identify relevant variables we used a literature review of studies of change recipients' reactions to organizational change by Oreg et al. (2011). The first factor is the frequency of change that employees are confronted with. Rafferty and Griffin (2006) determined that when organizational changes occur more frequently, employees are more likely to perceive changes as unpredictable and to experience anxiety. Saunders and Thornhill (2003) found that organizational change is often perceived as threatening, arousing feelings of vulnerability and the fear of losing security. According

to Freese (2007), one single change in the organization may already amount to a violation of employer obligations. Freese (2007) also concluded that when employees have a history of frequent organizational change, this will most likely impact the fulfillment of the psychological contract (Freese 2007). The frequency of change has a negative effect on the fulfillment of the employer's obligations, a positive effect on the violation of employer obligations, and a negative effect on employee obligations (Freese 2007). This means that the more often changes occur, the more violations employees experience and the less they feel obliged to provide to the organization in return. This will in turn have a negative effect on employee attitudes toward change.

The second antecedent of organizational change that may affect the psychological contract is the type of change (Lau & Woodman, 1995; Caldwell et al., 2004; Sims, 1994; Freese, 2007). Rousseau (1995) distinguishes between two types of organizational change: accommodation and transformation. Accommodation is an evolutionary process, making adjustments within the framework of the existing contract possible (for example isolated changes in performance criteria, benefit packages, or working hours). Transformation is a revolutionary shift in the nature of the relationship between the parties, redefining it and the contract on which it is based (for example changes such as downsizing processes or restructuring). Current research states that employees in downsizing or restructuring organizations experience psychological contract violations with regard to job security (Turnley & Feldman, 1998), compensation and advancement opportunities (Pate et al., 2000) and communication and HR practices (Pate et al., 2000). It is assumed that accommodational change will have less impact on the perceived obligations and the fulfillment of the employer's obligations and that transformational change has a negative impact.

The third antecedent of organizational change that may affect the psychological contract is the impact on the daily work and perceived future within the organization of the employee (Lau & Woodman, 1995). More adaption is needed when a change is perceived as extensive (Caldwell et al., 2004). This might lead to the non-fulfillment of obligations, possibly followed by contract breach or violation (Freese, 2007) or the introduction of new obligations (Sims, 1994).

The fourth factor that contributes to how organizational change affects the psychological contract is whether organizational change was successful in the past or not. Employees are more negative when they have negative experiences with organizational change in the past (Wanous et al., 2000) and more positive when they have a positive and successful change history (Bouckenooghe & Devos, 2007). It is proposed that employees with positive change experiences in the past will perceive more fulfillments of obligations and will feel more obliged to fulfill their own obligations toward the organization.

The fifth factor that is taken into account is the justification of change. This is a cognitive factor that influences how employees assign responsibility for the organizational

change event (Chaudhry et al., 2009). Employees typically ask themselves whether a change was justified and if perceived as such, acceptance of the change should be more likely (Self et al., 2007). Justification is thus an attribution through which the effects of an event are considered reasonable (Chaudhry et al., 2010). Fincham and Jaspers (1980) found that justification for changes in general decreased perceptions of blame. In other words, if changes are being justified, the exchange relationship may not be harmed. Even if the change was seen as unfavorable by employees, the justification for it can help employees to make sense of the change and to continue their relationship without severely affecting the fulfillment of the psychological contract.

The sixth and last factor that is included here is change management. Important aspects of change management are communication and involvement (Caldwell, 1993; Schalk, Campbell & Freese, 1998). The importance of communication during change implementation is widely acknowledged among practitioners (Lewis, 1999). Communication is a way to create knowledge about the change among the employees, thereby, managing the uncertainties related to the personal and social consequences of change (DiFonzo & Bordia, 1998). According to Andersson (1996), the failure to communicate important information to employees', results in unmet expectations. Involvement is another important aspect of change management. The opportunity to express one's opinion and to have one's opinion considered is important to employees and leads to greater acceptance of and commitment to the final decision (Brown & Cregan, 2008). The involvement in decision making is regularly rated as an important aspect of employment (Wiley, 1997). Through involving employees in the change efforts is likely to positively influence employees' perceptions about changes, thereby resulting in better evaluations of their psychological contract fulfillment. In other words, by communicating and involving employees in the change, the employee may be more receptive toward the change in such a way that it does not harm the exchange relationship.

In summary, the change antecedents frequency of change, impact of change, (transformational) type of change are expected to have a negative effect on the fulfillment of the employer's obligations and successfulness of past changes, justification of the changes and change management a positive effect. This results in the following proposition.

Proposition 1: The antecedents of organizational change (frequency of change, impact of change, (transformational) type of change, successfulness of past changes, justification of change and change management) affect the fulfillment of the employer's obligations.

In addition, the fulfillment of the psychological contract (the fulfillment of the employer's obligations toward the employee) may affect the content of the psychological contract (the perceived obligations of the employee toward the organization). Various authors

(Coyle-Shapiro & Kessler, 2002; Turnley & Feldman, 1998) found that employees perceive lower obligations with regard to extra-role behavior, especially with regard to extra effort, identification with organization's norms, goals and values and loyalty as a result of organizational change and (un)fulfillments of the psychological contracts. This results in the following proposition.

Proposition 2: The perceived fulfillment of the employer's obligations toward the employee affects the perceived obligations of the employee toward the organization.

The eventual success and effects of organizational change on for example intention to quit or commitment at least partly depend on an individual's resistance or attitude toward change (Oreg, 2006; Van den Heuvel & Schalk, 2009). A number of studies (Rush et al., 1995; Schweiger & DeNisi, 1991) also expected resistance to be correlated to a number of work related outcomes such as job satisfaction and organizational commitment. It is interesting to see whether this also applies for the effects of the antecedents of organizational change on the psychological contract. Explicitly interesting are the effects of the affective dimension, e.g. the effects of how one feels about the change (e.g. angry, anxious, etc.) on the (perceived fulfillment of the employers obligations of the) psychological contract. As Oreg (2006) states, it is possible that attitudes toward a specific change could in return affect their general attitude toward the organization. A study by Wanberg and Banas (2000) shows that resistance (or attitude) to(wards) change mediates the relationship between conditions of change and work-related outcomes. Wanberg and Banas (2000) found that conditions of change predicted employee resistance to change and that, in turn, resistance was associated with lower levels of job satisfaction and with greater intention to quit (Wanberg & Banas, 2000). In this study we propose that if the employee's attitude toward change is more negative, it becomes more likely that organizational obligations will be perceived as not being fulfilled. This results in the following propositions.

Proposition 3: The antecedents of organizational change affect the individual's attitude toward change.

Proposition 4: The employee's attitude toward change has an effect on the perceived fulfillment of the employer's obligations.

Concluding, the combination of factors mentioned above determines the effects of organizational change on the psychological contract. It is expected that organizational change will affect the fulfillment of the employer's obligations. Organizational change may also result in employees adjusting their own perceptions as to what they are obliged to provide the organization with. Furthermore, the employee's attitude toward change

is another important factor to take into consideration. If the employee's attitude toward change is more negative, it becomes more likely that organizational obligations will be perceived as not being fulfilled.

The employer changes the deal: effects on psychological contracts

The next question addressed in this article is in what kind of changes in the psychological contact organizational change may result. Robinson et al. (1994) empirically demonstrated that employees reciprocate the treatment they receive by adjusting their own obligations to their employer. Freese (2007) found similar results. We therefore expect psychological contracts of employees who are confronted with organizational change to be affected by it in different ways. An alternative way of reasoning is that individuals who like change choose to work for organizations in a turbulent environment It can be argued that in such a case, organizational change may have limited, no or even positive effects on the fulfillment of obligations. Possible violations and negative effects on engagement may be absent. Since there is no literature indicating this, our reasoning focuses on the known effects of organizational change.

Various authors (Freese, 2007; Rousseau, 1995; Turnley & Feldman, 1998; Pate et al., 2000) state that organizational change may result in violations of the fulfillment of the employer's obligations (perceived obligations are not fulfilled), especially with regard to rewards, social atmosphere at work, career opportunities, job security, compensation and advancement opportunities, communication and HR practices. These non-fulfillments or violations may result eventually in adjustments of the content of the psychological contract (perceived obligations of the employee toward the organization). Bellou (2007) and Freese (2007) found that employees perceive lower obligations with regard to rewards (pay for performance and job security), social atmosphere (support from colleagues), and organizational policies (involvement and recognition) and higher for career development (education). Other authors (Coyle-Shapiro & Kessler, 2002; Turnley & Feldman, 1998) also found that employees perceive lower obligations with regard to extra-role behavior, especially with regard to extra effort, identification with organization's norms, goals and values and loyalty.

Furthermore, it is argued by Robinson, Kraatz & Rousseau (1994) that psychological contracts become more transactional after a violation. The employee withdraws from the relationship and will pay more attention to financial and other economic aspects. However, empirical evidence is not conclusive on this matter.

In conclusion organizational change does not affect all organizations or employees in the same way. Factors that are of influence are personal characteristics such as age, education, level of experience, profession, position in the labor market, etc. These need to be included. In the same vein we propose to test our propositions by getting in depth information on the dynamics of organizational change within several organizations from different industries.

2.6   THE EMPLOYEE CHANGES THE DEAL

The second part of the model concerns the changing expectations and values of the individual employee, causing changes in the psychological contract. Although many authors describe changes in the psychological contract, relating it to the so called new deal (e.g. Hiltrop, 1995; Anderson & Schalk, 1998; Frese, 2000; Guest 2004), causes of these changes and propositions about causes and effects are not specified. It is suggested to look at differences between younger and older employees (e.g. Anderson & Schalk, 1998; Guest, 2004). Bal et al. (2008) however concludes that it cannot be determined if age-effects are consequence of aging or cohorts and Smola and Sutton (2002) point out that work values are more influenced by generational experiences than by age (Lub, Blomme & Bal, 2011). Another interesting perspective when looking at changing expectations is the perspective of generational differences. Despite the fact that a lot has been written on generations and generational differences in work attitudes (e.g. Parry & Urwin, 2011; Kowske, Rasch & Wiley, 2010; Twenge, et al., 2010), literature on generational differences regarding psychological contracts is scarce (De Meuse et al, 2001; Hess & Jepsen, 2009; Lub, Blomme & Bal, 2011) and inconclusive. De Meuse et al. (2001) did not find differences between generations when it comes to relational obligations whereas Lub, Blomme and Bal (2011) did. The underlying principle in literature however, is that personal values of employees are shifting. These changes in values may in turn influence the psychological contract. The concept underlying of values underlying the psychological contract was first introduced by Kotter (1973). In this article it is hypothesized that generational differences in values will be reflected in differences between psychological contracts.

Based on Straus and Howe (1991) and Eisner (2005), the following generations can be distinguished: the Baby-Boom Generation (born between 1943 and 1960/ 1943 and 1964), the Generation X (born between 1961 and 1981/ 1965 and 1980) and the Nexters or generation Y (born after 1981/ 1980).

Differences between generations have been known to exist regarding communication, the use of modern technology, behavior, educational level and working methods (Zemke et al., 2000; Strauss & Howe, 1991, 2000; Hicks & Hicks, 1999; Sacks, 1996). Even more interesting are differences regarding values. Especially values of the Nexters (also called Generation Einstein, Generation Y or Millennials) are expected to cohere strongly with features of a new psychological contract. This is supported by the fact that empirical evidence for the new psychological contract is associated with young and highly educated employees (Kickul & Lester, 2001; Van den Brande et al., 2002). They have different work values and working methods, and participate in multiple networks (Zemke et al., 2000). Critical reviews on generational studies (Parry & Urwin, 2011; Twenge, 2010) however point out that empirical evidence for generational differences in work values is mixed and a convincing case for generational differences needs to be made, although others highlight the relevance of generational differences

for HR practices and emphasize the importance of additional research (Cogin, 2012). Indeed some empirical research does not find evidence for differences in work values between generations (e.g. Jurkiewicz & Brown, 1998). However other authors do, although sometimes modest. Other authors (Cogin, 2012; Kowske, Rasch & Wiley, 2010; Twenge, et al., 2010; Westerman & Yamamura, 2006; Wong et al, 2008; Twenge, 2010; Smola & Sutton, 2002; Cennamo & Gardner, 2008; Twenge & Campbell, 2008; Gursoy, Maier & Chi, 2008; Terjesen et al, 2007; Rawlins, Indvik & Johnson, 2008; Lyons et al., 2007; Loughlin, C., Barling, J., 2001) found that generation Y differs in how they judge values, for them work is less important and a less central part in life, they score lower on work ethic, leisure and work-life balance are more important, they are individualistic and at the same time value teamwork and a pleasant work environment highly, they value a supportive culture and the opportunity to develop themselves and of course they are technology adapt. Whereas for other values that are assumed to be valid for generation Y such as altruism and intrinsic or extrinsic motivation and job security results are more conflicting.

Furthermore, the same authors paint a portrait of the new generation that wants to be judged on results and to be treated as an individual. Training and development as well as personal development are more important than vertical careers. This employee is individualistic, and is much attached to striking the right balance between work and private life. Furthermore, this generation is demanding and feels that they deserve to get promotion and career opportunities simply by being there.

A summary of the literature described above results in the following trends for generation Y. In Table 1 the consequences for the employment relationship are described.

These examples give a good impression of the new values and what the younger generation wants in their work and from the employer. It will be expressed in the content and features of the psychological contract. Our premises on these new values lead to the following propositions.

Proposition 5: Generation Y has a different perception of what the organization is obliged to provide to them (employer part of the psychological contract).

Proposition 6: Generation Y has a different perception of what they are obliged to provide to the organization (employee part of the psychological contract).

In conclusion, the assumed changes in values of generation Y are expected to be reflected in the content of the psychological contracts, both on what the employee thinks he is obliged to provide to the organization and on what he expects to receive in return.

TABLE 1: VALUES OF THE GENERATION Y AND CHARACTERISTICS OF THE NEW EMPLOYMENT RELATIONSHIP

Values of importance	Consequences for generation Y in the employment relationship
Social interaction and affiliation	Focus on affiliation values; focus on relationships and social interaction. Connected to multiple groups.
Work ethics and work centrality	Lower standard on work ethics than former generations. Less value on work for its own sake.
Leisure and work-life balance	Focus on multiple aspects of life, especially in combining work and private life balance. Strong focus on leisure and for example vacation time.
Extrinsic and intrinsic values	Small decline in intrinsic values (from Baby-Boom to Y). Extrinsic values constant between generations.
Security and loyalty	Higher overall need for job security than other generations. Eager to embrace new career options.
Self enhancement, learning and development	High focus on self enhancement. High importance with regard to own development in order to remain attractive. High expectations.
Communication and technology	Very communicative, good with internet and new technologies. Take technology for granted.
Team and collaboration	Strong focus on team work and collaboration. Work environment is important and social interactions as well.

The employee changes the deal: effects on the psychological contract?

We now address the question how the developments and propositions mentioned above influence the psychological contract. Based on existing literature on generational differences we developed a profile of the psychological contract of generation Y. Of course the occurrence of this extreme type of psychological contract will vary depending on the context of the organization and individual factors. To develop the profile we use a categorization, developed by Freese (2007), of differences in the content of psychological contract and the literature presented on values and generations. This profile is presented in Table 2.

TABLE 2: TYPOLOGY OF THE PSYCHOLOGICAL CONTRACT OF GENERATION Y

Psychological contract	Dimension	Modern contract (generation Y)
Organizational obligations	Work content	Focus on autonomy, challenging work and balance. Important aspect for all generations.
	Career development	Highly important aspect, focus on training, education, coaching and skill development and employability (partly because of changing job security).
	Social atmosphere	Recognition, organization is one social group one belongs to, personal relationships and social involvement.
	Organizational policies	Open and two-way communication, performance feedback. Less important aspect since lower importance of work ethics and less bounded to employer (more to the job).
	Work-life	Highly important aspect (less work centrality & focus on leisure), better balance between work goals and personal goals.
	Rewards	Performance-based compensation, high pay for high performance & job security (based on contribution). High importance on status.
Employee obligations	In-role behavior	Responsible for developing and maintaining skills, deliver value, understand nature of the organization, loyal to the (current) job, not to organization or boss. Overall employee obligations lower.
	Extra-role behavior	Flexible, and employable, interesting in developing skills to stay valuable. Overall employee obligations lower.
Engagement	Engagement	Engaged to the job, as long as it is interesting. Work less central part of life, engagement overall lower.

2.7 DISCUSSION

In this his paper it was explored how the psychological contract is affected by organizational changes and shifting employee values. We developed a new comprehensive model that highlights the two main factors that affect the psychological contract: organizational change and generational differences. In our model attention is also being paid at what aspects of the psychological contract are being influenced. Whereas organizational change will mainly affect the fulfillment of the employer's obligations, it is proposed that shifting values of the employee will especially affect the content of the psychological contract. The way fulfillment and content of the psychological contract interact is also discussed. And although there is less indication in current literature that generations differ with regard to the fulfillment of the psychological contract, this is an interesting topic to be sorted out.

By combining both perspectives in our model we open up new areas of research. This is important since continuing financial market instability and uncertainty have

resulted in disruption and job losses (Mc Donnell & Burgess, 2013). This impacts employment relationships whereas at the same time current literature on the topic (e.g. Stone, 2001; Huisman & Schalk, 2002; Guest, 2004) does not differentiate between cause and effect. By differentiating between the employer and the employee who change the deal guidelines are offered to put literature on both the presumed effects of organizational change and generational differences within organizations to an empirical test. Furthermore, empirical research on our propositions may result in further insights into effects of organizational change on the psychological contract. This may additionally result in real insight into the existence of generational differences and what is often referred to as the "new employee". Apart from the academic relevance, insight in generational differences and the effects of organizational change also helps (HR) managers understanding the specific demands and values of groups of people. This makes it easier for them to remain competitive in attracting qualified applicants. This is especially important in the light of the aging population and multiple age segments in the workforce.

In contrast to previous literature, we do not assume that a traditional contract is being replaced by a modern or new psychological contract. All kinds of contract co-exist within different organizations. Moreover, different types of employees, for example different generations, may react differently to organizational change. In current literature it is often stated that generation Y will be affected less heavily by organizational change than the other generations. The most important reason for that is that presumed values such as flexibility and individualism are better suited to a changing context. On the other hand, empirical research by for example Lyons, Duxbury and Higgins (2007) shows that generation Y score lower on openness to change than generation X did. This is an interesting topic that needs to be sorted out.

REFERENCES

Anderson, N., & Schalk, R. (1998). The psychological contract in retrospect and prospect. *Journal of Organizational Behavior, 19(S1),* 637-647.

Andersson, L.M. (1996). Employee cynicism: An examination using a contract violation framework. *Human Relations, 49(11),* 1395–1418.

Bal, P.M., De Lange, A.H., Jansen, P.G.W., & Van Der Velde, M.E.G. (2008) Psychological contract breach and job attitudes: A meta-analysis of age as moderator. *Journal of Vocational Behavior, 72(1),* 143-158.

Bellou, V. (2007). Psychological contract assessment after a major organizational change: The case of mergers and acquisitions. *Employee Relations, 29(1),* 68-88.

Bouckenooghe, D., & Devos, G. (2007). The role of process, context and individual characteristics in explaining readiness for change: A multilevel analyses. *Working Paper Series Vlerick Leuven Gent Management School.*

Brown, M., & Cregan, C. (2008), Organizational change cynicism: the role of employee involvement. *Human Resource Management, 47(4),* 667–686.

Caldwell, S.D., Herold, D. M., & Fedor, D. B. (2004). Toward an understanding of the relationships among organizational change, individual differences, and changes in person-environment fit: A cross level study. *Journal of Applied Psychology, 89(5),* 868–882.

Caldwell, R. (1993). Employee involvement and communication strategies for managing change. *Strategic Change, 2(3),* 135-138.

Cappelli, P., & Keller, J.R. (2014). Talent management: Conceptual approaches and practical challenges. *Annual Review of Organizational Psychology and Organizational Behavior*, *1*(1), 305-331.

Cavanagh, S.J. (1995). A "new" psychological contract for nurses: some management implications. *Journal of Nursing Management, 4(2),* 79-83.

Cennamo, L., & Gardner, D. (2008). Generational differences in work values, outcomes and person-organization values fit. *Journal of Managerial Psychology, 23(8),* 891-906.

Chaudhry, A., Coyle-Shapiro, J.A.M., & Wayne, S.J. (2011). A longitudinal study of the impact of organizational change on transactional, relational, and balanced psychological contracts. *Journal of Leadership & Organizational Studies, 18(2)*, 247-259.

Chaudhry, A., Wayne, S.J., & Schalk, R. (2009). A sense-making model of employee evaluation of psychological contract fulfillment: When and how do employees respond to change? *Journal of Applied Behavioral Science, 45(4),* 498-520.

Cogin, J. (2012). Are generational differences in work values fact or fiction? Multi-country evidence and implications. *The International Journal of Human Resource Management, 23(11),* 2268-2294.

Coyle-Shapiro, J., & Kessler, I. (2002). Exploring reciprocity through the lens of the psychological contract: employee and employer perspectives. *European Journal of Work and Organizational Psychology, 11(1),* 69-86.

De Meuse, K.P., Bergmann, T.J., & Lester, S.W. (2001). An investigation of the relational component of the psychological contract across time, generation, and employment status. *Journal of Managerial Issues, 13(1),* 102-18.

De Vos, A., Buyens, D., & Schalk, R. (2003). Psychological contract development during organizational socialization: adaptation to reality and the role of reciprocity. *Journal of Organizational Behavior, 24(5),* 537-559.

DeFillippi, R. J., & Arthur, M. B. (1994). The boundaryless career: a competency based perspective. *Journal of Organizational Behavior, 15(4),* 307-324.

DiFonzo, N., & Bordia, P. (1998). A tale of two corporations: managing uncertainty during organisational change. *Human Resource Management, 37(3),* 295-303.

Eisner, S.P. (2005). Managing generation Y. *SAM Advanced Management Journal, 70(4),* 4-15.

Fincham, F.D., & Jaspers, J. M. (1980). Attribution of responsibility: From man the scientist to man as lawyer. In L. Berkowitz (Ed.), *Advances in experimental psychology* (13, pp. 81-137).

Freese, C. (2007). *Organizational change and the dynamics of psychological contracts: A longitudinal study* (Doctoral dissertation). Tilburg University, ISBN/EAN: 978-90-5335-122-2.

Frese, M. (2000). The changing nature of work. In N. Chmiel (Ed.). *Introduction to Work and Organizational Psychology* (pp. 424-439). Oxford: Blackwell.

Granrose, C.S., & Baccili, P.A. (2006). Do psychological contracts include boundaryless or protean careers? *Career Development International, 11(2),* 163-182.

Guest, D. (2004). The psychology of the employment relationship: an analysis based on the psychological contract. *Applied Psychology, 53(4),* 541-555.

Gursoy, D., Maier, T., & Chi, C. (2008). Generational differences: an examination of the work values and generational gaps in the hospitality workforce. *International Journal of Hospitality Management, 27(3),* 448–458.

Hall, D.T., & Moss, J.E. (1998). The new protean career contract: Helping organizations and employees adapt. *Organizational Dynamics*, *26(3),* 22-37.

Hendry, C, & Jenkins, R. (1997). Psychological Contracts and New Deals. *Human Resource Management Journal and Editorial to special issue on The New Deal in Employment 7 (1),* 38-44.

Herriot, P., & Pemberton, C. (1995). A new deal for middle managers. *People Management, 1(12),* 32-4.

Herriot, P., & Pemberton, C. (1996). Contracting Careers. *Human Relations, 49(6),* 757-790.

Hess, N., & Jepsen, D.M. (2009). Career stage and generational differences in psychological contracts. *Career Development International, 14(3),* 261-283.

Heuvel, S. van den, & Schalk, R. (2009). The relationship between fulfillment of the psychological contract and resistance to change during organizational transformations. *Social Science Information, 48(2),* 283-313.

Hicks R., & Hicks, K. (1999). *Boomers, Xers and other strangers.* Wheaton: Tyndale House Publishers.

Hiltrop, J.M. (1995). The changing psychological contract: the human resources challenge of the 1990s. *European Management Journal, 13(3),* 286-294.

Hiltrop, J.M. (1996). Managing the changing psychological contract. *Employee Relations, 18(1),* 36-49.

Huiskamp, R., & Schalk, R. (2002). Psychologische contracten in arbeidsrelaties: de stand van zaken in Nederland. *Gedrag en Organisatie, 15(6),* 370-385.

Janssen, M., Sels, L., & Van den Brande, I. (2003). Multiple types of psychological contracts: a six cluster solution. *Human Relations,* 1349-1377.

Jurkiewicz, C.E., & Brown, R.G. (1998). GenXers vs. boomers vs. matures: Generational comparisons of public employee motivation. *Review of Public Personnel Administration, 18(4),* 18–37.

Kickul, J., & Lester, S.W. (2001), Broken promises: equity sensitivity as a moderator between psychological contract breach and employee attitudes and behavior. *Journal of Business and Psychology, 16(2),* 2001.

Kickul, J., Lester, S.W., & Finkl, J. (2002). Promise breaking during radical organizational change: do justice interventions make a difference? *Journal of Organizational Behavior, 23(4),* 469-488.

Kowske, B.J., Rasch, R., & Wiley, J. (2010). Millennials''(lack of) attitude problem: An empirical examination of generational effects on work attitudes. *Journal of Business and Psychology, 25(2),* 265-279.

Kotter, J.P. (1973). The psychological contract. *California Management Review, 15(3),* 91-99.

Lau, C.M., & Woodman, R. W. (1995). Understanding organizational change: A schematic perspective. *Academy of Management Journal, 38(2)*, 537-554.

Lewis, L.K. (1999), "Disseminating information and soliciting input during planned organisational change: implementers' targets, sources, and channels for communicating". *Management Communication Quarterly, 13(1),* 43-75.

Loughlin, C., & Barling, J. (2001). Young workers' work values, attitudes and behaviours. *Journal of Occupational and Organizational Psychology, 74(4),* 543-558.

Lub, X.D., Blomme, R.J., & Bal, P.M (2011). Psychological contracts and organizational citizenship behavior: a new deal for new generations? *Advances in Hospitality and Leisure, 7(1),* 109-130.

Lyons, S., Duxbury, L., & Higgins, C. (2007). An empirical assessment of generational differences in basic human values. *Psychological Reports, 101(2)*, 339–352.

Martin, G., Staines, H., & Pate, J. (1998). Linking job security and career development in a new psychological contract. *Human Resource Management Journal, 8(3),* 20-40.

McDonnell, A., Burgess, J. (2013). The impact of the global financial crisis on managing employees. *International Journal of Manpower, 34 (3)*, 184–197.

Ng, T.W.H., & Feldman, D.C. (2008). Can you get a better deal elsewhere? The effects of psychological contract replicability on organizational commitment over time. *Journal of Vocational Behavior 73(2),* 268–277.

Oreg, S. (2006). Penalty, context, and resistance to organizational change. *European Journal of Work and Organizational Psychology, 15(1),* 73-101.

Oreg, S., Vakola, M., & Armekanis, A. (2011). Change recipients' reactions to organizational change: A 60 year review of quantitative studies. *Journal of Applied Behavioral Science, 47(4),* 461-521.

Parry, E., & Urwin, P. (2011). Generational differences in work values: a review of theory and evidence. *International Journal of Management Reviews, 13(1),* 79-96.

Pate, J., Martin, G., & Staines, H. (2000). Exploring the relationship between psychological contracts and organizational change: a process model and case study evidence. *Strategic Change, 9(8),* 481-493.

Piderit, S.K. (2000). Rethinking resistance and recognizing ambivalent attitudes toward organizational change: A multidimensional view. *Academy of Management Review, 25(4),* 783-794.

Rafferty, A.E., & Griffin, M.A., (2006), Perception of Organizational Change: A Stress and Coping Perspective. *Journal of Applied Psychology, 91(5),* 1154-1162.

Rawlins, C., Indvik, J., & Johnson, P.R. (2008). Understanding the new generation: what the millennial cohort absolutely, positively must have at work. *Journal of Organizational Culture, Communication and Conflict, 12(2),* 1-8.

Robinson, S.A, Kraatz, M.S., & Rousseau, D.M. (1994). Changing obligations and the psychological contract: A longitudinal study. *Academy of Management Journal, 37(1),* 137-152.

Roehling, M.V., Cavanaugh, M.A., Moynihan, L.M., & Boswell, W.R. (1998). The nature of the new employment relationship: a content analysis of the practitioner and academic literatures. *Human Resource Management, 39(4),* 305-320.

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

Rousseau, D.M. (1995). *Psychological contracts in organizations.* Thousand Oaks, CA: Sage.

Rousseau, D.M. (1996). Changing the deal while keeping the people. *Academy of Management Executive, 10(1),* 50-59.

Rousseau, D.M., & Tijoriwala, S.A. (1998). Assessing psychological contracts: Issues, alternatives and measures. *Journal of Organizational Behavior, 19(S1),* 679-695.

Rousseau, D.M., & Tijoriwala, S.A. (1999). What's a good reason the change? Motivated reasoning and social accounts in promoting organizational change. *Journal of Applied Psychology, 84(4),* 514-528.

Rush, M.C., Schoel, W.A., & Barnard, S.M. (1995). Psychological resiliency in the public sector:

"Hardiness" and pressure for change. *Journal of Vocational Behavior, 46(1),* 17–39.

Saunders, M.N.K., & Thornhill, A. (2003). Organizational justice, trust and the management of change: An exploration. *Personnel Review. 32(3),* 360-374.

Sacks, P. (1996). *Generation X goes to college: An eye-opening account of teaching in postmodern America.* Chicago: Open Court.

Schalk, R., Campbell, J.W., & Freese, C. (1998). Change and employee behavior. *The Leadership & Organization Development Journal, 19(4),* 157-153.

Schalk, R., & Freese, C. (1997). New facets of commitment in response to organizational change: research trends and the Dutch experience. In: C.L. Cooper & D.M. Rousseau (Eds.), *Trends in Organizational Behavior* (4, pp. 107-123). Chichester: John Wiley.

Schalk, R., & Freese, C. (2000). The impact of organizational changes on the psychological contract and attitudes toward work in four health care organizations. In: Isaksson, Hogstedt, C. Eriksson & T. Theorel (Eds.), *Health effects of the new labor market* (pp.129-143). New York: Kluwer Academic.

Schweiger, D. M., & DeNisi, A. S. (1991). Communication with employees following a merger: A longitudinal field experiment. *Academy of Management Journal, 34(1),* 110–135.

Self, D.R., Armenakis, A.A., & Schraeder, M. (2007). Organizational change content, process, and context: A simultaneous analysis of employee reactions. *Journal of Change Management, 7(2),* 211-229.

Shirky, P. (2008). *Here Comes Everybody: The Power of Organizing Without Organizations.* New York: Penguin Press.

Sims, R.R. (1994). Human resource management's role in clarifying the new psychological contract. *Human Resource Management, 33(3),* 373-382.

Smola, K.W., & Sutton, C.D. (2002). Generational differences: Revisiting generational work values for the new millennium. *Journal of Organizational Behavior, 23(4),* 363-382.

Sparrow, P. (1996). Transitions in the psychological contract: some evidence from the banking sector. *Human Resource Management Journal, 6(4),* 75-92.

Sparrow, P.R., & Hiltrop, J. M. (1994). *European Human Resource Management in Transition.* New York/ London: Prentice Hall.

Stone, K.V.W. (2001). The new psychological contract: Implications of the changing workplace for labor and employment law. *Ucla Law Review, 48 (3),* 519-661.

Strausss, W., & Howe, N. (1991). *Generations; the history of America's Future 1584-2069.* New York: William Morrow.

Strausss, W., & Howe, N. (2000). *Millennials Rising; he next great generation.* New York: Vintage Books.

Terjesen, S., Vinnicombe, S., & Freeman, C. (2007). Attracting Generation Y graduates: organizational attributes, likelihood to apply and sex differences. *Career Development International, 12(6),* 504–522.

Twenge, J.M. (2010). A review of the empirical evidence on generational differences in work attitudes. *Journal of Business and Psychology, 25(2),* 201-210.

Twenge, J.M., & Campbell, S.M. (2008). Generational differences in psychological contract traits and their impact on the workforce. *Journal of Managerial Psychology, 23(8),* 862-877.

Twenge, J.M., Campbell, S.M., Hoffman, B.J., & Lance, C.E. (2010). Generational differences in work values: Leisure and extrinsic values increasing, social and intrinsic values decreasing. *Journal of Management, 36(5),* 1117-1142.

Turnley, W.H., & Feldman, D.C. (1998). Psychological contract violations during corporate restructuring. *Human Resource Management, 37(1),* 71-83.

Van den Brande, I., Janssens, M., Sels, L., & Overlaet, B. (2002). Psychologische contracten in Vlaanderen: 'old deals'?!. *Gedrag en Organisatie, 15(6),* 355-369.

Wanberg, C.R., & Banas, J.T. (2000). Predictors and outcomes of openness to changes in a reorganizing

workplace. *Journal of Applied Psychology, 85(1),* 132 – 142.

Wanous, J.P., Reichers, A.E., & Austin, J.T. (2000). Cynicism about organizational change: Measurements, antecedents and correlates. *Group & Organization Management, 25(2),* 132-153.

Westerman, J.W., & Yamamura, J.H. (2006). Generational preferences for work environment fit: Effects on employee outcomes. *Career Development International, 22(2),* 150-161.

Wiley, C. (1997). What motivates employees according to over 40 years of motivation surveys. *International Journal of Manpower, 18(3),* 263–280.

Wong, M., Gardiner, E., Lang, E., & Coulon, Li (2008). Generational differences in personality and motivation. Do they exist and what are the implications for the workplace? *Journal of Managerial Psychology, 23(8),* 878-890.

Zemke, R., Raines, C., & Filipczak, B. (2000). *Generations at Work.* New York: American Management Association.

Chapter 3

Organizational change and the psychological contract: How change is related to the perceived fulfillment of obligations

3.1   ABSTRACT

This study examines if and how organizational change and attitude toward change are related to the fulfillment of the psychological contract. The relationship between type of change, impact of change, former change experiences, frequency of change and the fulfillment of the psychological contract is assessed, as well as the relationship between these change antecedents and the employee's attitude toward change.

The data used in this study is from 2,494 respondents working for five different organizations, who completed an online questionnaire. The results show that frequency of change, the personal impact of change and former experience with organizational change are related to attitude toward change. Furthermore former experiences, the personal impact and the attitude toward change are related to the fulfillment of employer obligations.

3.2   INTRODUCTION

Organizational change is an inherent part of daily life in contemporary organizations. Combined with the recent economic downturn, it is likely that the new workplace reality will significantly redefine employment relationships and have an impact on individuals' psychological contracts (Guest, 2004; Freese, 2007; Van den Heuvel & Schalk, 2009; Chaudry, Coyle-Shapiro & Wayne, 2011). A lot has been written about the consequences of organizational change (Bouckenooghe, 2010). Numerous studies have explored the positive consequences of change, such as readiness for change (Holt, Armenakis, Field & Harris, 2007) and commitment to change (Chen & Wang, 2007) as well as negative consequences such as increased levels of employee stress (Korunka, Scharitzer, Carayon, & Sainfort, 2003) and resistance to change (Ford, Ford & D'Amelio, 2008). However, it remains unclear how organizational change affects the psychological contract and which factors really matter. In this article we provide new insights in how organizational change is related to the psychological contract. There are several ways to study psychological contracts, e.g. the content-oriented approach that examines the specific terms of the contract, the feature-oriented approach that assesses the psychological contract on certain attributes or dimensions, or the evaluation-oriented approach (Rousseau & Tijoriwala, 1998), which this paper focuses on. This entails studying the effects of organizational change on the perceived fulfillment of employer obligations. In short, the general research question addressed in this study is: Are organizational change factors related to psychological contract fulfillment and the employees' attitude toward change? This study differs from earlier work; first, it takes antecedents of change into account that have been neglected in previous studies. This yields more in-depth information on the dynamics of organizational change. Second, by studying the combined effects of antecedents of change we add to current research, which mostly focuses on the effects of a single change event. Third, this study addresses

the role of the employee's attitude toward change as a variable that may influence the relationship between organizational change and the psychological contract.

3.3   THEORETICAL BACKGROUND

Psychological contracts

A widely accepted definition of the psychological contract is by Rousseau (1989): *"An individual's beliefs regarding the terms and conditions of a reciprocal exchange agreement between the focal person and the other party"*. According to Rousseau (1990), psychological contracts consist of organizational obligations (to be fulfilled by the organization) and employee obligations (to be fulfilled by the employees), based on promises made by the employer and employee, respectively. Psychological contracts can be studied in several ways, and there is currently no consensus on the most appropriate approach (Freese, 2007). For example, the content-oriented approach examines the specific terms of the contract, such as the provision of opportunities for training, security, challenging tasks, flexible working hours, confidentiality, working overtime when needed and delivering good services (Guest, 2004). Another way of studying the psychological contract is the evaluation-oriented approach, which assesses the degree of fulfillment and possible violations of the psychological contract (Morrison & Robinson, 1997). This study takes the latter approach.

   Psychological contracts are violated more often during change processes (Freese, 2007), as perceived organizational obligations are fulfilled to a lesser extent during organizational transformations, especially with regard to rewards, social atmosphere at work, career opportunities, job security, compensation, communication and HR practices (Turnley & Feldman, 1998; Pate et al., 2000). Longitudinal research by Freese, Schalk and Croon (2008) has demonstrated that violation of the psychological contract increases during organizational transformations. Freese, Schalk and Croon (2011) also found that organizational change does affect the fulfillment of perceived organizational obligations. Other research (Beaumont & Harris, 2002; Ghoshal & Bartlett, 2000) has found that the introduction of programs such as downsizing and outsourcing and the growing use of contingent work arrangements result in employee perceptions that the organization is failing to meet its obligations to employees. Psychological contract fulfillment, is furthermore an important indicator for the quality of the employment relationship. It is related to job satisfaction (e.g. Turnley & Feldman, 2000), in-role performance (e.g. Dabos & Rousseau, 2004), organizational citizenship behaviors (Hui, Lee, & Rousseau, 2004), and employee performance (Conway & Coyle-Shapiro, 2012). However, empirical evidence supporting the anecdotal argument for the effects of organizational change on psychological contracts is scant. So despite some attempts to explain the effects of change on the psychological contracts (McLean Parks & Kidder, 1994; Shore et al., 2004), research on the topic of change and psychological contracts

remains on the periphery. This study addresses this shortcoming by examining the effects of organizational change on the fulfillment of the employer's obligations of the psychological contract. That is to say, we study the effects of organizational change on the individual worker's beliefs regarding the extent to which the employer fulfills its obligations to the worker (fulfillment of the perceived obligations of the organization).

Antecedents of change

According to Rafferty and Griffin (2006), most existing research on organizational change focuses on the effects of specific changes such as downsizing, but do not identify the properties of change events that lead to negative employee outcomes. And although longitudinal research by for example Freese, Schalk and Croon (2008, 2011) does contribute to the understanding of the effects of organizational change on the psychological contract, it does not differentiate between antecedents of change that may cause the negative employee outcomes. This is a critical limitation of existing work because, without knowing which antecedents of change are perceived negatively and are associated with poor outcomes, it is difficult to manage the implementation of change. This study adds to the literature by examining the effects of several determinants of change on the fulfillment of the psychological contract. Given the wide variety of features of organizational change, we made a selection of variables to include in this study. The variables included in this study are in line with the main change antecedent categories in the literature review of studies of change recipients' reactions to organizational change by Oreg, Vakola and Armenakis (2011). They define five primary antecedent categories that are linked to individuals' reactions to change: a) change content (what was the change about), b) perceived benefit/harm (impact on change recipient), c) internal context (e.g. organizational conditions and circumstances), d) change process (how the change was implemented) and e) change recipients' characteristics (personal traits, circumstances). Four of the five categories identified by Oreg (2011) are included in our study. The change content is represented by looking at the type of change. Several authors have highlighted the importance of type of change (e.g. Bouckenooghe, 2010; McNamara, 2006; Rousseau, 1995). The perceived benefit/harm is taken into account by looking into the personal impact of change. For instance, Lau and Woodman (1995) and Caldwell et al. (2004) have indicated that the impact on daily work and the perceived future within the organization determine the impact of organizational change. The internal context is taken into account by looking at the change history and the frequency of change. The change history refers to the extent to which an employee perceives that past changes were successful. Several authors state the importance of the change history (e.g. Wanous et al., 2000; Bouckenooghe & Devos, 2007) and the frequency of change (e.g. Smollan, Sayers & Matheny, 2010; Rafferty & Griffin, 2006). Finally, the change recipients' characteristics are taken into account as control variables (age, work experience, level of education, organization, etc.).

The eventual success and effects of organizational change on employee outcomes, such as intention to quit or commitment, at least partly depend on an individual's resistance or attitude toward change (Oreg, 2006; Van den Heuvel & Schalk, 2009). According to Piderit (2000), the employee's attitude toward change is an important determinant of the success or failure of organizational change. Employees feel, think and behave either in a positive or a negative manner about organizational change, in line with their overall attitude (Arnold, Cooper, & Robertson, 1995). The employee's attitude toward change may influence the effects of organizational change on the psychological contract. Therefore, attitude toward change is incorporated in this study. First, we study whether the attitude toward change is related to psychological contract fulfillment and whether the attitude toward change mediates the relationship between the four change antecedents of change and the fulfillment of the psychological contract. Second, we study whether the attitude toward change itself is related to the employees perceptions toward the change variables mentioned before. The latter is relevant, since the change determinants incorporated in our research may also lead to explicit change reactions regarding the individual's attitude toward change. In conclusion, the mediating effect of attitude toward change on the relationship between the change characteristics and the fulfillment of the psychological contract is taken into account.

3.4 THE RELATIONSHIP BETWEEN THE ANTECEDENTS OF ORGANIZATIONAL CHANGE AND THE PSYCHOLOGICAL CONTRACT

Every organizational change process is different. The characteristics of the change events affect the way employees react. Employees may moreover be confronted with several change events within a certain amount of time. As stated in the introduction, this research takes account of four antecedent categories of change, as defined by Oreg, Vakola and Armenakis (2011). A conceptualization of the change content, of the perceived benefit or harm, and of the internal context is provided in the following section.

Type of change - The first category identified by Oreg et al. (2011), change content, was taken into account by looking at the type of change. Organizational change may have consequences for the work situation of employees if their role and tasks are affected and they need to adapt to new circumstances and different demands (Lau & Woodman, 1995; Caldwell et al., 2004; Sims, 1994; Freese, 2007). Research shows that employees in an organization undergoing downsizing or restructuring experience psychological contract violations with regard to job security (Turnley & Feldman, 1998), compensation and advancement opportunities (Pate, Martin & Staines, 2000), and communication and HR practices (Pate et al., 2000). Bellou (2007) found that, following mergers and acquisitions, employees' overall perception of the extent to which organizational obligations are fulfilled has diminished.

Rousseau (1995) differentiates between two types of changes: accommodation

and transformation. Accommodation is an evolutionary process, enabling adjustments within the framework of the existing psychological contract. Transformation is a revolutionary shift in the nature of the relationship between the parties, redefining it and the contract on which it is based. Accommodation is connected to organizational changes such as isolated changes in performance criteria, benefit packages, or working hours, while transformations relate to systemic changes such as downsizing processes, restructuring, or the introduction of new HR policies. Large-scale organizational change processes (e.g. mergers, downsizing or restructuring) are more often associated with transformations than minor organizational changes are. In a similar vein, McNamara (2006) distinguishes between *transformational and incremental change*. Transformational changes can have a big impact on the structure and the culture of an organization. He gives the example of a change in the hierarchical structure of an organization from a traditional top-down to a bottom-up structure, with a large number of employees and team autonomy at the bottom of the organization. An incremental change is a more stepwise and continuous form of change, for example the ongoing adjustments in a particular ICT-based knowledge-management system. The differences between these two categories of changes are also highlighted by Dahl (2011), who refers to these categories as broad and extensive versus narrow and small. This leads to the following hypothesis:

Hypothesis 1: Transformational changes are related to lower fulfillment of organizational obligations.

Impact of change - The second category named by Oreg et al. (2011), perceived benefit/harm, was taken into account by looking at the impact of the change on the individual. Lau and Woodman (1995) indicate that the impact on daily work and the perceived future within the organization determine the impact of organizational change. The more a change is perceived as extensive, the more adaptation is needed and the more an employee is influenced by it (Caldwell et al., 2004). This might lead to the introduction of new obligations (Sims, 1994) or to a lower fulfillment of obligations, possibly followed by contract breach or violation (Freese, 2007). The impact of change not only depends on the type(s) of change(s), but also on the personal circumstances of the individual and his perception and reaction patterns.

Hypothesis 2: Organizational change events that are perceived as high impact changes by the employee are related to lower fulfillment of organizational obligations.

Successfulness of past changes or change history - For the internal context, Oreg's (2011) fourth category, the variable "successfulness of past changes" was taken into account. An important determinant of organizational change is the change history. Employees

will be less positive and less motivated about a new organizational change if they had negative experiences with change processes in the past (Reichers et al., 1997; Wanous et al., 2000), and will be more positive if they have a positive and successful change history (Schneider, et al.; 1996; Bouckenooghe & Devos, 2007). Bouckenooghe and Devos (2007) found that participants in the low trust and poor history of change condition reported significantly lower openness to change than individuals in any of the other conditions. Therefore, we believe that an individual's change history (perceived successfulness of changes in the past) will influence the relationship between organizational changes and the fulfillment of the psychological contract.

Hypothesis 3: The more positive employees are about past changes, the higher the fulfillment of organizational obligations.

Frequency of change - For Oreg's (2011) fourth category, a second variable was taken into account, namely the frequency of change. Several authors (Smollan, Sayers & Matheny, 2010; Rafferty & Griffin, 2006) have argued that individuals are concerned about whether change occurs very frequently or infrequently. Rafferty and Griffin (2006) found that when organizational changes occur more frequently, employees are more likely to perceive changes as unpredictable and to experience anxiety. Similarly, Smollan, Sayers and Matheny (2010) conclude that most participants in their qualitative research on organizational change were negative about change. Whether people claim to like change or not, they seem to be overwhelmed by continual change. The more often employees are confronted with organizational change, the more impact this will have on their psychological contract. This brings us to the following hypothesis:

Hypothesis 4: The higher the (perceived) frequency of organizational change, the lower the fulfillment of the organizational obligations.

The eventual success and effects of organizational change on employee outcomes, such as intention to quit or commitment, at least partly depend on an individual's resistance or attitude toward change (Oreg, 2006; Van den Heuvel & Schalk, 2009). This attitude toward change is taken into account in this study. It is likely that an employee will perceive changes as threatening due to feelings of defenselessness and the fear of losing security (Saunders & Thornhill, 2003), as well as the prospect of facing difficulties in accepting and adjusting to the new settings (Panchal & Cartwright, 2001). On the other hand, it is conceivable that changes evoke positive employee responses (Gilmore, Shea, & Useem, 1997). Weber and Weber (2001) therefore emphasize the importance of assessing both positive and negative aspects of change on the employees. Piderit's (2000) measure of attitude toward change serves this purpose. In her view, employees' attitudes toward change have cognitive, affective and behavioral components that can be either positive

or negative. The current study only measures the affective attitudes. The behavioral and cognitive component are disregarded as earlier research the relationship between the cognitive and behavioral component and fulfillment of psychological contracts was not confirmed (Van den Heuvel & Schalk, 2009). A theoretical explanation for the fact that the behavioral component was not confirmed is that behavioral action is trigged by the employee's positive or negative thoughts and emotions, and is thus not an initial response. Since in this study (Van den Heuvel & Schalk, 2009) the affective component of change was significantly related to fulfillment of psychological contracts, in this study we focus on that component of attitude toward change.

Attitude toward change - Employees feel, think and behave in either a positive or a negative manner about change, all of which characterizes their overall attitude (Arnold, Cooper, & Robertson, 1995). This attitude not only influences the success or failure of organizational change itself (Piderit, 2000), but will most likely also influence the employee's perception regarding the fulfillment of perceived organizational obligations. This is in line with Barsade and Gibson (2007), who describe negative affectivity in which negative emotions are consistent across situations and time. If the latter is the case, it becomes more likely that organizational obligations will be perceived as not being fulfilled when the attitude is more negative, and vice versa. Thus:

Hypothesis 5: The more negative the attitude toward change, the lower the perceived fulfillment of organizational obligations.

Organizational change is in many cases a stressful experience for individuals involved (e.g. Elrod & Tippett, 2002). Literature on organizational change sometimes compares emotions and responses to change with individual responses to traumatic changes such as death and grief (Henderson-Loney, 1996; Grant, 1996). These responses to change can be considered normal, since the change process involves going from the known to the unknown (Bovey & Hede, 2001). Piderit (2000) identifies various employees' responses to an organizational change ranging from strong positive attitudes (i.e. "this change is essential for the organization to succeed") to strong negative attitudes (i.e. "this change could ruin the company"). Therefore, change may be received with excitement and happiness or anger and fear, while employees' responses may range from positive intentions to support the change to negative intentions to oppose it. The question is thus how the attitude toward change is related to the characteristics of change described above (frequency, type of change, impact of change and successfulness of past changes). This results in the following hypotheses.

Hypothesis 6: Exposure to transformational change is related to a more negative attitude toward change.

Hypothesis 7: Employees that are confronted with impactful changes have a more negative attitude toward change.

Hypothesis 8: Less successful changes in the past are related to a more negative attitude toward change.

Hypothesis 9: A higher frequency of change is related to a more negative attitude toward change.

The effects of organizational changes on employee outcomes (e.g. intention to quit or commitment) are expected to depend on an individual's resistance or attitude toward change (Oreg, 2006; Van den Heuvel & Schalk, 2009). Therefore, it is important to examine the mediating role of attitude toward change:

Hypothesis 10: The relationship between the change characteristics and the perceived fulfillment of the psychological contract is mediated by the attitude toward change.

Figure 1 gives an overview of the hypotheses.

FIGURE 1: CONCEPTUAL MODEL AND HYPOTHESES
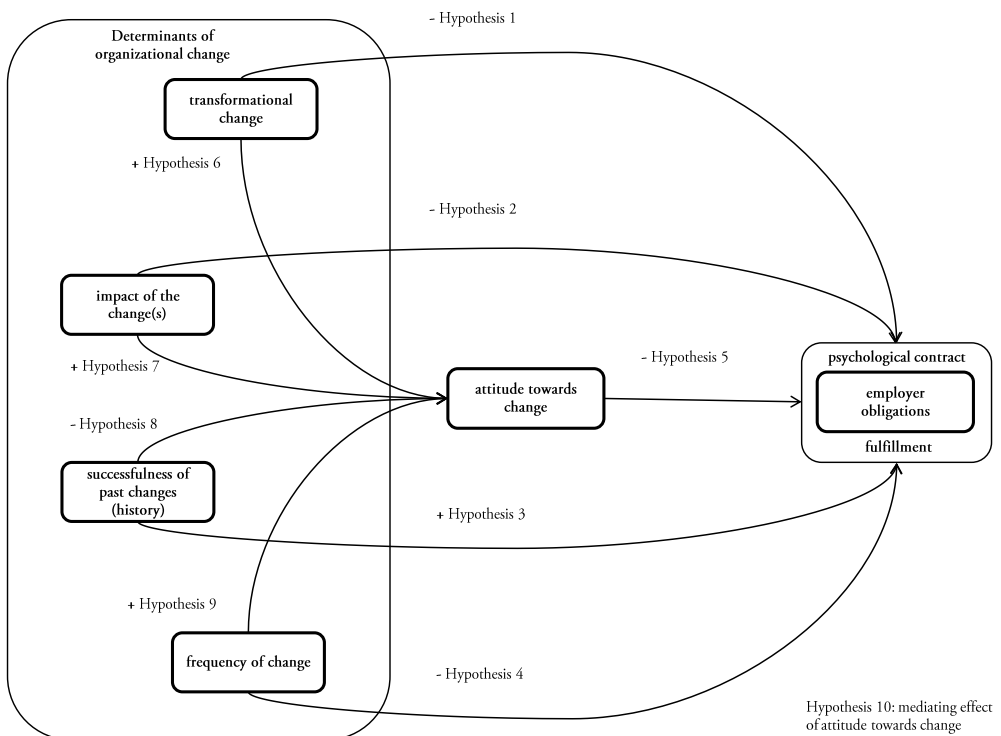
3.5   METHOD

Sample and procedure

An online survey was distributed to the respondents. An email with invitation to participate was sent to around 7,500 employees working for five organizations. All organizations were selected because they had gone through one or more organizational change events over the last two years. In addition, organizations from different industries were chosen. Respondent confidentiality was assured and informed consent was obtained. The data of a total of 2,494 respondents were suitable for analyses yielding a response rate of around 35 percent.

Measurements

Type of change – Type of change was measured by one question and eight response options (more than one response possible). The scale items were partly adapted from Morgan and Zeffane (2003), namely major new office technology (information), major new plant, machinery or equipment (operations), and major reorganization of workplace (structure). Also downsizing (Turnley & Feldman, 2000; Morgan & Zeffane, 2003), cost-cutting and organizational policies (Rousseau, 1995) and change in leadership and in organizational culture (Self et al., 2007; Smollan & Sayers, 2009) were incorporated. Respondents were asked to select the types of changes they had been confronted with in the last two years. These eight changes were divided into two categories, following Rousseau's (1995) distinction between the two types of organizational change that can influence psychological contracts: accommodation and transformation. Two changes, namely in technology and plant/machinery or equipment, were categorized as accommodative due to their incremental nature as a natural response to maintaining alignment with the external environment. The remaining six changes (pertaining to structure, culture, leadership, organizational policies, downsizing, and cost cutting) were categorized as transformational due to their radical character. The changes in the two categories were used to compute two variables representing either transformational or accommodative changes. All eight items were answered using a nominal scale: "yes" (= 1) and "no" (= 0), and the scale means were calculated by summing all the changes selected in each category, dividing the sum by the total amount of available options and then rescaling them to scores that varied from 1 to 5.

Personal impact – Personal impact was derived from Lau and Woodman (1995) and measured with three items. A sample question is: "The changes have important consequences for my future in the organization". Answers were measured using a 5-point Likert-type scale ranging from 1 ("totally disagree") to 5 ("totally agree"). Cronbach's alpha for the scale is 0.70.

The successfulness of past changes (history) – The successfulness of past changes was measured by using four item from the scale by Metselaar (1997). Answers were measured using a 5-point Likert-type scale ranging from 1 ("totally disagree") to 5 ("totally agree"). A sample item used in this research was "Past changes generally were successful". The item "announced changes usually came to nothing in the past" did not function as expected as indicated by its low negative factor loading, so the item was removed from the scale. Cronbach's alpha for the scale is 0.78.

Frequency of change – Frequency of change was measured with two items derived from the work by Rafferty and Griffin (2006). These items measure the frequency of the changes experienced by the employee. A sample item is: "Change frequently occurs in my organization". A 5-point Likert-type scale, ranging from 1 ("strongly disagree") to 5 ("strongly agree"), was used. Cronbach's alpha for the scale is 0.87.

These change characteristics represent four of the five antecedents identified by Oreg (change content, perceived benefit/harm, internal context and change recipients' characteristics). Information on perceptions of the change process (including topics like participation, communication, procedural justice, etc.) was not available in this study.

The attitude toward change – The attitude toward change was measured with the scale developed by Oreg (2006). For this study we used the sub-scales measuring the affective dimension of an employee's attitude toward change, leaving out the behavioral and cognitive part. This rationale accords with Bouckenooghe, Devos and Van den Broeck (2009), who state that the individual perceptions are composed of the mental assessment of the context and processes of organizational change, and the emotions they generate. This is supported by current research (Van den Heuvel & Schalk, 2009). A sample item is: "I was afraid of the change". Again, a 5-point Likert scale ranging from 1 ("totally disagree") to 5 ("totally agree") was used to measure answers. Cronbach's alpha for the scale is 0.80.

Fulfillment of the psychological contract – The fulfillment of the psychological contract was measured using the Tilburg psychological contract questionnaire (TPCQ), constructed by Freese, Schalk and Croon (2008). The TPCQ was constructed by applying Morrison and Robinson's (1997) recommendation to focus on measuring the terms or elements of the psychological contract, rather than contract types. The questionnaire consists of a set of items assigned to six scales (work content, career development, social atmosphere, organizational policies, work-life balance and rewards) to measure the perceived obligations of the organization, and two scales to measure the perceived employee obligations (in-role and extra-role behavior). Each set of items on the obligations of the organization is introduced with a question, for example: "In the employment

relationship employees have expectations about what the organization will offer. To what extent is your organization obliged to offer you the following?" A 5-point Likert-type scale, ranging between 1 ("no obligation at all") to 5 ("very strong obligation") was used to measure the answers. To evaluate the extent to which the obligations are fulfilled (the evaluation-oriented part is the only part used in this research), after each scale addressing a distinct aspect of the psychological contract content (so 6 times in total), the following question was included: "To what extent did your employer fulfill the previous obligations?" The fulfillment of the psychological contract on the employee side was measured likewise, but this is not used in this research. The fulfillment of the psychological contract was measured by a 5-point Likert-type scale ranging from 1 ("not at all") to 5 ("to a very great extent"). Cronbach's alpha for the fulfillment scale is 0.79.

Control variables - Several control variables were included in this study. These are age, gender, education level and work experience. Two organizational characteristics that were included in this research were the perceived performance of the organization and the perceived competitiveness. With the exception of age and work experience, which were measured on a continuous scale, these variables were measured using categorical questions. The variable 'Education' was measured on a six-point scale ranging from 1 ("primary education") to 6 ("PhD, post-doc or similar"). The perceived performance of the organization and the level of competitiveness were measured on a five-point scale. Gender was included in the regression analyses as a nominal variable, education as an ordinal variable, and age and work experience as ratio variables.

Respondents and control variables

The mean age was 45 years. The majority of the respondents were male with 81 percent (female 19 percent). In terms of the highest education obtained, the largest group holds a Bachelor's degree (49 percent), followed by second largest group of people that holds a vocational degree (24.2 percent) and 19 percent holds a Master's degree. A small minority had either secondary education or a PhD (6 percent and 1.5 percent). As for the job level, 8.4 percent of the respondents were part of management or directors, 63 percent of the respondents were upper white collar workers, 23.9 percent were intermediate and 4.7 percent were lower level white collars or skilled blue collar workers. The respondents had an average overall working experience of 23.10 years. The overall score on the performance of the organization was 3.00, which is between equal to and better than the competition and the overall score on the level of competition was 2.32, which is between rather competitive and very competitive. Most respondents (79 percent) worked for organization five (a large IT firm), followed by organization one (9 percent, a local government), organization two, three and four (all around 4 percent, respectively a court, a regional government and a central governmental organization).

3.6 RESULTS

The central question in this research is: "Are organizational change factors related to psychological contract fulfillment and the employees' attitude toward change?" To answer these questions regression analyses were carried out. The first regression analysis tests the relationship between the change antecedents, the attitude toward change and the fulfillment of the psychological contract (hypotheses 1 to 5), and a second regression analysis tests the relationship between the change determinants and the attitude toward change (hypotheses 5 to 9). A Sobel test was carried out to test the mediating effect of the attitude toward change on the relationship between the change antecedents and the fulfillment of the psychological contract. First means, standard deviations and correlations are presented in Table 1.

The average score for frequency of change was 4.46 (s.d. = .66), which is high. The average score for transformational change was 3.43 (s.d. =1.33), the score for personal impact was 3.51 (s.d. = .76). The average score for the successfulness of past changes was 2.76 (s.d. = .77), slightly below the neutral score of 3. The average fulfillment score was 3.31 (s.d. =.54).

The correlations are mostly in line with what we expected. There are significant correlations between change characteristics and fulfillment, between frequency and fulfillment (-.134), between successfulness of past changes and fulfillment (.449), between transformational changes and fulfillment (-.122) and between impact and fulfillment (-.098), but also between attitude toward change and fulfillment (-.342). Furthermore, several significant correlations were found between change characteristics and attitude toward change (frequency and attitude (.175), transformational changes and attitude (.112), impact and attitude (.119) and between the successfulness of past changes and attitude toward change (-.331).

Regression analyses

To further test the hypotheses, regression analyses were carried out. The first regression assessed whether the fulfillment of the psychological contract was significantly related to the four change variables included in this research (frequency, transformational change, impact of change and successfulness of past changes) and the attitude toward change. This was to test hypothesis one, two, three, four and five. This R^2 of the model is .282. The results are presented in Table 2.

Contrary to what we expected in hypothesis 1, being confronted with transformational changes is not significantly related to the fulfillment of the psychological contract. The impact of organizational change on the contrary, is significantly related to the fulfillment of the psychological contract (β = -.042, p < .05). This is in line with what we expected

TABLE 1: MEAN, STANDARD DEVIATIONS AND CORRELATIONS OF CHANGE VARIABLES, CONTROL VARIABLES AND FULFILLMENT OF PSYCHOLOGICAL CONTRACT DIMENSIONS

	Mean	Stdev	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
1 Age	45.06	9.09	1.00																	
2 Gender (o=male, 1=female)	1.19	0.39	-.194**	1																
3 Education	3.85	0.86	-.148**	.146**	1															
4 Job level	4.73	0.73	0.029	-.074**	.384**	1														
5 Work experience	23.1	10.03	.922**	-.204**	-.268**	-0.008	1													
6 Performance	3.00	0.81	.053**	.088**	-.054**	-.051*	.054*	1												
7 Competitiveness	2.32	1.00	-.081**	.227**	0.024	-.116**	-.087**	.246**	1											
8 Organization 1	0.09		.075**	.214**	0.009	-.070**	.044*	.233**	.338**	1										
9 Organization 2	0.04		-.070**	.272**	.134**	-.053**	-.095**	.056**	.230**	-.065**	1									
10 Organization 3	0.04		.049*	.123**	.057**	-.046*	0.02	.175**	.202**	-.066**	-.042*	1								
11 Organization 4	0.04		-.313**	.219**	.105**	-0.022	-.294**	.047*	.253**	-.065**	-.041*	-.042*	1							
12 Organization 5	0.79		.105**	-.445**	-.148**	.108**	.143**	-.299**	-.567**	-.615**	-.392**	-.397**	-.388**	1						
13 Frequency	4.46	0.66	0.037	-.172**	-.065**	.073**	.069**	-.243**	-.310**	-.278**	-.272**	-.199**	0.000	.424**	1					
14 Transformational changes	3.43	1.33	0.034	-.144**	-.054**	.105**	.054**	-.185**	-.239**	-.130**	-.233**	-.147**	-.048*	.298**	.381**	1				
15 Past changes	2.76	0.77	0.017	.171**	0.008	0.012	0.008	.418**	.166**	.191**	.090**	.161**	.084**	-.296**	-.290**	-.235**	1			
16 Impact	3.51	0.76	0.025	-0.037	-0.010	-0.001	0.029	-0.032	-0.011	-0.019	-.058**	0.004	.059**	0.011	.186**	.172**	-.052**	1		
17 Attitude	2.72	0.77	.061**	-.145**	-.174**	-.231**	.073**	-.143**	-0.005	-.127**	-.048*	-.060**	-.063**	.172**	.175**	.112**	-.331**	.119**	1	
18 Fulfillment	3.31	0.54	-0.004	.123**	.079**	.169**	-0.009	.297**	0.032	.102**	0.015	.093**	.085**	-.165**	-.134**	-.122**	.449**	-.098**	-.342**	1

TABLE 2: RESULTS OF MULTIPLE REGRESSION ANALYSIS ON DEPENDENT PC FULFILMENT

Variable	Model 1			Model 2			Model 3		
	β	s.e.	B	β	s.e.	B	β	s.e.	B
Age	-.001	.003	-.010	-.001	.003	-.014	.000	.003	.005
Gender (1=male, 2=female)	.121**	.030	.088*	.078*	.028	.057	.063*	.027	.046
Education	-.004	.014	-.006	.004	.013	.006	-.003	.013	-.005
Work Experience	.001	.003	.021	.001	.003	.020	.000	.003	.009
Organisational performance	.192**	.013	.021*	.101**	.013	.151	.099**	.013	.149
Organisational competitiveness	-.056**	.012	.288	-.050**	.012	-.092	-.038*	.012	-.072
Job level	.138**	.015	-.104	.121**	.014	.164	.095**	.015	.128
Organization 1	.135*	.041	.073	.052	.040	.028	.019	.039	.011
Organization 2	.059	.060	.021	-.036	.058	-.013	-.041	.057	-.015
Organization 3	.195*	.056	.071	.080	.054	.029	.063	.053	.023
Organization 4	.258**	.059	.095	.186*	.056	.068	.162*	.055	.059
Frequency of change				.005	.017	.006	.015	.017	.018
Transformation				-.034	.013	-.034	-.029	.039	-.014
Impact of change				-.052**	.040	-.017	-.042*	.013	-.058
Success of past changes				.256**	.014	.367	.224**	.014	.322
Affective attitude							-.118**	.014	-.168
R^2	.145			.260			.282		
ΔR^2	.141			.255			.278		
ΔF	37.363**			56.473**			59.286**		

Note: The regression coefficients shown are standardized regression coefficients (β)

*P<.05

**P<.01

in hypothesis 2, where we theorized that being confronted with impactful changes is related to a more negative perception of the fulfillment of the psychological contract. We do also find support for our third hypothesis, in which we propose that success of changes in the past is related to a more positive fulfillment of the psychological contract (β = .224, p < .001). Further, change frequency is not significantly related to the fulfillment of the psychological contract (.015). This is contrary to hypothesis 4, which proposes that frequency of change is negatively related to the fulfillment of the psychological contract. Hypothesis 5, which proposes that the more negative the attitude toward change, the more negative the fulfillment of the psychological contract, was also confirmed by the results (β =- .118, p < .01).

Looking at the organizational control variables, it appears that the performance of the organization were significantly related to the fulfillment of the psychological contract (β =.099, p < .01), meaning that more positive perceptions on the performance of the organization are related to more fulfillment of the psychological contract. This also applies for the level of competitiveness (-.038, p<.05), meaning that when the perceived level of competitiveness increases, the level of fulfillment decreases. Age, education and work experience do not influence the outcome variables whereas gender does.

The second series of regression analyses assessed whether attitude toward change is significantly related to the characteristics of organizational change that were included in this study (transformational change, impact of change, successfulness of past changes and frequency). These analyses served to test hypotheses 6, 7, 8 and 9. The variables included in this study result in a total R^2 of .206. The results are presented in Table 3.

The results illustrate that transformational changes is not significantly related to the attitude toward change (β = .046). This is contrary to hypothesis 6, which proposes that being confronted with transformational changes is associated with a more negative attitude toward change. Further, the impact of organizational change is significantly related to the attitude toward change (β =.089, p < .01). This supports hypothesis 7, in which we theorized that employees who are confronted with impactful changes in the (recent) past have a more negative attitude toward change. Our reasoning is also confirmed for the relationship between successfulness of past changes and attitude toward change. The success of past changes is significantly related to (β = -.270, p < .01) the attitude toward change. This confirms hypothesis 8, which proposes that not being confronted with successful changes in the past is associated with a more negative attitude toward change. Finally, change frequency is also significantly related to the attitude toward change (β =.081, p<.05). In line with what we expected this confirms hypothesis 9, in which we hypothesized that frequency of change is related to a more negative attitude toward change.

The control variables that had a significant relationship with attitude toward change were, age, gender, education and job level. Gender has a negative and significant

TABLE 3: RESULTS OF MULTIPLE REGRESSION ANALYSIS ON DEPENDENT AFFECTIVE ATTITUDE

Variable	Model 1			Model 2		
	β	s.e.	B	β	s.e.	B
Age	.009*	.004	.109	.010*	.004	.113
Gender (1=male, 2=female)	-.174**	.043	-.088	-.130*	.041	-.066
Education	-.052*	.020	-.058	-.058*	.019	-.065
Work Experience	-.005	.004	-.061	-.005	.004	-.068
Organisational performance	-.120**	.019	-.126	-.014	.020	-.015
Organisational competitiveness	.095**	.018	.124	.095**	.017	.123
Job level	-.240**	.022	-.227	-.223**	.021	-.212
Organization 1	-.413**	.060	-.157	-.274**	.059	-.104
Organization 2	-.224*	.087	-.056	-.040	.086	-.010
Organization 3	-.319**	.081	-.081	-.147	.080	-.038
Organization 4	-.264*	.086	-.068	-.202*	.082	-.052
Frequency of change				.081*	.026	.069
Transformation				.046	.059	.016
Impact of change				.089**	.019	.087
Success of past changes				-.270**	.021	-.271
R^2	.126			.206		
ΔR^2	.122			.201		
ΔF	31.747**			41.747**		

Note: The regression coefficients shown are standardized regression coefficients (β)

*P<.05

**P<.01

relationship (β = -.130, p < .05) with attitude toward change.

The last hypothesis (10) addressed the mediating effect of attitude toward change. A Sobel test was carried out to test the mediating effect of attitude toward change on the significant relationship between the dependent variable (fulfillment) and the independent variables (the change antecedents). Since significant relationships were found for the successfulness of past changes, and the impact of change only for these variables a Sobel test was carried out. The results point out that attitude toward change does have a mediating role on the relationship between successfulness of past changes, respectively the impact of change and fulfillment of the psychological contract. (Sobel test: z-scores are 7.049, p < .05 and -4.094, p < .05). In summary, hypothesis 10 is partly confirmed by the results in this study.

3.7 DISCUSSION

The central question in this research was: "Are organizational change factors related to psychological contract fulfillment and the employees' attitude toward change?" The relationship between the change factors with both the fulfillment of the psychological contract and the attitude toward change was considered. The mediating role of the attitude toward change in the relationship between the change variables and the fulfillment of the psychological contract was examined. The results show that both the impact of change and the individual's change history are significantly related to the fulfillment of the psychological contract. Furthermore, the results confirm the positive relationship between the attitude toward change and the fulfillment of the psychological contract. However, and contrary to what we expected, (see e.g. Dahl, 2011), the type of change (transformational change) and the frequency of change were not significantly related to the fulfillment of the psychological contract. The lack of empirical support for the effects of change frequency on the fulfillment of the psychological contract may be the fact that employees get used to changes because they are frequent. They may learn from the changes undergone and the frequency of change might not matter anymore for the fulfillment of the psychological contract. A suggestion for future research would be to include organizations in which change is less frequent, for example organizations operating in less turbulent environments. Another recommendation for future research would be to collect more in-depth information on what type of change people were confronted with and how this was perceived by the respondents. This may be helpful in explaining the lack of evidence for the role of (transformational) type of change. In conclusion, the strength of our study is that we assessed several change antecedents, but at the same time, these antecedents are related and this overlap between antecedents may be the cause for the insignificant effects of some variables included in this study. The second topic of this study concerns the relationship between the change variables and attitude toward change. The results support our propositions that both high impact

and negative experiences with change in the past are related to attitude toward change in a negative way. These relationships indicate that as the personal impact of changes increases, the individual adjusts his or her attitude in a negative way. Our propositions regarding one's change history were also supported, meaning that negative experiences in the past have a negative effect on the attitude toward change. In line with what we expected, the results indicate that change frequency also is significantly related to the attitude toward change. In line with the lack of significant effects of transformational changes on the fulfillment of the psychological contract, these types of changes are also nog significantly related to the attitude toward change. This may be due to lack of in depth information on this antecedent and due to the way this item was measured (asking for a yes or no). A recommendation for future research is to include more organizations. This would help gain further insight into differences between participating organizations and industries (and the significant effects for some of the organizations included in this research).

Furthermore, Smollan et al. (2010) argue that whether people claim to like change or not, they can be overwhelmed by continuous change and that an accumulation of both positive and negative life changes can lead to stress. This could be an explanation for the fact that significant relations between frequency of change and attitude toward change were found, whereas at the same time there was no significant relationship between frequency and fulfillment of the psychological contract. In this case frequency is related to the employees' attitude toward change as such, but is not significantly related to the perception of the actual effects of the change (the fulfillment of the psychological contract) for the individual. People can still have a positive perception toward the fulfillment of the psychological contract as such, but can at the same time dislike some of the negative outcomes associated with it.

In conclusion, a topic for future studies to examine is why some change characteristics significantly affect individual reactions to the change, and others only the perceived change consequences (fulfillment of the psychological contract). An additional recommendation for future research is to design and conduct longitudinal studies. This could be useful to further test the relationship between fulfillment of the psychological and organizational change, and could provide more insight into developments over time during organizational change. Another interesting research design would be to explore some of the results found in this study by using case studies or other forms of qualitative methodologies. This could result in more in-depth information about the context in which changes take. By doing so, we recommend to take the context in which changes take place into account. Although context is often neglected in organizational research, it is an important factor to take into account since the nature of work and the relationship between employer and employee is more and more dynamic (Rousseau & Fried, 2001). Furthermore, in this study, the respondents were all relatively highly educated. Earlier research on the so called new psychological contract already concluded that this new

psychological contracts only applied for highly educated professionals (Van den Brande, Janssens, Sels & Overlaet, 2002). Although no significant relationship between the level of education and the fulfillment of the psychological contract was found, the level of education was related to the attitude toward change in a positive way.

Contributions and implications

The results of the study have implications for future research on psychological contracts, organizational change and attitude toward change, as well as for organizational or change management practice and society. First, in this study organizational change characteristics are considered as predictors. Most existing research on organizational change focuses on the effects of specific changes such as downsizing (Beaumont & Harris, 2002), but does not identify the properties of change events that lead to (negative) employee outcomes. No previous research on the (combined) effects of the change characteristics, to our knowledge, exists. The results of our study are particularly interesting and relevant for those working as change management practitioners or managers, as our study offers insights in which aspects of change really matter. As the results show, the variables included in this research explain much of the variance in both the fulfillment of the psychological contract and in attitude toward change, thus highlighting the importance of the antecedents. These insights can be helpful in implementing change successfully. This applies even more so in business environments where organizations are compelled to change with a frequency and pace never been seen before. In addition, practitioners need to understand the important role of attitude toward change, especially when it comes to the effect on fulfillment of the psychological contract. The results indicate that attitude toward change is closely related to fulfillment. Understanding the importance of attitude toward change can impact change management approaches and communication about change.

Second, research on the effects of organizational change on the psychological contract is scarce, especially regarding the role of the individual's attitude toward change. This study focuses on the individual's reactions to organizational change, whereas most of the work on organizational change aims to explain how organizations prepare for and respond to organizational change (Oreg, 2011). This helps researchers and practitioners to acquire more insight into the individual reactions to organizational change. The combined effects of changes in the business environment and the necessity for organizations to implement changes quickly, significantly redefine employment relationships and have an impact on individuals' psychological contracts (Frese, 2000; Guest, 2004; Freese 2007; Van den Heuvel & Schalk, 2009; Chaudry, Coyle-Shapiro & Wayne, 2011). These studies call for further research into the effects of organizational change on the psychological contract. Also because some of the change characteristics examined in this research did not have a significant effect, it would be interesting to incorporate other characteristics of change that match the categories defined by Oreg,

Vakola and Armenakis (2011). Examples are the justification of changes, which is a cognitive factor that influences how employees assign responsibility for the organizational change event (Chaudry et al., 2009), communication (several authors, e.g. Amiot et al., 2006) and involvement in the change process (several authors, e.g. Brown & Cregan, 2008).

REFERENCES

Arnold, J., Cooper, C.L., & Robertson, I.T. (1995). *Work psychology*: *Understanding human behaviour in the workplace*. London: Pitman Publishing.

Barsade, S.G., & Gibson, D.E. (2007). Why does affect matter in organizations? *Academy of Management Perspectives*, *21(1),* 36-59.

Beaumont, P., & Harris, R. (2002). Examining white-collar downsizing as a cause of change in the psychological contract. *Employee Relations, 24(4),* 378-388.

Bellou, V. (2007). Psychological contract assessment after a major organizational change: The case of mergers and acquisitions. *Employee Relations, 29(1),* 68-88.

Bouckenooghe, D., & Devos, G. (2007). The role of process, context and individual characteristics in explaining readiness for change: A multilevel analyses. *Working Paper Series Vlerick Leuven Gent Management School.*

Bouckenooghe, D., Devos, G., & Van den Broeck, H. (2009). Organizational change questionnaire - climate of change, processes and readiness: Development of a new instrument. *The Journal of Psychology: Interdisciplinary and Applied, 143(6),* 559-599.

Bouckenooghe, D. (2010). Positioning change recipients' attitudes toward change in organizational change literature. *Journal of Applied Behavioral Science*, *46(4),* 501-531.

Bovey, W., & Hede, A. (2001). Resistance to organisational change: The role of cognitive and affective processes. *Leadership & Organizational Development Journal, 22(1),* 372-82.

Brown, M. & Cregan, C. (2008). Organizational change cynism: The role of employee involvement. *Human Resource Management, 47(4),* 667–686.

Caldwell, S.D., Herold, D.M., & Fedor, D. B. (2004). Toward an understanding of the relationships among organizational change, individual differences, and changes in person-environment fit: A cross level study. *Journal of Applied Psychology, 89(5),* 868–882.

Chaudry, A., Coyle-Shapiro, J., & Wayne, S. (2011). A longitudinal study of the impact of organizational change on transactional, relational and balanced psychological contracts. *Journal of Leadership Studies. Midwest Academy of Management, 18(2)*, 247-259.

Chen, J., & Wang, L. (2007). Locus of control and the three components of commitment to change. *Personality and individual differences, 42(3),* 503-512.

Conway, N., & Coyle-Shapiro, J.A.M. (2012). The reciprocal relationship between psychological contract fulfillment and employee performance and the moderating role of perceived organizational support and tenure. *Journal of Occupational and Organizational Psychology, 85(2),* 277–299.

Dabos, G.E. & Rousseau, D.M. (2004). Mutuality and reciprocity in the psychological contracts of employees and employers. *Journal of Applied Psychology, 89(1),* 52-72.

Dahl, M.S. (2011). Organizational change and employee stress. *Management Science, 57(2),* 240-256.

Elrod, D., & Tippett, D. (2002). "The 'death valley' of change". *Journal of Organizational Change Management, 15(3),* 273-91.

Ford, J.D., Ford, L.W., & D'Amelio, A. (2008). Resistance to change: The rest of the story. *Academy of Management Review, 33(2),* 362-377.

Freese, C. (2007). *Organizational change and the dynamics of psychological contracts: A longitudinal study.* (Doctoral dissertation). Tilburg University, ISBN/EAN: 978-90-5335-122-2.

Freese, C., Schalk, R., & Croon, M.A. (2008). Schending van het psychologisch contract tijdens organisatieveranderingen. *Tijdschrift voor HRM, 4,* 49-66.

Freese, C., Schalk, R., & Croon, M.A. (2011). The impact of organizational changes on psychological contracts: a longitudinal study. *Personnel Review, 40(4),* 404-422.

Frese, M. (2000). The changing nature of work. In N. Chmiel (Ed.), *Introduction to work and organizational psychology* (pp. 424-439). Oxford: Blackwell.

Ghoshal, S., & Bartlett S. (2000). Rebuilding behavioral context: A blueprint for corporate renewal. In M. Beer and N. Nohria (Eds.), *Breaking the Code of Change*. Boston, Mass.: Harvard Business School Press.

Gilmore, T., Shea, G., & Useem, M. (1997). Side effects of corporate cultural transformations. *Journal of Applied Behavioral Science, 33(2)*, 174–189.

Grant, P. (1996). Supporting transition: how managers can help themselves and others during times of change. *Organizations and People, 3(1),* 4.

Guest, D. (2004). The psychology of the employment relationship: an analysis based on the psychological contract. *Applied Psychology, 53(4)*, 541-555.

Henderson-Loney, J. (1996). Tuckman and tears: Developing teams during profound organizational change. *Supervision*, *57(3),* 5.

Heuvel, S. van den, & Schalk, R. (2009). The relationship between fulfillment of the psychological contract and resistance to change during organizational transformations. *Social Science Information, 48(2),* 283-313.

Holt, D.T., Armenakis, A.A., Field, H.S., & Harris, S.G. (2007). Readiness for organizational change: The systematic development of a scale. *Journal of Applied Behavioral Science, 43(2),* 232-255.

Hui, C., Lee, C. & Rousseau, D.M. (2004). Employment relationships in China: Do workers relate to the organization or to people? *Organization Science, 15(2),* 232-240.

Korunka, C., Scharitzer, D., Carayon, P., & Sainfort, F. (2003). Employee strain and job satisfaction related to an implementation of quality in a public service organization: A longitudinal study. *Work & Stress, 17(1),* 52-72.

Lau, C. M., & Woodman, R. W. (1995). Understanding organizational change: A schematic perspective. *Academy of Management Journal, 38(2),* 537-554.

McLean Parks, J., & Kidder, D. L., (1994). "Till death us do part . . ." Changing work relationships in the 1990s. In C. L. Cooper and D. M. Rousseau (Eds.). *Trends in Organisational Behavior* (pp. 111-136). Chichester: Wiley.

McNamara, C. (2006). *Field guide to consulting and organizational development with nonprofits: A collaborative and systems approach to performance, change and learning.* Minneapolis: MN: Authenticity Consulting.

Metselaar, E.E. (1997). *Assessing the willingness to change.* Amsterdam: Huispers Vrije Universiteit.

Morgan, D.E., & Zeffane, R. (2003). Employee involvement, organizational change and trust in management. *The International Journal of Human Resources Management, 14(1)*, 55-75.

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.

Oreg, S. (2006). Penalty, context, and resistance to organizational change. *European Journal of Work and Organizational Psychology, 15(1),* 73-101.

Oreg, S., Vakola, M., & Armekanis, A. (2011). Change recipients' reactions to organizational change: A 60 year review of quantitative studies. *Journal of Applied Behavioral Science, 47(4),* 461-521.

Panchal, S., & Cartwright, S. (2001). Group differences in post- merger stress. *Journal of Managerial Psychology, 16(6),* 424 – 433.

Pate, J., Martin, G., & Staines, H. (2000). Exploring the relationship between psychological contracts and organizational change: A process model and case study evidence. *Strategic Change, 9(8),* 481-493.

Piderit, S.K. (2000). Rethinking resistance and recognizing ambivalent attitudes toward organizational change: A multidimensional view. *Academy of Management Review*, *25(4),* 783-794.

Rafferty, A.E., & Griffin, M.A., (2006). Perception of organizational change: A stress and coping perspective.

Journal of Applied Psychology, 91(5), 1154-1162.

Reichers, A., Wanous, J., & Austin, J. (1997). Understanding and managing cynicism about organizational change. *The Academy of Management Executive, 11(1),* 48-59.

Rousseau, D.M. (1989). Psychological and implied contracts in organizations. *Employee Responsibilities and Rights Journal, 2(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 Organizational Behavior, 11(5),* 389-400.

Rousseau, D.M. (1995). *Psychological contracts in organizations.* Thousand Oaks, CA: Sage.

Rousseau, D.M., & Fried, Y. (2001). Location, location, location: Contextualizing organizational research. *Journal of Organizational Behavior, 22(1),* 1-13.

Rousseau, D.M., & Tijoriwala, S. A. (1998). Assessing psychological contracts: Issues, alternatives and measures. *Journal of Organizational Behavior*, *19(S1),* 679-695.

Saunders, M.N.K., & Thornhill, A. (2003). Organizational justice, trust and the management of change: An exploration. *Personnel Review*, *32(3),* 360-374.

Schneider, B., Brief, A.P., & Guzzo, R.A. (1996). Creating a climate and culture for sustainable organizational change. *Organizational Dynamics*, *24(4),* 7-18.

Self, D.R., Armenakis, A.A., & Schraeder, M. (2007). Organizational change content, process, and context: A simultaneous analysis of employee reactions. *Journal of Change Management, 7(2),* 211-229.

Shore L.M., Tetrick L.E., Taylor, M.S., Coyle Shapiro, J.M., Liden, R.C., & McLean, P.J. (2004). The Employee-Organization Relationship: A timely concept in a period of transition. In Martocchio J and Ferris G (Eds.), *Research personnel human resource management.* Oxford: Elsevier Ltd.

Sims, R.R. (1994). Human resource management's role in clarifying the new psychological contract. *Human Resource Management, 33(3),* 373-382.

Smollan, R.K., & Sayers, J.G. (2009). Organizational culture, change and emotions: A qualitative study. *Journal of Change Management, 9(4),* 435-457.

Smollan, R.K., Sayers, J.G., & Matheny, J.A. (2010). Emotional responses to the speed, frequency and timing of organizational change. *Time Society, 19(1),* 28-53.

Turnley, W.H., & Feldman, D.C. (1998). Psychological contract violations during corporate restructuring. *Human Resource Management, 37(1),* 71-83.

Turnley, W.H., & Feldman, D.C. (2000). Re-examining the effect of psychological contract violations: Unmet expectations and job dissatisfaction as mediators. *Journal of Organizational Behavior, 21(1),* 25-42.

Van den Brande, I., Janssens, M., Sels, L., & Overlaet, B. (2002). Psychologische contracten in Vlaanderen: 'old deals'?!. *Gedrag en Organisatie, 15(6),* 355-369.

Wanous, J.P., Reichers, A.E., & Austin, J.T. (2000). Cynicism about organizational change: Measurements, antecedents and correlates. *Group & Organization Management, 25(2),* 132-153.

Weber, P.S., & Weber, I.E. (2001). Changes in employee perceptions during organizational change. *Leadership & Organization Development Journal, 22(6),* 291-300.

Chapter 4

Context matters: The influence of organizational change on psychological contracts in various organizational settings

4.1   ABSTRACT

A mixed method approach was used in this study to examine how context affects the relation between organizational change and psychological contracts. First it was examined how six organizational change characteristics (frequency, impact and type of change, successfulness of past changes, the justification of changes and change management) are associated with the fulfillment of the psychological contract by conducting quantitative analyses on the survey data of 3,379 respondents working in seven organizations. These quantitative data were also used to examine the reciprocal character of the psychological contract. It was examined if and how the level of fulfillment of the employer's obligations is related to the perceived level of obligations of the employee toward the organization. Next the relation between several context characteristics (external environment, job and worker characteristics, organizational factors and time) and psychological contract reactions associated with organizational change was studied. This was done using qualitative data gathered during 28 meetings with the participating organizations. The results show that the impact of change on the daily work of the individual, the successfulness of past changes, the justification of changes and change management are related to the perceived fulfillment of employer's obligations. The qualitative data indicate the importance of the internal context (e.g. culture of the organization) and the external context (e.g. pressures from competition) to explain the patterns of organizations. In conclusion, there are significant relations between the perceived obligations of the employee and the perceived fulfillment of the employer's obligations, meaning that negative perceptions regarding the fulfillment of employer obligations are associated with lower levels of employee obligations toward the organization.

4.2   INTRODUCTION

Due to turbulent business settings and increasing global competition, organizations need to adapt and change constantly. At the same time, change can no longer be considered as a single event that has a well-defined start and an end that moves from one stable situation to the next stable situation. Nowadays changes overlap and new changes start while others are not even finished. Although a lot has been written about the consequences of organizational change (Bouckenooghe, 2010), it is not clear exactly how organizational change affects the psychological contract. However, looking through the lens of the psychological contract is interesting as this is an important indicator of the quality of the employment relationship. It is related to, for example, organizational citizenship behaviors (Hui, Lee, & Rousseau, 2004) and employee performance (Conway & Coyle-Shapiro, 2012). Existing (longitudinal) research on the effects of organizational change on the psychological contract (e.g., Freese, Schalk & Croon, 2008, 2011) is valuable and focuses on the longitudinal effects of a single change, yet it does not examine what factors

of the change process really matter. With some exceptions (e.g. Shore et al., 2004; Freese 2007; Van der Smissen et al, 2013a, 2013b), research on such factors is scarce. This knowledge is important, however, both to manage employer-employee relationships and to better master the effects of change within the organization. In addition and from an academic point of view, more research on the topic is needed. Recently, Van der Smissen et al. (2013a; 2013b) highlighted the importance of this topic and argued how several change antecedents are associated with psychological contracts fulfillment. This call for more research on this topic is addressed in this study by examining the relationship between six change antecedents and the fulfillment of the psychological contract. In line with the categories of change antecedents of Oreg et al. (2011) and the research by Van der Smissen et al. (2013a), the following antecedents are expected to be related to the psychological contract: type of change, the impact of the change(s) on the employee, frequency of change, the successfulness of past changes, change management and justification of the changes. Although there are several ways to study psychological contracts (Rousseau & Tijoriwala, 1998), this research focuses on the evaluation-oriented approach by studying the relationship between organizational change and the perceived fulfillment of employer obligations. In short, the first central research question addressed in this study is: Is organizational change related to psychological contract fulfillment and what factors matter in the change process? That is the first contribution of this study.

According to Rousseau and Fried (2001) the changing nature of work and work settings affect the dynamics of relationships between workers and organizations, which is relevant when studying the effects of organizational change. At the same time, however, in organizational research the context is often ignored (Rousseau & Fried, 2001). Schalk (2012) agrees with this statement and further highlights how a taxonomy of context is still lacking. In this article, we follow Rousseau and Fried's (2001) recommendation to take context into account by using a taxonomy of change to interpret the role that context plays in influencing the variables under study. We use both quantitative data as well as qualitative information. This mixed-method approach provides deeper insight into the effects of organizational change. The second contribution of this article is thus to include the influence of context factors in the study.

One of the characteristics of the psychological contract is its reciprocal character. Employees adjust their own obligations as a reaction to the treatment they receive from their employer (Robinson et al., 1994; Freese, 2007), for example as a result of organizational change, by downgrading their own obligations to the organization (i.e. Robinson, Kraatz, Rousseau, 1994). Comprehensive research on the reciprocal relationship between the fulfillment of organizational obligations on the one hand and the content of the employee obligations on the other is scarce, however. Taking the reciprocal character of the psychological contract into account by studying the relationship between psychological contract fulfillment and the employees' obligations

toward the organization, is the third contribution of this paper.

In sum, the general research questions addressed in this study are: 1. Is fulfillment of the psychological contract associated with organizational change antecedents, given the organizational context in which the change process is taking place? 2. Is fulfillment of the employer's obligations of the psychological contract related to the perceived employee obligations?

4.3   THEORY

Psychological contract

According to Rousseau (1989), psychological contracts consist of: *"an individual's beliefs regarding the terms and conditions of a reciprocal exchange agreement between the focal person and the other party".* Psychological contracts are about obligations that are supposed to be fulfilled by the organization, and employee obligations, which perceived as promises by the employee (Rousseau, 1990). The psychological contract is thus about organizational and employee obligations and furthermore consists of the individual beliefs of an employee as party in the contract. As Rousseau and Tijoriwala (1998) have argued, psychological contracts can be studied in several ways. In this study the evaluation-oriented approach (which investigates the fulfillment of the perceived obligations of the organization) is combined with the content oriented approach (which examines what the employee feels that he or she is obliged to provide the organization with). Failure of the organization to deliver on its promises is considered to be a key factor influencing employee performance and is therefore an important topic for research on psychological contracts.

Organizational change and fulfillment of organizational obligations
As argued by several authors (Freese, 2007; Rousseau, 1995; Turnley & Feldman, 1998; Pate et al., 2000), organizational change should be seen as a possible cause of perceived non-fulfillment of the psychological contract. The set of mutual obligations between employees and employer is likely to be affected by organizational change. However, with the exception of Van der Smissen et al. (2013b), current research on the effects of organizational change on the psychological contract does not take different antecedents of change into account (e.g., Freese, Schalk & Croon, 2008, 2011). However, it is important to obtain insight into what factors matter in the change process in order to better understand and manage the dynamics of organizational change and how employees react to it. Therefore, in this article the focus is on the question which organizational change antecedents are associated with the fulfillment of the psychological contract?

Antecedents of change
Oreg, Vakola and Armenakis (2011) identified antecedents of change that have an

effect on change recipients' reactions to organizational change. They argue that there are five primary antecedent categories. These are: I) the internal context (organizational conditions and circumstances), II) the change content (what was the change about), III) the perceived benefit/harm (e.g. impact on change recipient), IV) the change process (e.g. how the change was implemented) and V) the change recipients' characteristics (e.g. personal traits). In line with Van der Smissen et al. (2013a), the categories named by Oreg (2011) are represented by six change antecedents in this research. Category 1 (the internal context) is taken into account by looking at the successfulness of past changes and the frequency of change. The second category (change content) is represented by looking at the type of change. Category 3 (perceived benefit/ harm) is taken into account by including the personal impact of changes on the individual, and category 4 (change process) by looking at the recipients' perception toward change management and the perceived justice of changes. Finally, category 5 (characteristics of the change recipient) is included in this research by looking at the effects of several control variables (education, job level, gender and work experience).

Change frequency - Van der Smissen et al. (2013a, 2013b) argue that change frequency is an important aspect when looking into the effects of organizational change. Based on that we can conclude the following. Employees are more likely to perceive changes as unpredictable and to experience anxiety when organizational changes occur more frequently (Rafferty & Griffin, 2006). Freese (2007) concluded that the more often employees are confronted with organizational change, the more impact this has on their psychological contract. In other words, the more often changes occur, the less fulfillment employees experience and the less they feel obliged to the organization in return. Therefore, we expect that the more frequently employees are confronted with organizational changes, the less they will be willing to fulfill their obligations toward the organization.

Hypothesis 1: The higher the (perceived) frequency of organizational change, the lower the fulfillment of organizational obligations.

Type of change - Van der Smissen at al. (2013a, 2013b) highlight the importance of type of change and refer to Rousseau's (1995) distinction between accommodation and transformation. Transformational changes have revolutionary effects on the relationship between parties, for example as a result of a restructuring. However, accommodation is an evolutionary process, resulting in adjustments within the existing framework of the psychological contract, for example as a result of changes in the benefit packages. Van der Smissen et al. (2103b) also refer to McNamara (2006) who makes a distinction that resembles Rousseau's dimensions: transformational and incremental change. McNamara (2006) concludes that transformational changes may have a large impact on the

structure and the culture of an organization. An incremental change is a more stepwise and continuous form of change, for example the ongoing adjustments in a particular ICT-based knowledge-management system. Transformational changes like downsizing, restructuring and outsourcing are likely to lead to psychological contract violations (Turnley & Feldman, 1998), especially with regard to job security, compensation and advancement opportunities (Pate, Martin & Staines, 2000), and communication and HR practices (Pate et al., 2000). These transformational changes may result in employee perceptions that the organization is failing to meet its obligations toward employees (Beaumont & Harris, 2002; Ghoshal & Bartlett, 2000). Bellou (2007) found that mergers and acquisitions lower the employees' overall perception of organizational obligations. We thus expect transformational types of change to be associated with lower levels of psychological contract fulfillment. This leads to the following hypothesis:

Hypothesis 2: Transformational changes are related to a lower fulfillment of organizational obligations.

The impact of change - Van der Smissen at al. (2013a, 2013b) argue that the impact of change plays an important role when investigating the effects of organizational change on psychological contracts and summarize the literature on the topic as follows. The impact of organizational change on the employee is defined by the effect on daily work and the perceived future within the organization (Lau & Woodman, 1995). Employees need to adapt more and are more extensively influenced by organizational change when the perceived intensity of a change is higher (Caldwell et al., 2004). Since changes might lead to the introduction of new obligations (Sims, 1994) possibly followed by lower fulfillment of obligations and or breach or violation of the psychological contract (Freese, 2007), we thus expect:

Hypothesis 3: Organizational changes that are perceived as impactful changes by the employee are related to a lower fulfillment of organizational obligations.

Successfulness of past changes or change history - Van der Smissen at al. (2013a, 2013b) argue that the employees' former experiences with change and the success of past changes is an important aspect when looking into the effects of organizational change. First of all it is expected that former negative experiences with organizational change will affect motivation and perceptions toward change in a negative way (Reichers et al., 1997; Wanous et al., 2000). In a similar vein, employees that had successful change experiences in the past will have more positive perceptions (Schneider, et al., 1996; Bouckenooghe & Devos, 2007). It is proposed that negative perceptions toward change success in the past will be associated with the perceived fulfillment of the psychological contract in a negative way. Our hypothesis is:

Hypothesis 4: The more positive employees are about past changes, the higher the fulfillment of organizational obligations.

Justification of change - Van der Smissen at al. (2013a) argue that justification of changes is an important aspect when looking into the effects of organizational change. The justification of changes is about how employees (cognitively) assign responsibility toward the employer with regard to organizational change events (Chaudhry et al., 2009). When confronted with a change initiative, employees will evaluate whether the change is justified in their opinion. When a change is perceived as justified, acceptance of the change is more likely (Self et al., 2007). Justification of changes provides information on why certain actions were taken by the organization and also refers to the perceived legitimacy of the actions (Rousseau & Tijoriwala, 1998). In other words, by providing justification for a change initiative, the employer could convince the employee of the legitimacy of the change so that it will not affect the exchange relationship. Or, put differently, explaining the reasons for the change can help to avoid negative effects of changes on the psychological contracts. This leads to the following hypothesis:

Hypothesis 5: The more positive employees are about the justification of changes, the higher the fulfillment of organizational obligations.

Change management - Van der Smissen at al. (2013a) argue that change management is an important aspect when looking into the effects of organizational change. Involvement and communication are important aspects of change management (Caldwell, 1993; Schalk, Campbell & Freese, 1998). The involvement of employees in the change process is "the exercise of influence by employees over how their work is organized and carried out" (Fenton-O'Creevy, 2001). The opportunity to express one's opinion and to have one's opinion considered is important to employees (Korsgaard & Roberson, 1995) since it leads to more commitment to the decisions taken (Brown & Cregan, 2008). Giving employees a greater say in decisions as well as a better understanding of their rationale will result in greater motivation and effort (Wagner et al., 1997).

　　　　Communication is the way to provide information on the change to the employees, and the importance of proper and timely communication is widely acknowledged (Lewis, 1999). Communication can help managing the uncertainties related to several consequences of organizational change (DiFonzo & Bordia, 1998). Insecurities with regard to the change increase the chance that employees will feel that the organization is not properly fulfilling the obligations. Moreover, inaccurate communication of important information to employees may result in unmet expectations (Andersson, 1996). Communicating and involving employees makes employees more positive toward the change. This leads to the following hypothesis:

Hypothesis 6: The more positive the employees' perceptions is toward the change management (communication and involvement), the higher the fulfillment of organizational obligations.

Contract reciprocity

Individuals strive to maintain a balance between the give and take in a relationship (Blau, 1964) and will try to restore the balance by changing one's own contributions when the other party does so (Gouldner, 1960). Furthermore, fulfillment of the employer's obligations in the psychological contract is likely to affect the terms of the psychological contract as well (Freese, 2007). According to Herriot et al. (1997), lack of fulfillment of organizational obligations results in a decrease in the employee's willingness to put extra effort into the work. More specifically, other authors (Freese, 2007; Rousseau, 1995; Turnley & Feldman, 1998; Pate et al., 2000) have found that organizational change results in violations of the employer's obligations (perceived obligations are not fulfilled), for example with regard to social atmosphere, rewards, career opportunities, etc. Non-fulfillment of employer obligations may furthermore result in the employee downgrading his/her own obligations (e.g., the content of the psychological contract). Several studies (e.g. Coyle-Shapiro & Kessler, 2002; Turnley & Feldman, 1998) indicate that employees perceive lower obligations (for example with regard to extra effort, identification with the organization, goals and loyalty) as a result of organizational change and (non)fulfillment of the psychological contract. Therefore:

Hypothesis 7: Fulfillment of organizational obligations is related to perceived employee obligations in such a way that higher fulfillment of organizational obligations is associated with higher employee obligations.

Organizational context

Context is often neglected in organizational research (Rousseau and Fried, 2001), although the rapidly diversifying nature of work and work settings does substantially alter underlying causal dynamics of worker-organizational relationships. Following Rousseau and Fried (2001), it is argued that the role of the context will only gain in importance because of the ongoing globalization and the growing diversity (within and between organizations).

An interesting way to contextualize organizational research is to add rich descriptions and informed reflections on the role that context plays in influencing the meaning, variation and relationships between variables under study (Rousseau & Fried, 2001). They (Rousseau & Fried, 2001) propose to consider four main categories of contextual factors (see Table 2), namely: external environment (e.g. industry, competition), worker/ job factors (e.g. job level, education, drive of the employee), organizational factors (e.g. performance, culture) and time (current issues). These

categories and their underlying dimensions are supported by others (e.g., Schalk, 2012). In this study the context descriptions are used to interpret differences in scores between organizations.

4.4   METHOD

Sample of organizations

Four criteria to select organizations were used in this study. First, organizations that need to deal with different business dynamics and pressures from the external environment were to be included, and so organizations from different sectors of industry were selected. Second, in order to exclude the potential impact of country differences, the focus was on organizations from just one country (The Netherlands). Third, only medium to large-sized organizations (500 + employees) were selected to exclude differences in dynamics relating to the size of the organization (especially with respect to smaller organizations). Fourth, only organizations that were confronted with organizational changes were eligible. The seven organizations in this study are a professional services firm, a healthcare organization, a local government, a court, a regional government, a national government organization, and an IT service company. These organizations are located in different sectors, and are a mix of public (5) and private (2) organizations.

Survey procedure

Online surveys were distributed to all employees of the seven organizations. An email message with the invitation to participate was sent to around 10,000 employees in total. The invitation was sent on behalf of senior management of the organization and the researchers. Informed consent was obtained and respondent confidentiality was assured. The responses of 3,379 questionnaires were used for analyses, yielding an overall response rate of 34 percent. On average, employees had 22 years of work experience, and 27 percent was female. About 45 percent of the respondents obtained qualifications at the Bachelor level, 25 percent on a vocational level, 22 percent held a Master's degree and 6 percent had only completed secondary school. With respect to job level, most respondents had a job at the upper white-collar level (59 percent), followed by intermediate white-collar (24 percent), and management level (9 percent).

Survey measures

Change antecedents - Six change antecedents were assessed. Except for type of change, all variables had 5-point Likert scales, ranging from 1 ("strongly disagree") to 5 ("strongly agree"). Frequency of change (1) was assessed with two items from Rafferty and Griffin (2006), including "Change frequently occurs in my organization". Type of change (2)

was measured by one question with eight "response options" (more options possible). The categories were based on Morgan and Zeffane (2003), Turnley and Feldman (2000), Rousseau (1995), Self et al. (2007) and Smollan and Sayers (2009). Respondents were asked to select the changes they had encountered in the last two years. The changes were categorized following Rousseau's (1995) distinction between accommodational and transformational changes. The variable "Transformational changes" was then the average selected number of transformational options, rescaled to scores that varied from 1 to 5. The measurement of Personal impact (3) is derived from Lau and Woodman (1995), and consists of three questions. A sample question is "The changes have important consequences for my future in the organization". The successfulness of past changes (history, 4) was assessed with the four item scale of Metselaar (1997) (e.g. "Past changes generally were successful"). Justification of changes (5) was measured by two items derived from Self, Armenakis, and Schraeder (2007). A sample item is "Do you agree this (these) change(s) was (were) necessary?". Change management (6) was assessed by two items referring to commonly used change management initiatives, namely communication and involvement. The item for communication was: "The communication about changes in my organization fulfills my expectations", and the item for involvement was: "The way I am involved with organizational changes fulfills my expectations". Furthermore, a third general question about the change management process was added: "The way the changes were managed fulfills my expectations". The 5 scales and the transformational changes count showed a good fit to an underlying 6-factor model (χ^2(df = 76) = 435, p < .001; CFI = .976; RMSEA = .040, p > .999). Despite the good overall model fit, the item "Announced changes usually came to nothing in the past" (to measure the successfulness of past changes) did not function as expected as indicated by its low negative factor loading. This item was then removed from the scale. Scale reliability as given by Cronbach α was .86 for frequency of changes, .78 for successfulness of past changes, .70 for personal impact, .71 for justification of changes, and .86 for change management. Mean scale scores were used in further analyses, with the transformational changes variable also rescaled on the 1-5 interval for ease of comparison with the other change antecedents.

Fulfillment of employer obligations - Six items of the Tilburg psychological contract questionnaire (TPCQ, Freese, Schalk & Croon, 2008) were used. Each item asked to what extent the employer fulfilled certain obligations with a 5-point Likert scale ranging from 1 ("not at all") to 5 ("to a very great extent"). The scale showed a good fit to an underlying 1-factor model (χ^2(df = 9) = 114, p < .001; CFI = .977; RMSEA = .061, p = .028) and had a Cronbach α of .79. The mean scale score was used in further analyses.

Content of the employee obligations - Employee obligations included a scale of in-role behaviors (11 items, e.g. "performing well on tasks you do not like to do") and a scale with

extra-role behaviors (11 items, e.g. "working overtime if that is necessary to get the job done"). Respondents were asked to what extent they felt obliged to offer the organization the following (followed by the items representing in-role and extra-role behavior). All items were assessed by a 5-point Likert scale ranging from 1 ("no obligation at all") to 5 ("very strong obligation"). The two scales did not show an acceptable fit to an underlying 2-factor model (χ^2(df = 208) = 4035, p < .001; CFI = .824; RMSEA = .077, p = <.001). The misfit was mainly due to three positively crossloading items (IR10 ("protect the organization's image"), ER1 ("participating in training outside working hours that is important to do your job properly"), and ER3 ("making suggestions for improvement")) and to some residual correlations within each scale due to specific similarities in contents or wording of items. A modified 2-factor model that removed the three misfitting items from the scales and allowed for some residual correlations within each scale did show good model fit (χ^2(df = 143) = 981, p < .001; CFI = .953; RMSEA = .044, p > .999). The corresponding modified scales had a Cronbach α of .84 and .81, respectively. The mean scores for the modified scales were used in further analyses.

Qualitative data: procedure

To assess the organizational context and narratives on organizational change, we made use of interviews with (HR) management of the organizations. The information on the context in each organization was mapped in a systematic way and used to interpret the differences in results between organizations.

Data was gathered through meetings with representatives of the organizations. Before collecting the survey data interviews were held with the (HR) representative of each organization (7 in total). This was an open interview aimed at obtaining general information about the organization, to inform them about the research and to make a planning for data collection.

After collecting and analyzing the survey data, on average two sessions were held in each organization to discuss the results. The number of people that attended these sessions varied from one to five. In one organization only the manager of the HR-department was present, in the other organizations one to four representative(s) of (senior) management was (were) present. In total, 14 sessions lasting between 1.5 and 3.5 hours were held at the premises of the participating organizations. In the feedback sessions the results of the organization were discussed in an open setting. A topic list was used that followed the structure of the questionnaire and included the following: the scores of the organization on the change antecedents, on the psychological contract dimensions and on the control variables. The scores of each organization were compared with the average score of the other organizations that participated in the study. Each organization had a specific profile of scores. In the feedback sessions the profile was discussed by the members of the organizations, and reflections and interpretations were given. Respondents were asked to enrich the data in light of the specific organizational

context. These sessions were foremost meant to provide the organizations with feedback on the results of the research. In a later stage, when the information collected during these sessions appeared to be useful for interpreting the quantitative results and differences between organizations, the information gathered during these sessions was used to create a first draft of the context model used in this research. Finally, the results of the sessions and the context model were verified in an additional final structured interview with the seven organizations. The transcripts of these sessions were analyzed and coded into the context model. Based on propositions by Rousseau and Fried (2001) on how to map the organizational context, the information collected during the interviews was captured in a table. Four categories were used: the external environment, work/ job characteristics, organizational factors and time.

Data Analysis: Mixed Method Approach

Given the low number of higher-level units (7 organizations) and the idiosyncratic change context of each organization, the use of random effect multilevel models to analyze the data was not advisable (e.g. Snijders & Bosker, 2012). Instead, a fixed effects approach was applied by means of a *multi-group analysis* in a structural equation modeling framework (e.g. Bollen, 1989).

Two models are fitted here: (i) a multiple regression predicting fulfillment of employer obligations based upon the six change antecedents, and (ii) a multivariate regression in which employees' in-role and extra-role behavior is predicted based on their fulfillment of employer obligations. In both models the following covariates are included as control variables: Work experience (in number of years), gender (0=male, 1=female), education level (ranging from 1 "primary education" to 6 "PhD, post doc or similar"), and job level (ranging from 1 "blue-collar worker" to 6 "management or director"). Robust Huber-White standard errors are used for model inference, resulting in a conservative approach to hypothesis testing. All statistical models are estimated using full-information maximum likelihood and are based on all available employee information under the missing at random assumption. Model fit is evaluated by means of traditional goodness-of-fit statistics such as the chi-square test, the root mean square error of approximation (RMSEA), and the comparative fit index (CFI). In interpreting our results we follow an *explanatory mixed methods approach* (Creswell & Clark, 2011). Meta-analytic forest plots (see e.g., Lewis & Clarke, 2001) in combination with a cross-validation of the results across the seven organizations allows for the identification of central patterns of association that are consistent across organizations. The patterns of similarities and differences in the quantitative results will be put in perspective using qualitative data. This quantitative-qualitative sequential approach does justice to the natural diversity in organizational characteristics and the idiosyncratic change history and specific change events (i.e., the context) of the companies that are not always quantifiable. Hence, this explanatory mixed-method approach leads to a more complete

real-life contextual understanding of the problem and can provide guidance and suggestions for further confirmatory research.

4.5   RESULTS

Descriptive statistics and correlations

Table 1 presents the descriptive statistics and correlation matrix pooled across the seven organizations in the study assuming exchangeability.

The perceived frequency ("frequency") is rather high, which could be expected as only organizations that were confronted with organizational change were selected. The scores on successfulness of past changes ("successfulness past c.") and change management ("change management") are on the lower side (just below the neutral 3) whereas change impact ("impact of change"), justification of changes ("justification") and transformational type ("transformational change") all score above the neutral 3 but below 4. The scores on employee obligations ("in-role behavior" and "extra-role behavior") are higher than the scores on fulfillment of employer obligations (FEO). However, the pooled statistics were estimated by means of a multi-group SEM that constrains the means and covariance matrix to be equal across the seven organizations. This is a very strong exchangeability assumption, and basically considers all 7 organizations to be similar. The model does not hold as evidenced by bad model fit statistics (χ^2(df = 624) = 5316, p < .001; CFI = .202; RMSEA = .125, p < .001). If we require homogeneous covariances across organizations, but allow for mean differences, model fit remains poor (χ^2(df = 546) = 1818, p < .001; CFI = .784; RMSEA = .069, p < .001). This implies that "organization" functions as a moderating variable, because the relations between variables differ across the seven organizations. If we allow for heterogeneous covariance matrices, but restrict the means to be similar between organizations, model fit still remains poor (χ^2(df = 78) = 2164, p < .001; CFI = .645; RMSEA = .235, p < .001). This indicates that organizations also differ in reported levels of the key variables of interest, in line with our assumption that context matters.

Thus, to summarize, we find support for both differences in means between organizations as well as heterogeneity among organizations. These results are consistent with our purposeful sampling of diverse organizations, and call for the further use of a multi-group approach in subsequent statistical analyses to support cross-company comparisons.

The effects of change antecedents on fulfillment of employer obligations

A multi-group SEM model is used to investigate our Hypotheses 1 to 6, and corresponds with the multiple regression in which organizational change antecedents

TABLE 1: DESCRIPTIVE STATISTICS AND CORRELATION MATRIX POOLED ACROSS THE SEVEN ORGANIZATIONS

	Mean	St.dev	1	2	3	4	5	6	7	8	9	10	11	12	13
1 Frequency	4.37	0.68	1.00												
2 Succesfulness past c.	2.78	0.77	-.28	1.00											
3 Impact of change	3.48	0.76	.20	-.06	1.00										
4 Justification	3.06	0.81	-.18	.47	-.02	1.00									
5 Transformational change	3.65	1.08	.40	-.24	.17	-.16	1.00								
6 Change management	2.74	0.85	-.19	.48	-.08	.48	-.19	1.00							
7 Fulfillment employer obli.	3.30	0.54	-.13	.42	-.08	.42	-.12	.46	1.00						
8 In-role behavior	4.20	0.39	.15	.08	.04	.03	.10	.02	.09	1.00					
9 Extra-role behavior	3.31	0.58	.15	.08	.07	.12	.07	.09	.15	.36	1.00				
10 Work experience	22.0	10.50	.12	-.03	.06	-.10	.12	-.03	-.04	.12	.04	1.00			
11 Gender (0=male, 1=female)	0.27	0.44	-.20	.13	-.03	.09	-.15	.02	.02	.09	-.12	-.18	1.00		
12 Education	2.89	0.88	-.09	.04	-.04	.12	-.08	.03	.13	-.05	.05	-.31	.04	1.00	
13 Joblevel	3.67	0.83	.08	.03	.00	.15	.09	.07	.21	.02	.18	-.03	-.23	.42	1.00

predict perceived fulfillment of employer obligations. To test for moderation of the effects by organization, we refitted the model with the regression effects of each change characteristic constrained to be equal across organizations. The strong decrease in fit for the equality-restricted model (χ^2(df = 36) = 108, p < .001; CFI = .935; RMSEA = .064, p = .045) indicates that there is support for moderation by company). These results imply that the effects of change antecedents on the fulfillment of employer obligations vary across organizations. To add to the global picture, a series of models was fitted where each characteristic individually was set to be equal across organizations. A likelihood ratio test of such a model with the unconstrained model then provides a test for interaction effects. This leads to support for cross-organization variability in the effects of Success (χ^2(df = 6) = 22, p = .001), Impact (χ^2(df = 6) = 20, p = .003), and Management (χ^2(df = 6) = 24, p < .001). This cross- organization variability is best seen in the forest plots of Figure 1. A forest plot provides confidence intervals of the same effect across different studies together with the across-studies pooled effect. Hence, this visual aid provides insight into the cross-study variability and furthermore highlights the general pattern. For each of the seven organizations (ORG), a square indicates the estimated value of the unstandardized regression coefficient b (on the horizontal axis) with the corresponding horizontal line being the 95 percent confidence interval. Note that the wider the interval, the more uncertainty is present around the effect, and that if it includes zero, the estimated effect is not significantly different from zero. The pooled effect is indicated by the diamond and represents the general trend across organizations.

Although in hypothesis 1 it was proposed that frequency of change would be associated with psychological contract fulfillment in a negative way, the general trend does not support any significant effect of frequency. Contrary to our expectations, for organization 6 (national government) there was a significant positive relation between frequency of change and fulfillment of employer obligations. Similarly, no support was found for hypothesis 2, in which it was proposed that the transformational type of changes would be negatively related to the fulfillment of the employer obligations.

The results do support our other hypotheses. Except for organization 1 (professional services firm), for all organizations there was a negative relationship between change impact and the perceived fulfillment of employer obligations. This supports hypothesis 3. Support is also found for hypothesis 4, as the successfulness of past changes positively is positively associated with the fulfillment of employer obligations. Except for organization 2, all relations are positive. Also for hypothesis 5 support was found. Justification of changes is positively related to the fulfillment of employer obligations. All effects are positive and support the hypothesis. The same applies for hypothesis 6 in which it was proposed that change management would be positively associated with the fulfillment of employer obligations. The effects of change management are specifically strong for organization 2 and 3 (healthcare organization and local government). Thus,

FIGURE 1: FOREST PLOT OF THE EFFECTS OF THE CHANGE ANTECEDENTS ON THE FEO
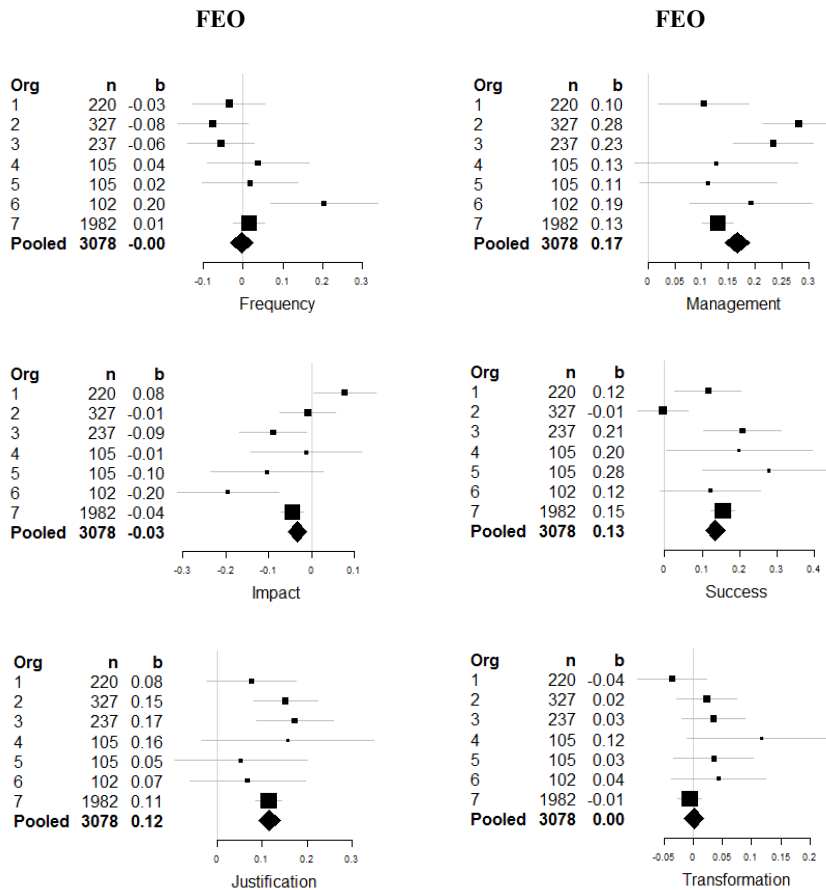
Note. Association is controlled for gender, job level, education, and experience. Partial effects are reported. Organization numbers: 1 = professional services, 2 = healthcare organization, 3 = local government, 4 = court, 5 = regional government, 6 = national government, 7 = IT company.

although differences between the patterns per organization exist, hypothesis 3, 4, 5 and 6 are supported by the results.

For the control variables we noted that only a significant and positive relationship for job level was found in 3 of the 7 organizations (i.e., organization 4 (court), 6 (national government) and 7 (IT Company)). No significant relationships with work experience and gender were found. For educational level only a positive significant relationship was found in organization 5 (regional government).

The effects of the fulfillment of employer obligations on in- and extra-role behavior

A multi-group SEM model in correspondence with hypothesis 7 was set up. To test for moderation of the effects by company, we refitted the model with the regression effects of FEO constrained to be equal across companies. The equality-restricted model holds (χ^2(df = 12) = 16, p = .181; CFI = .994; RMSEA = .028, p = .852), which implies that the effects can be considered as fairly similar among companies (i.e., no moderation by company). Note that a model which additionally constrains the effects of the covariates to be equal, also holds (χ^2(df = 60) = 62, p = .403; CFI = .997; RMSEA = .010, p > .999). These results indicate that the results with respect to intra- and extra-role behavior are fairly generalizable across organizational contexts. The results are summarized using forest plots of the regression coefficient of fulfillment of Employer obligations for in-role and for extra-role behavior (see Figure 2).

FIGURE 2: FOREST PLOT OF THE EFFECTS OF FEO ON IN-ROLE AND EXTRA-ROLE BEHAVIOR
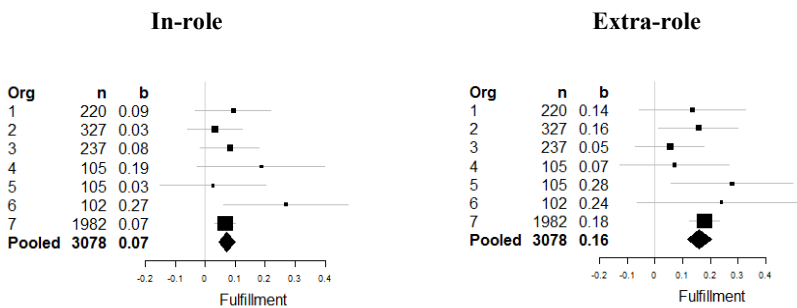
Note. Association is controlled for gender, job-level, education, and experience. Partial effects are reported. Organization numbers: 1 = professional services, 2 = healthcare organization, 3 = local government, 4 = court, 5 = regional government, 6 = national government, 7 = IT company.

Figure 2 shows that the relationship between fulfillment of the employer obligations and in-role behavior are rather small but consistently positive. The pooled version shows that overall the trend is a positive one and significant. For organization 4 and 6 the relationship between the fulfillment of employer obligations and in-role are behavior is stronger than the general trend (pooled), whereas for organization 2 and 5 the relationship between fulfillment and in-role behavior is less strong than in the general trend.

In line with the patterns for in-role behavior, the relationships between fulfillment and extra-role behavior are rather small but consistently positive (see Figure 2). In contrast to in-role behavior, the patterns for extra-role differ less across the organizations. Furthermore, there was a significant positive relationship between work experience, respectively gender (positive effect for women) and in-role behavior, and between job-level and both in- and extra-role behavior in the pooled sample.

In conclusion, the small yet consistently positive relationships between fulfillment

of employer obligations and respectively in-role behavior and extra-role support hypothesis 7.

Qualitative results

The questionnaire data show that there are differences in (the effects of) change antecedents between organizations. This paragraph describes the qualitative data gathered in the seven companies is described. The information per organization is mapped out according to the categories of the taxonomy of organizational context and used to interpret the results (see Table 2). Information on the scores per organization is included in Table 3. For each organization a narrative description of the respondents' reactions to the organization, its features and history in the context of organizational change and psychological contracts is provided. This part is followed by a second paragraph in which the specific results of the organization are related to one or more context variables.

Organization 1 is a consulting firm. According to the respondents it operates in a turbulent and very competitive external environment. Because of the high levels of competition, the organization constantly needs to adapt and innovate to remain competitive. As stated during the interviews, the consulting industry is characterized by a strong client and external focus and high levels of uncertainty. Consequently, the organization is only able to predict its performance for two months ahead. The highly educated employees are aware of business dynamics and external circumstances, which seems to influence the level of comfort so that they experience organizational change in a positive way ("change is part of the organization's DNA", as some said). The internal pressures for performance are high and although the culture is competitive, it also stimulates and facilitates teamwork. The description of the culture by the respondents matches the features of the so-called "High performance work systems" as described by for example Combs et al. (2006) or Boxall and Macky (2009). In line with the features of this "High performance work system", the ambition and culture are reflected in recruitment policies and the personality of employees. Important selection criteria are e.g. ambition, adaptability and entrepreneurship (respondent: "employees in this organization need to be eager and have a lot of ambition"). In addition, employees have an important drive to work on their careers and are eager and willing to go the extra mile. The opportunities for personal development, training and education are factors that make this organization attractive to work for. In conclusion, the management feels a strong responsibility to communicate well about changes and developments.

Contextualizing the quantitative results for organization 1. The perceived impact of changes and the level of transformational change were relatively low compared to the other organizations (M=3.23 and M=2.95), whereas the average score on the justification

TABLE2: CONTEXT

	Organization	1 Professional services	2 Healthcare	3 Local government	4 Court	5 Regional government	6 Central government	7 IT company
External environment	Product	Consulting services, business to business, wide range of services (IT to strategy)	Healthcare organization (hospital & elderly care)	Civil service (determined by law and comparable to other local governments)	Justice service (determined by law and comparable to other courts)	Civil service on state or province level (determined by law and comparable to other regional governments)	Central government, part of Ministry of Social Affairs (making and executing policies)	IT service company offering diverse range of services (business to business)
	Industry	Professional services (profit)	Healthcare (semi government)	Local government (government)	Court (government)	Regional government (government)	National government (government)	IT & telecom (profit)
	Market	Highly competitive (global). External pressures from competition high	Growing level of competition. Governmental pressures on performance and budget	No formal competition. Government pressures on performance and budget	No formal competition. Government pressures on performance and budget	No formal competition. Government pressures on performance and budget	No formal competition. Government pressures on performance and budget	Extremely competitive (global). External pressures from competition high.
	Location	Urban	Regional, rural	Regional, urban	Regional, urban	Regional, urban	Urban	Urban
	Economy country	Netherlands, financial crisis	Netherlands, financial crisis	Netherlands, financial crisis	Netherlands, financial crisis	Netherlands, financial crisis	Netherlands, financial crisis	Netherlands, financial crisis
	Economy region	Relatively strong (within national context)	Relatively weak (within national context)	Average (within national context)	Relatively strong (within national context)	Average (within national context)	Relatively strong (within national context)	Relatively strong (within national context)

	Organization	1 Professional services	2 Healthcare	3 Local government	4 Court	5 Regional government	6 Central government	7 IT company
	Alternative job opportunities	Relatively large (within national context)	Relatively low (within national context)	Average (within national context)	Relatively large (within national context)	Average (within national context)	Depends given more than one location	Relatively large (within national context)
	Legal and unions	Job protection high (all organizations in The Netherlands, national context low). No union involvement	Job protection high. Union involvement	Job protection high. Union involvement	Job protection very high. Union involvement	Job protection high. Union involvement	Job protection high (although almost no fixed contracts). Union involvement.	Job protection high (all organizations in The Netherlands, national context low). Union involvement
Worker/job factors	Education level %							
	0 (low)	0.4	0.0	0.0	0.0	0.0	0.0	0.3
	(respondents) 1	1.5	5.3	3.6	4.8	4.8	3.0	6.6
	2	1.5	46.9	26.2	16.3	18.5	4.0	26.0
	3	14.2	41.6	51.6	18.3	41.9	55.6	49.7
	4	75.0	4.7	18.3	56.7	32.3	35.4	15.8
	5 (high)	7.3	1.5	0.4	3.8	2.4	2.0	1.4
	Job level % 0 (low)	0.0	0.6	0.4	0.0	0.0	0.0	0.0

Organization	1 Professional services	2 Healthcare	3 Local government	4 Court	5 Regional government	6 Central government	7 IT company
(respondents) 1	0.0	15.8	3.2	1.0	4.8	0.0	0.0
2	3.1	15.5	9.9	18.3	8.1	8.1	0.0
3	11.9	32.0	23.4	17.3	18.5	22.2	0.2
4	60.4	32.8	55.6	55.8	64.5	66.7	0.6
5 (high)	24.6	3.2	7.5	7.7	4.0	3.0	0.1
Gender % Male	70.0	18.2	55.6	28.8	57.3	39.4	90.2
Female	30.0	81.8	44.4	71.2	42.7	60.6	9.8
(respondents) Work experience years respondents	9.9	21.6	24.8	18.5	24.3	8.7	23.9
Career paths/ mobility	Internal & external/ Mobility (employees see working for this organization as a stepping stone for their career)	Internal/ Stability (although management tries to stimulate mobility more)	Internal & external/ Focus on mobility (managerial perspective, sometimes still hard for employees)	Internal/ Stability (although management stimulates mobility more by offering more temporal contracts)	Internal (not many career opportunities vertically)/ Stability	External or vertical, no horizontal job opportunities /Mobility since many temporary contracts	External/ Mobility

Organization		1 Professional services	2 Healthcare	3 Local government	4 Court	5 Regional government	6 Central government	7 IT company
	Characteristics/ drive employees	Employees overall engaged, eager and want to have a career (important driver). Very strict selection criteria so many talented people. Consulting is often seen as a stepping stone for a career after consulting	Employees are engaged with customers but not necessarily toward the organization. Intrinsic motivation for care and cure, highly involved with customer	Employees are motivated by type of work and the region / city they work for, they work for, also engaged with society. Employees attracted to working for organization with a social character	Important driver for employees is the nature of work, involved with the content and quality of work	Employees are engaged with wider society (reason to work for this organization). Other important drivers are sometimes practical (not many employers around) and related to combining work and private life	Diverse reasons to work for this organization. To develop yourself (many opportunities for job rotation, lots of change and training opportunities) and practical reasons (need of a job, etc.)	Employees overall engaged with the organization and at the same time seek safety (related to many downsizings and cost cutting operations). Drivers are diverse (many differences between departments)
Organizational factors	Firm life cycle	Established & restructured	Established	Established	Established	Established	Established	Acquired & restructured
	Structure	Matrix	Matrix/ functional	Functional	Functional	Functional	Division	Matrix
	Size	Large (+5000)	Medium (500-5000)	Medium (500-5000)	Medium (500-5000)	Medium (500-5000)	Large (+5000)	Large (+5000)
	Roots and orientation	International active	National	National	National	National	National	International active

Organization	1 Professional services	2 Healthcare	3 Local government	4 Court	5 Regional government	6 Central government	7 IT company
Change history (recent)	Restructuring, budget cuts & strategy	Government policies, change in structure, leadership & budget cuts	Government budget cuts, leadership programs, stimulating mobility	Government budget cuts & change in structure	Government budget cuts, some changes in structure	Government budget cuts	Restructuring, acquisition, strategy refocus
For profit: financial performance	Reasonably good, some parts of the organization perform less well	Semi profit, some budget issues partly due to government budget cuts, especially in hospital part	-	-	-	-	Fairly poor, in need of restructuring and reframing strategy
Not for profit: non-financial performance	-	Average, comparable to other organizations with same tasks.	On average good compared to other organizations with same tasks	Average, comparable to other organizations with same tasks	On average good compared to other organizations with same tasks	Reasonably good, comparable to other organizations with the same tasks	-
Employment contracts	Largely fixed, portion variable	Largely fixed, portion variable	Almost all fixed	Largely fixed, portion variable	Almost all fixed	Largely variable, portion fixed	Almost all fixed

Organization	1 Professional services	2 Healthcare	3 Local government	4 Court	5 Regional government	6 Central government	7 IT company
Culture	External drive (customers, market growth) and flexible. Employees engaged (also for own career) and willing to go the extra mile. Sharing and team work are important drivers in the organization. High performance culture with a lot of competition (also internal). High performance culture	Focus mainly internal (processes, quality of services, etc.). Not as flexible as needed due to strong budget pressures from government policies. Strong engagement with customers and quality of services of services (important drivers)	Focus both internal and external. More external focus is important for the management (customer service and engagement with society). Important aspects of the culture in the organization are investing in people, social character of the organization, quality of services, and involvement with society. Strong engagement culture	Focus is mainly internal. Control of the work done and quality of work are important factors. Important aspects of the culture are the need for high quality of work for wider society and the trust of larger society	Focus both internal and external. External focus is intended by management (customer service and engagement with society). Important aspects of organization culture are balance between work and life, quality of services, engagement with society. Strong engagement culture	Focus is mainly external (toward the clients and wider society), the management also actively promotes this. Important aspects of the culture are strong engagement (and participation in decision making), balance between work and life and engagement with wider society	External drive partly because of strong pressures from competition. At the same time internal focus to deal with current situation. Important aspects of culture are rule oriented, relatively low trust in management and fear for future) changes

	Organization 1 Professional services	2 Healthcare	3 Local government	4 Court	5 Regional government	6 Central government	7 IT company
Time							
Current issues	-	Budget cuts, new government policies affect organization and employees, change in leadership	-	-	Upcoming change in sharing some services with other governmental organizations	Large budget cut upcoming due to changing government policies, internal and external turbulence during last year	Many cost cutting and downsizing operations in recent future, current situation and future (expected)

TABLE 3: DESCRIPTIVE STATISTICS ACROSS THE SEVEN ORGANIZATIONS (AVERAGE SCORES AND SD)

	Organization 1		Organization 2		Organization 3		Organization 4		Organization 5		Organization 6		Organization 7	
n =	220		327		237		105		102		102		1982	
	Mean	St. dev.	Mean	St. dev.	Mean	St. dev.	Mean	St. dev.	Mean	St. dev.	Mean	St. dev.	Mean	St. dev.
1 Frequency	3.99	.68	4.05	.63	3.89	.65	3.60	.79	3.81	.67	4.45	.66	4.60	.55
2 Successfulness past c.	3.08	.71	2.72	.78	3.23	.63	3.10	.53	3.36	.49	3.07	.80	2.64	.76
3 Impact of change	3.23	.77	3.44	.77	3.46	.68	3.28	.74	3.52	.61	3.74	.76	3.51	.77
4 Justification	3.43	.67	3.07	.83	3.39	.77	3.03	.63	3.30	.63	3.27	.86	2.96	.82
5 Transformational change	2.95	1.02	3.45	1.00	3.30	1.02	2.54	.81	2.96	1.06	3.49	1.13	3.91	1.01
6 Change management	2.97	.78	2.55	.90	2.99	.89	2.94	.79	3.17	.70	2.82	.89	2.67	.84
7 Fulfillment employer obli.	3.51	.46	3.08	.57	3.48	.58	3.35	.58	3.54	.43	3.53	.55	3.26	.53
8 In-role behavior	4.09	.36	4.29	.43	4.17	.40	4.17	.41	4.22	.36	4.04	.53	4.21	.38
9 Extra-role behavior	3.35	.60	3.12	.56	3.08	.53	3.05	.55	3.16	.50	3.15	.76	3.39	.56
10 Work experience	9.98	7.9	22.0	10.5	24.5	9.8	18.6	11.5	24.2	10.7	8.70	5.0	23.9	9.5
11 Gender (0=male, 1=female)	.30	.46	.82	.38	.45	.50	.72	.45	.43	.50	.61	.49	.10	.30
12 Education	3.85	.68	2.50	.72	2.87	.75	3.41	.94	3.08	.86	3.29	.71	2.78	.85
13 Joblevel	4.08	.68	2.92	1.14	3.57	.88	3.54	.88	3.56	.89	3.64	.67	3.77	.69

Note. Combined n = 3078. Organization numbers: 1 = professional services, 2 = healthcare organization, 3 = local government, 4 = court, 5 = regional government, 6 = national government, 7 = IT company.

of changes was relatively high compared to other organizations (M=3.43). At first sight, these scores do not accord with an organization that is consequently in a state of change and operates in a turbulent environment, as sketched by the respondents. However and according to the respondents, the nature of work, the type of employees and culture of the organization may explain the fact that although change may be frequent, employees do not perceive it that way. The relatively good supervision, communication and training during organizational changes, as well as the fact that employees are well aware of market conditions, may explain the high score in justification. Our interpretation is that this positive perception toward change in general might be the cause for the relatively low score on perceived impact and transformational type of change. Contrary to our hypothesis, in this organization impact of change was positively related to the fulfillment of employer obligations. In our opinion this positive relationship could be explained by the fact that employees make careers on change and are used to it.

Fulfillment of employer obligations and extra-role behavior scored relatively high (M=3.50 and M=3.46). This is corroborated by the qualitative input: employees have an important drive to work on their careers and are eager and willing to go the extra mile. Our interpretation of the relatively limited relationship between fulfillment of employer obligations and extra-role behavior is that this might be explained by the nature of the relationship between employer and employee. Although employees are said to be engaged, they often use this organization and its image as a stepping stone toward their further career (as stated in the interviews). One of the respondents stated that employees' efforts stem from intrinsic sources and are not so much related to what the organization offers the employee. The fact that this organization in the past reduced the number of employees, partly due to economic circumstances, may explain that in this organization (as well as in organization 7) transformational changes did have a negative effect on fulfillment. This was proposed in one of the interviews and also confirmed for organization 7.

Organization 2 is a healthcare institution consisting of both elderly care and a hospital. According to the respondents, the circumstances are rather turbulent in the healthcare industry in the Netherlands, for example due to the financial crisis and government policies (budget cuts and policy changes). This organization took several measures simultaneously, such as changes in work processes, type of work, pricing, time available for work to be done, etc. Employees often did not support or favor these changes since they were perceived as negative for themselves, the organization, or the patients. The changes resulted in (perceptions of) increased workload, an overall decrease in quality of work and in client satisfaction, and in reduced autonomy. Changes were furthermore accompanied by frequent changes in leadership. Nevertheless, the respondents argued that employees are very engaged, intrinsically motivated, not necessarily directed toward the organization but toward the clients and society in general. Employees have direct

client contacts leading to strong bonds between employee and clients. Although the healthcare industry is characterized by a growing level of competition, this institution has relatively few competitors due to its rural location. As a result, employees have almost no alternative job opportunities and will continue to work for this organization although they might prefer to work somewhere else.

There is a strong internal focus in the organization and it is hard to change things quickly and successfully. The culture was described as democratic (high employee involvement), highly formalized (regulations) and social in nature (helping is core business).

Contextualizing the quantitative results for organization 2. This institution scored lowest on change management (M=2.55) and on the fulfillment of the psychological contract (M=3.08). According to the respondents, the organization indeed did not always pay enough attention to involving employees, also because some changes were externally induced or necessary because of financial reasons. Furthermore, the scores on successfulness of past changes (M=2.72) and extra-role behavior (M=3.12) were relatively low. It appeared that the relationship between change management and fulfillment of employer obligations was stronger than in other organizations, and there was also a small and negative relationship between the success of past changes and the fulfillment of employer obligations. We argue that, although changes may sometimes be carried out successfully, employees may have perceived them as unfavorable and may not have supported the reasons for them, which could explain the very small negative relationship between (contrary to our hypothesis) change history and the fulfillment of employer obligations. Contrary to the low scores on the fulfillment of the psychological contract and the relatively low score (compared to other organizations) on extra-role behavior, this organization had the highest score on in-role behavior. In the interviews this was attributed to the intrinsic motivation of healthcare workers. Employees feel obliged toward their client (associated with in-role obligation), whereas going the extra mile (extra-role behavior) might be seen as an obligation toward the organization, on which the scores were lower. In our opinion this might explain why the relationship between fulfillment and employee obligations was relatively small. The large proportion of women in this organization might also have played a role, as there was a positive effect of gender (for women) on the relation between fulfillment of employer obligations and in-role behavior.

Organization 3 is a local government organization offering services that are determined by law and comparable to similar organizations in the Netherlands. There is no competition in this industry and the organization is situated in a region that offers good job opportunities. Nevertheless, it was stated in the interviews that external pressures are increasing because of the economic crisis and budget cuts put on local

governmental organizations. However, the financial position of this organization is good and in the Dutch public sector, job security is relatively high, with a strong labor union involvement. Interviewees emphasized the highly democratized character of the organization (employee involvement is prescribed by Dutch law and special commissions must be consulted if the organization wants to start a change program). Employee involvement is perceived as a basic right. The employees' attitude toward change was said to be positive in general and the overall investment in people strategy was seen as an important cause for this positive attitude. A lot of effort is put into good communication, involvement and training of employees and educational programs to get employees aligned with the organization's goals and strategy. Furthermore, there are leadership programs that focus on how to supervise and coach employees to help them perform their job effectively. New managers are also selected on people skills and coaching abilities. Cultural aspects mentioned are the intrinsic motivation to work for a public sector organization, and to contribute to wider society. Employees are not seen as resources but are valued based on the tasks they carry out, and their specific strengths and weaknesses. Employees are motivated to improve client service, and to improve connections between the organization and the community. The overall picture of the culture of this organization as sketched during the interviews matches the features of high involvement work systems as described by several authors (e.g. Boxall & Macky, 2009; Combs et al., 2006). The latter authors describe high involvement work systems as characterized by a bundling of work practices that shape the way managers and employees interact, requiring high motivation and collaboration and resulting in high performance. In this organization, strategic (HR) goals, training and development are very much aligned. The organization for example has a strategy characterized by an external focus, stimulating employees to work for different organizations within the same region and encouraging policy makers to spend at least 20 percent of their time outside the organization. How people interact is furthermore characterized by people involvement and cooperation among employees and managers. The organization's strong performance can be illustrated by the overall good financial results but also by the fact that it was listed high on the list of best employers.

Contextualizing the quantitative results for organization 3. This organization has no highest or lowest score on the change antecedents nor on the psychological contract dimensions. Nevertheless, the average scores on several scales were relatively high: successfulness of past changes (3.23), justification (3.39), change management (2.99) and the fulfillment of the employee obligations (3.48). By contrast, the scores on extra-role obligations were relatively low (3.08). Furthermore, the relation between change management and fulfillment was rather strong.

The overall high scores on successfulness of past changes, justification and change management could, according to the respondents, be explained by the organization's

efforts in this respect. People are involved in change processes and a lot of attention is paid to communication and leadership. We argue that this could explain the relatively strong relationship between change management and fulfillment of the psychological contract. According to the respondents, some of the worker factors might be important regarding the low scores on extra-role behavior. Reasons for employees to work for this non-profit organization pertain to social responsibility and work-life balance.

Organization 4 is a Dutch court whose responsibilities and services are determined by Dutch law. Job protection is high, judges are appointed for life in the Netherlands. According to the respondents, the highly educated employees therefore do not fear losing their job, which may prompt them to exercise more voice. On account of the specific knowledge and job characteristics (autonomy) as well as the relatively high status and job protection, people retention is high and employees are proud to work for the organization. The respondents stated that employees feel committed to the overall purposes and goals of the organization. Change is relatively infrequent (compared to other organizations) and the organization's history is characterized by stability (almost no fundamental changes in the core of the organization over the last 200 years). However, according to the respondents, this is likely to change in the near future. Budget cuts and changes to the way the justice processes and duties are organized are expected. These changes are not necessarily supported by employees. The organizational changes that have been implemented often concerned changes in structure or how the work is organized but not the work itself.

Contextualizing the quantitative results for organization 4. The organizational stability is reflected in the lowest scores on frequency of change (M=3.60), and the rather low scores on impact (M=3.28), justification (M=3.03), and transformational type of change (M=2.54). We argue that the type of work (employees need to think and judge independently) might explain the low scores as well as the high educational level, high status and high autonomy that might be associated with a lower acceptance of change.

There was a relatively strong relationship between fulfillment and in-role obligations and, contrary to our hypothesis, there was a rather strong positive relationship between transformational changes and fulfillment of the psychological contract. The organization had the lowest score on extra-role obligations (M= 3.05). The employees are civil servants with strongly protected rights in terms of employment conditions. Given their legal expertise, the employees are also very much aware of their rights. Interviewees stated that this could explain the relatively low scores on extra-role behavior and the strong reciprocal character of the psychological contract (relatively strong relationship between fulfillment and the in-role obligations). In a similar vein, the relationship between fulfillment and extra-role behavior is less strong since the motivation for extra-role related obligations is more intrinsic and not so much directed toward the employer.

Organization 5 is a Dutch regional governmental organization whose responsibilities are determined by Dutch law. There is no competition and a relatively high level of job security. According to the respondents, pressures on budgets are increasing, however, as a result of the economic turmoil and changing government policies. Employees are not yet used to large-scale changes and interventions, and certainly not to downsizing. However, they do understand that the budget cuts will have consequences for the organization. The organization highly values communication about changes and employee involvement and therefore makes a lot of effort in this respect. The organization carefully explains the reasons for change, the process and the intended results, and how employees will be affected and involved. This organization often seeks an organic change process. In general, this organization invests in aligning the change management approach with the type of change and circumstances. This is seen as an important success factor. It was also highlighted that the organization invests heavily in people and has a good reputation in this respect.

Contextualizing the quantitative results for organization 5. The attention the organization pays to good change management probably explains the highest scores on successfulness of past changes (M=3.36) and change management (M=3.17). Interviewees reported that good communication, involvement and transparent leadership were characteristic for the organization. The relationship between change management and fulfillment of the psychological contract was strong. Frequency of change scored rather low (M=3.81).

Organization 6 is a central government organization in the Netherlands whose activities are determined by Dutch law. The respondents reported that the organization was founded in 2000 as a merger between two organizations due to political reasons and has had a turbulent history. Important aims for this merger were to improve quality and efficiency by combining similar functions. Some of the goals were not fully met, although efforts had been made to improve processes and customer satisfaction. As a consequence, new changes like redesigning work processes and tasks as well as downsizing were announced several times. In 2008 these changes accelerated as a result of the economic crisis. The crisis led to a new strategic direction and changes in politics and policies. These developments have led to unrest and contributed to the need for more flexibility. Almost all employees have temporary contracts and are expected to be flexible in where they work and in the tasks they carry out. Respondents emphasized that the organization tries to be very clear and transparent about this. A lot of effort is put into managing employees' expectations by investing in leadership. Leadership is perceived to be an important determinant of the organization's ability to absorb change. At the same time, job rotation and development opportunities are offered to keep the organization attractive as a place to work.

Contextualizing the quantitative results for organization 6. The high number of changes was reflected in the relatively high score on frequency of change (M=4.45), the highest score on impact (M=3.74) and the highest score on the fulfillment of employer obligations (M=3.53). The latter is very interesting given the turbulent change history of the organization.

According to one of the respondents, employees' understanding and support for change is quite high since people read about politics in the papers and understand that the organization has no other choice than to change in a certain direction. This is important since more understanding and a perceived need for change will most likely moderate the effects of organizational change on the psychological contract. An explanation offered by the respondents for the relatively high score on fulfillment was transparency and the effort put into managing expectations. Also as a trade-off for fewer career opportunities and no job security, the organization also offers many opportunities for personal development and training. This might have a positive effect on the perceived fulfillment. We furthermore argue that having many employees on a temporary contract might lead to a more transactional type of psychological contract, as the organization is not always able to offer longer term opportunities and security. This is made very clear during recruitment. In the interviews it was argued that consequently, expectations might be low (the lowest score on in-role obligations (M=4.04)) and the fulfillment high (easier to fulfill). Interviewees also proposed that the positive relationship between frequency of change and the fulfillment of employer obligations might be explained by the positive feelings that younger employees have toward change, by managing the expectations well and by the fact that employees build their CV more easily in environments that are characterized by change and dynamics.

Organization 7 is an IT service organization. It offers a diverse range of IT services, varying from consultancy to maintenance. The IT industry is very competitive in the Netherlands, with low margins and strong pressures to keep prices low. During the interviews it was explained that as a consequence of these external pressures, the organization needs to cut costs and improve the internal efficiency to remain competitive. The organization downsized the number of employees (redundancies after first not extending the temporary contracts), and other changes within the organization were carried out. Processes were redesigned, the structure was changed, and some of the tasks were outsourced to low-wage countries. The change management approach was described as planned and top down, with communication letters, roadshows etc. to inform employees about recent developments, strategies and plans. However, this could not take away the negative (perceived) consequences of the changes in terms of job security, and employees might well feel insecure about future possibilities within the organization.

Many employees have worked for this organization for quite a long time, and

the organization does offer a lot of opportunities (job opportunities, educational opportunities, etc.). One of the respondents highlighted that employees feel a strong dedication toward the work and the clients. Many employees have average levels of education and do not hold managerial positions, but seek a job with good working conditions, job security and pleasant colleagues to work with. At managerial level the culture is ambitious, but not necessarily for the lower level employees. As a result of several mergers in the past, the culture was defined as being different between groups of employees. Efforts are made to integrate employees from different blood groups by having them work together.

Contextualizing the quantitative results for organization 7. This organization had the highest scores on frequency of change (4.60) and transformational type of changes (3.91). The score on impact was also rather high (3.51), which could be due to the organization's change history. At the same time, the lowest scores occurred for success of past change (2.64) and justification of change (2.96). The score on change management was also rather low (2.67). We argue that unfavorable outcomes of the change might result in a more negative perception of how and what was communicated. The changes were hard to carry out with a bottom-up approach, resulting in low levels of employee involvement and participation. It was furthermore mentioned in the interviews that the overall level of job protection in the Netherlands is high. This might affect the overall perception toward a perceived need for job security. Since job security was at stake and Dutch employees find this important, this might result in strong employee reactions.

This organization furthermore had the highest score on extra-role behavior (3.39) and also quite high scores on in-role behavior (4.21), as well as a low degree of fulfillment of employer obligations (3.276). First, regarding the low score on fulfillment of employer obligations: continuous change, accompanied by a loss of job security, might have led to negative responses toward the employer. More specifically, job security and career development are part of the employer's obligations, and these aspects were negatively affected due to the restructuring operations. Since many employees had already worked for this organization for quite some time, and internal opportunities for learning and development are ample, insecurity about the future might have had an even stronger effect on employees' outcomes here (they have a lot to lose). Further, the scores on in-role behavior and extra-role behavior were rather high. Possible explanations offered during the interviews are a high level of dedication toward the organization: since employees know that market conditions are hard they might be willing to invest more in their work. On the other hand, the fear of losing their job might result in putting extra effort into the job. That absenteeism was low during the restructuring might support this interpretation. Alternative job opportunities might play a role in how employees react to change, according to one of the respondents. Employees working in regions with less alternative job opportunities reacted more strongly to organizational change and to the

risk of job loss than those who working in economically stronger regions. In conclusion, it seems that the significant negative relationship between transformational changes and fulfillment could be explained by the fact that in this organization these changes were accompanied by redundancies (as in Organization 1). The effects of the type of change may thus be of more importance than the type of change itself.

4.6   DISCUSSION

This study investigated the relationship between the fulfillment of employer obligations and in-role behavior and extra-role behavior and found that the effects were small but consistently positive and overall significant. With respect to relationship between the change antecedents and psychological contract fulfillment, differences between the organizations were found. These differences seem to be contextually bound. This study contributes to theory and practice in several ways.

First, in this study organizational change characteristics are considered as predictors. Existing research on organizational change focuses on the effects of specific changes such as downsizing (Beaumont & Harris, 2002), but does not identify the properties of change events that lead to (negative) employee outcomes. Apart from the study by Van der Smissen et al. (2013b), to our knowledge no prior research on this topic exists. Furthermore this study focuses on the individual's reactions to organizational change, whereas most of the work on organizational change aims to explain how organizations prepare for and respond to organizational change (Oreg, 2011). The focus of this study helps researchers and practitioners to acquire more insight into the individual reactions to organizational change and to define what interventions to undertake.

Second, and opposed to our hypotheses, the results indicate that frequency of change and type (transformational type) of change were not significantly related to the fulfillment of employer obligations. That is an insight relevant for both theory and practice. Since previous research did find effects of frequency of change on employee's reactions to change (e.g. Rafferty & Griffin, 2006; Freese, 2007), more in-depth research is needed on this topic. The interview data showed that frequent change is considered a normal part of organizational life nowadays and might therefore no longer be a differentiating factor with regard to psychological contracts. Employees might even perceive it as positive, especially if they understand the external business needs for change. In a similar vein, further research is required on the effects of type of change since there is evidence for the effects of transformational types of change (e.g. Bellou, 2007), which was not found in this study. This might be due to how transformational change was assessed (by calculating the average number of and scores on transformational changes). The interview data suggest that, apart from the type of change, the actual or potential consequences connected to the change (especially regarding losing one's job) is more important than the type of change itself. In line with Van den Heuvel et al.

(2013), a suggestion for future research would be to focus more specifically on personal consequences of changes (for example in terms of job security, feelings and future career opportunities), or on the effects of personal characteristics (such as change capabilities or coping styles) on how organizational change is perceived.

Third, our study adds to current research by looking at the effects of organizational change on several aspects of the psychological contract (both fulfillment and content of the psychological contract). It is examined how organizational change antecedents affect the fulfillment of the psychological contract and simultaneously it was examined if and how psychological contract fulfillment affects the content of the psychological contract. In general, the (academic) research mainly focuses on psychological contract fulfillment and not so much on the content and the reciprocal character of the psychological contract.

A fourth contribution to both theory and practice is that this study takes context into account. The results indicate that although there were clear patterns that were similar across organizations, the organizations also show important differences. Context plays a significant role in explaining these differences, which confirms Rousseau and Fried's (2001) argumentation that the context is important to understanding behavioral processes within organizations. Besides, in our opinion, the role of the context will gain in importance because of the ongoing globalization and the growing diversity within and between organizations. The qualitative analyses in this study revealed several factors that influence employees' reactions and that may also explain differences between organizations. In the external environment, significant factors include the type of business and industry, the level of competition, the level of job protection and the availability of job alternatives. It appears that working in organizations that operate in more turbulent and competitive environments adds to the understanding and acceptance of change. Higher levels of job protection and fewer alternative jobs have a negative impact on change acceptance. Characteristics and motivation of employees are relevant when it comes to the work and job factors. Employees that are motivated to make a career and dedicated to the organization also tend to absorb change better. This appears to lead to less negative effects of change on the psychological contract.

Another important aspect of context is the culture of the organization. A culture characterized by high ambition, trust in management and competitiveness also seems to have a softening effect on negative relationships between change and the psychological contract. Put differently: organizations with cultural features that resemble the high performance work systems (as described by several authors, e.g. Boxall & Macky, 2009; Combs et al., 2006) tend to absorb organizational changes well. This is probably because these systems ensure a good alignment between employees and management, between strategy and (HR) practices, and put effort into enabling the right mix of autonomy, motivation and pressure, all in order to keep the organization agile.

Furthermore McDermott et al. (2013) argue that leadership styles that support a

firm's HR strategy are key in making psychological contracts beneficial for both the firm and its members. The importance of leadership and alignment between organizational goals, HR goals and personal goals was also found in this study. However we need to note that a broader scope needs to be applied when it comes to understanding the exact role that context plays in forming psychological contracts.

The results of this study furthermore point out that there are similar patters between groups of employees of every organization in how they react to organizational change and in how organizational change affects their psychological contract. This underlines the importance of the work of several authors (e.g. Sverdrup & Schei, 2013) on horizontal psychological contracts and how these contracts can offer explanations for the relationships between group members. Although psychological contracts are of course individual there are some indications for patterns of similarity between group members (within one organization) that are interesting for further exploration.

In sum, we found that it is important to take account of external context factors (industry, competition, job protection), and the internal organization (culture, past changes and events), and work and job factors (drive and characteristics of employees). This is a contribution to current research on context and organizational change. We recommend to further explore the concept of context, both in qualitative and more quantitative studies. A research design that takes both quantitative and qualitative aspects into account (mixed method approach) would be most appropriate, as it will yield both quantitative results and deeper insights into other relevant information.

This study offers some additional insights for practice. We hope that the results will help managers, HR professionals and change professionals to rethink their approaches to organizational change. Change is often envisioned as a planned process in which change plans, training, education and communication are the key to success. While it confirms the importance of change management, this study also highlights the importance of the broader context in which change takes place. Practitioners should pay attention to employee perceptions of former experiences and personal consequences for them as individuals. Another aspect that appeared to be important is the justification of changes. Practitioners should be aware of the fact that, aside from understanding 'What is going to change', employees are also interested in 'Why is this change taking place'. Contrary to what was expected, type of change did not influence psychological contracts. At the same time, the change management approach often is determined by the type of change carried out. We argue that other aspects such as the change history, impact of the change but also several contextual factors should play an important role in choosing the general approach. The qualitative results furthermore show the importance of both the internal and external context in how change affects psychological contracts. This also suggests that change by blueprinting (planned change approach) is not wise when not taking the context into account. We recommend a shift from blueprint change management to a contextually-based change approach. Especially the culture of the organization,

the type of employee and the perceived pressures from the external environment are important aspects. Managers and change practitioners should be aware of the fulfillment of perceived obligations and their impact on what employees are willing to offer in return.

REFERENCES

Andersson, L.M. (1996). Employee cynicism: An examination using a contract violation framework. *Human Relations, 49(11),* 1395–1418.

Beaumont, P., & Harris, R. (2002). Examining white-collar downsizing as a cause of change in the psychological contract. *Employee Relations, 24(4),* 378-388.

Bellou, V. (2007). Psychological contract assessment after a major organizational change: The case of mergers and acquisitions. *Employee Relations, 29(1),* 68-88.

Blau, P.M. (1964). *Exchange and power in social life.* New York: Wiley.

Bollen, K.A. (1989). *Structural Equations with Latent Variables,* New York: John Wiley and Sons.

Boxall, P., & Macky, K. (2009). Research and theory on high-performance work systems: progressing the high-involvement stream. *Human Resource Management Journal, 19(1),* 3–23.

Bouckenooghe, D., & Devos, G. (2007). The role of process, context and individual characteristics in explaining readiness for change: A multilevel analyses. *Working Paper Series Vlerick Leuven Gent Management School.*

Bouckenooghe, D. (2010). Positioning change recipients' attitudes toward change in organizational change literature. *Journal of Applied Behavioral Science, 46(4),* 501-531.

Boxall, P. & Macky, K. (2009). Research and theory on high performance work systems: progressing the high-involvement stream. *Human Resource Management Journal, 19(1),* 2-23.

Brown, M. & Cregan, C. (2008). Organizational change cynism: The role of employee involvement. *Human Resource Management, 47(4),* 667–686.

Caldwell, S.D., Herold, D.M., & Fedor, D.B. (2004). Toward an understanding of the relationships among organizational change, individual differences, and changes in person-environment fit: A cross level study. *Journal of Applied Psychology, 89(5),* 868–882.

Chaudhry, A, Sandy, J.W., & Schalk, R. (2009). A sensemaking model of employee evaluation of psychological contract fulfillment: When and how do employees respond to change? *Journal of Applied Behavioral Science*, *45(4),* 498-520.

Combs, J., Liu, Y., Hall, A. & Ketchen, C. (2006). How much do high performance work practices matter? A meta-analysis of their effects on organizational performance. *Personnel Psychology, 59(3),* 501-528.

Conway, N., & Coyle-Shapiro, J.A.M. (2012). The reciprocal relationship between psychological contract fulfillment and employee performance and the moderating role of perceived organizational support and tenure. *Journal of Occupational and Organizational Psychology*, *85(2),* 277–299.

Coyle-Shapiro, J. & Kessler, I. (2002). Exploring reciprocity through the lens of the psychological contract: employee and employer perspectives. *European Journal of Work and Organizational Psychology, 11(1),* 69-86.

Creswell, J. W., & Plano Clark, V. L. (2011). *Designing and conducting mixed methods research.* (2nd ed.). Thousand Oaks, CA: Sage.

DiFonzo, N., & Bordia, P. (1998). A tale of two corporations: managing uncertainty during organisational change. *Human Resource Management, 37(3),* 295-303.

Fenton-O'Creevy, M. (2001) Employee involvement and the middle manager: Saboteur or scapegoat?. *Human Resource Management Journal, 11(1),* 24–40.

Freese, C. (2007). *Organizational change and the dynamics of psychological contracts: A longitudinal study* (Doctoral dissertation). Tilburg University, ISBN/EAN: 978-90-5335-122-2.

Freese, C., Schalk, R., & Croon, M.A. (2008). Schending van het psychologisch contract tijdens organisatieveranderingen. *Tijdschrift voor HRM, 4,* 49-66.

Freese, C., Schalk, R., & Croon, M.A. (2011). The impact of organizational changes on psychological

contracts: a longitudinal study. *Personnel Review, 40(4),* 404-422.

Ghoshal, S., & Bartlett S. (2000). Rebuilding behavioral context: A blueprint for corporate renewal. In M. Beer and N. Nohria (Eds.), *Breaking the Code of Change.* Boston, Mass.: Harvard Business School Press.

Gouldner, A.W. (1960). The norm of reciprocity: A preliminary statement. *American Sociological Review, 25(2),* 161-178.

Herriot, P., Manning, W.E.G., & Kidd, J.M. (1997). The content of the psychological contract. *British Journal of Management, 8(2),* 151-162.

Hui C., Lee C., & Rousseau D. M. (2004). Employment relationships in China: Do workers relate to the organization or to people? *Organization Science, 15(2),* 232-240.

Korsgaard, M.A., & Roberson, L. (1995). Procedural justice in performance evaluation. The role of instrumental and non-instrumental voice in performance appraisal discussions. *Journal of Management, 21(4),* 657–669.

Lau, C.M., & Woodman, R.W. (1995). Understanding organizational change: A schematic perspective. *Academy of Management Journal, 38(2),* 537-554.

Lewis, L.K. (1999). Disseminating information and soliciting input during planned organisational change: implementers' targets, sources, and channels for communicating. *Management Communication Quarterly, 13(1),* 43-75.

Lewis, S., & Clarke, M. (2001). Forrest plots: Seeing the forest and the trees. *British Medical Journal, 322(7300),* 1479 - 1480.

McDermott, A.M., Conway, E., Rousseau, D.M., & Flood, P.C. (2013). Promoting effective psychological contracts through leadership: The missing link between HR strategy and performance. *Human Resource Management*, *52*(2), 289-310.

McNamara, C. (2006). *Field guide to consulting and organizational development with nonprofits: a collaborative and systems approach to performance, change and learning.* Minneapolis, MN: Authenticity Consulting.

Metselaar, E.E. (1997). *Assessing the willingness to change.* Amsterdam: Huispers Vrije Universiteit.

Morgan, D.E., & Zeffane, R. (2003). Employee involvement, organizational change and trust in management. *The International Journal of Human Resources Management, 14(1)*, 55-75.

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.

Oreg, S., Vakola, M., & Armekanis, A. (2011). Change recipients' reactions to organizational change: A 60 year review of quantitative studies. *Journal of Applied Behavioral Science, 47(4)*, 461-521.

Pate, J., Martin, G., & Staines, H. (2000). Exploring the relationship between psychological contracts and organizational change: a process model and case study evidence. *Strategic Change*, 9(*8*), 481-493.

Rafferty, A.E., & Griffin, M.A., (2006). Perception of organizational change: A stress and coping perspective. *Journal of Applied Psychology*, *91(5),* 1154-1162.

Reichers, A., Wanous, J., & Austin, J. (1997). Understanding and managing cynicism about organizational change. *The Academy of Management Executive, 11(1),* 48-59.

Robinson, S.A, Kraatz, M.S. & Rousseau, D.M. (1994). Changing obligations and the psychological contract: A longitudinal study. *Academy of Management Journal, 37(1),* 137-152.

Rousseau, D.M. (1989). Psychological and implied contracts in organizations. *Employee Responsibilities and Rights Journal, 2(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 Organizational Behavior, 11(5),* 389-400.

Rousseau, D.M. (1995). *Psychological contracts in organizations.* Thousand Oaks, CA: Sage.

Rousseau, D.M., & Fried, Y. (2001). Location, location, location: Contextualizing organizational research.

Journal of Organizational Behavior, 22(1), 1-13.

Rousseau, D.M., & Tijoriwala, S.A. (1998). Assessing psychological contracts: Issues, alternatives and measures. *Journal of Organizational Behavior*, *19(S1)*, 679-695.

Schalk, R. (2012). Waar is de organisatie in Gedrag en Organisatie? *Gedrag en Organisatie 25(3),* 285-292.

Schalk, R., Campbell, J.W., & Freese, C. (1998). Change and employee behavior. *The Leadership & Organization Development Journal, 19(4),* 157-164.

Schalk, R. & Freese, C. (1997). New facets of commitment in response to organizational change: research trends and the Dutch experience. In: C.L. Cooper & D.M. Rousseau (Eds.). *Trends in organizational behavior* (4, pp. 107-123). Chichester: John Wiley.

Schneider, B., Brief, A.P., & Guzzo, R.A. (1996). Creating a climate and culture for sustainable organizational change. *Organizational Dynamics*, *24(4),* 7-18.

Self, D.R., Armenakis, A.A., & Schraeder, M. (2007). Organizational change content, process, and context: A simultaneous analysis of employee reactions. *Journal of Change Management, 7(2),* 211-229.

Shore, L.M., Tetrick, L.E., Taylor, M.S., Coyle Shapiro, J.M., Liden, R.C. & McLean, P.J. (2004). The employee-Organization relationship: A timely concept in a period of transition. In Martocchio J and Ferris G (Eds.), *Research personnel human resource management*. Oxford: Elsevier Ltd.

Sims, R.R. (1994). Human resource management's role in clarifying the new psychological contract. *Human Resource Management, 33(3),* 373-382.

Smollan, R.K., & Sayers, J.G. (2009). Organizational culture, change and emotions: A qualitative study. *Journal of Change Management, 9(4),* 435-457.

Snijders, T.A.B. & Bosker, R.J. (2012). *Multilevel analysis: An introduction to basic and advanced multilevel modeling* (2th edition). London: Sage Publishers.

Sverdrup, T. E., & Schei, V. (2013). The Power of Reciprocity: Horizontal Psychological Contracts and Group Functioning. In *Academy of Management Proceedings* (Vol. 2013, No. 1, p. 13710). Academy of Management.

Turnley, W.H., & Feldman, D.C. (1998). Psychological contract violations during corporate restructuring. *Human Resource Management, 37(1)*, 71-83.

Turnley, W.H., & Feldman, D.C. (2000). Re-examining the effect of psychological contract violations: unmet expectations and job dissatisfaction as mediators. *Journal of Organizational Behavior, 21(1),* 25-42.

Van den Heuvel, S.R.H., Schalk, R., Freese, C., & Timmerman, V. (2013). Reacties van werknemers op organisatieveranderingen: Een managementperspectief. *Tijdschrift voor HRM*, *4*, 72-95.

Van der Smissen, S., Schalk, R. & Freese, C. (2013). Contemporary psychological contracts: How both employer and employee are changing the employment relationship. *Management Revue, 24(4),* 309-327.

Van der Smissen, S., Schalk, R. & Freese, C. (2013). Organizational change and the psychological contract: How change influences the perceived fulfillment of obligations. *Journal of Organizational Change Management, 26(6),* 1071-1090.

Wagner, J.A., Leana, C.R., Locke, E. A., & Schweiger, D. M. (1997). Cognitive and motivational frameworks in U.S. research on participation: A meta-analysis of primary effects. *Journal of Organizational Behavior*, *18(7),* 49–65.

Wanous, J.P., Reichers, A.E., & Austin, J.T. (2000). Cynicism about organizational change: Measurements, antecedents and correlates. *Group & Organization Management, 25(2),* 132-153.

Chapter 5

**Generations and psychological contracts:
Do different generations have a different perception of
their psychological contract and are these differences
reflected in their engagement toward the organization?**

5.1   ABSTRACT

This research is about if and how generational differences are reflected in psychological contracts and employees' engagement. It is furthermore examined whether the fulfillment of the psychological contract affects the engagement of the employee and the employees' own obligations toward the organization. A total of 3,196 completed questionnaires were subjected to analyses. The results show that there are generational differences in the content of the psychological contract. Generation Y has higher perceived obligations for career development, work-life balance and rewards, whereas the perceived obligations are lower for organizational policies. At the same time, generation Y judged their own obligations lower. Furthermore, the average score on engagement decreased from generation Baby-Boom to X (significant) but increased from X to Y (although not significant). Generational differences were also found in the evaluation of the psychological contract, as generation Y scored significantly lower on the fulfillment of rewards and higher on the fulfillment of social atmosphere. In conclusion, generational differences in the psychological contract are not useful in explaining generational differences in engagement.

5.2   INTRODUCTION

There is a growing interest in generational dynamics, both academic and practical. For example, a lot has been written about the specific characteristics of generation Y (e.g. Sheahan, 2005; Martin, 2005; Eisner, 2005; Ng et al., 2010). However, despite the attention for generation Y in popular media, little empirical research has been performed on generational differences in the workplace (Solnet & Hood, 2008).

As a result of the lack of attention for multigenerational research, decisions made by HR practitioners are based on claims in the popular press whose underlying assumptions are not supported by academic research (Cogin, 2012). According to other authors (Westerman & Yamamura, 2007), examining generational differences is a "critical and underdeveloped area for management research". Apart from the academic relevance, insight into generational differences also helps (HR) managers to understand and solve so-called generational conflicts (Dencker, Joshi & Martocchio, 2007). Insight into generational dynamics also helps organizations to understand the specific demands and values of groups of people, and as a result they will be better able to remain competitive in attracting qualified applicants. This is especially important in the light of the ageing population, which will increase the pressure on human resource managers to address resulting challenges such as funding pension plans and providing effective benefits (Martocchio, 2008). Additionally, understanding specific needs and generational differences can help organizations to formulate HR policies that meet the needs of specific employees better and to better manage productivity and other employee outcomes.

Academic research on generational differences focuses mainly on work values (e.g. Parry & Urwin, 2011; Kowske, Rasch & Wiley, 2010; Twenge et al., 2010), with very little attention devoted to generational differences in employees' perception of the employment relationship (Lub, Bal, Blomme & Schalk, 2014). A key concept in understanding the employment relationship is the psychological contract (Rousseau, 1995). Although research on generational differences regarding psychological contracts is scarce (De Meuse et al., 2001; Hess & Jepsen, 2009; Lub, Blomme & Bal, 2011), the prism of psychological contracts offers an interesting approach to better understanding generational differences (Lub, Bal, Blomme & Schalk, 2014). This article examines if and how generational differences are reflected in the psychological contract of employees by using Eisner's (2005) distinction between generations. According to Rousseau and Tijoriwala (1998), psychological contracts can be studied in several ways. This study combines the content-oriented approach (examining the perception of what the employee feels he or she is obliged to provide the organization with) and the evaluation-oriented approach (investigating the fulfillment of the perceived obligations of the organization) to study generational differences. That is the first main topic of this research.

Failure of the organization to keep its promises is considered a key factor in employee performance and outcomes such as commitment (e.g. Bal et al., 2008; Morrison & Robinson, 1997; Robinson & Rousseau, 1994; Thompson & Bunderson, 2003). Although limited, there is support for a positive relationship between psychological contract fulfillment and engagement (Chambel & Oliviera-Cruz, 2010; Van den Heuvel, 2012), but this needs further testing. Generational differences in engagement are, together with the effects of fulfillment on engagement, the second main topic of this study.

5.3   THEORY

Generational differences are important to understanding employment relations at the workplace (Lub, Bal, Blomme & Schalk, 2014). Mannheim (1972) defines a generation as "a group of people in a similar social location experiencing similar social events". According to him (Mannheim, 1972) people are influenced by their environment, events during formative stages in their lives (especially between 16 and 25). These events and common experiences influence values and expectations of individuals during the rest of their lives. These values and expectations also influence how people experience their work and what they expect from their employers (e.g. Ng, Schweitzer & Lyons, 2010). Although different distinctions for generational differences are made, in this research we make use of Eisner's (2005) distinction on the topic, often used in empirical research. He distinguishes between: Baby-Boom (1945-1964), generation X (1965- 1980) and generation Y (born after 1980). This distinction resembles other popular distinctions, for example by Zemke et al. (2000) and Howe and Strauss (1991).

Although there is academic research on generational differences, this mainly focuses on work values (e.g. Parry & Urwin, 2011), with very little attention for generational differences in how the employment relationship is experienced (Van der Smissen et al., 2013; Lub, Bal, Blomme & Schalk, 2014). A key concept in understanding the employment relationship is the psychological contract (Rousseau, 1995). A definition of the psychological contract by Rousseau (1989) is: *"an individual's beliefs regarding the terms and conditions of a reciprocal exchange agreement between the focal person and the other party"*. Psychological contracts consist of mutual obligations (both from the organizational and the employee) and the level of perceived fulfillment of these obligations (Rousseau, 1990). Although the psychological contract is an important concept in understanding the dynamics of generational differences in how the employment relationship is experienced, little academic research has been done on the topic (Van der Smissen et al., 2013; Lub, Bal, Blomme & Schalk, 2014).

This study addresses this shortcoming in academic research by studying generational differences in psychological contracts. The Tilburg Psychological Contract Questionnaire (TPCQ) by Freese, Schalk and Croon (2008) is used to measure the dimensions of the psychological contract, but also to base our propositions regarding generational differences in psychological contracts on. The employer side of the construct consists of a set of items assigned to six scales (work content, career development, social atmosphere, organizational policies, work-life balance and rewards). These six scales measure the (perceived) obligations of the organization toward the employee as well as the fulfillment of these obligations. Further, two scales are used to measure the perceived employee obligations (in-role and extra-role behavior) and the fulfillment of these obligations. The few empirical studies that are available (De Meuse et al., 2001; Hess & Jepsen, 2009; Lub, Blomme & Bal, 2011) do find generational differences, although the results are sometimes mixed. Given the lack of empirical studies on generational differences in psychological contracts, and the fact that work values and psychological contracts are closely related, research on generational differences in work values can help. In line with previous work (Van der Smissen et al., 2013), good use of empirical research on differences in work values is made to hypothesize on differences in psychological contracts.

Critical reviews on generational work values studies (Parry & Urwin, 2011; Twenge, 2010) point out that empirical evidence for generational differences in work values is mixed, although others highlight the relevance of generational differences for HR practices and emphasize the importance of additional research (Cogin, 2012). Indeed, some empirical research does not find evidence for differences in work values between generations (e.g. Jurkiewicz & Brown, 1998) while others do, although sometimes modest. Most striking are the differences regarding work-life balance (often referred to as leisure or work centrality). Several authors (Smola and Sutton, 2002; Twenge et al., 2010; Cennamo & Gardner, 2008) find an increase in the importance of leisure or

work-life balance. This is also supported by popular conceptions that generation Y (and sometimes also X) work to live rather than live to work, as did generation Baby-Boom (e.g. Lancaster & Stillman, 2003). According to Parry and Urwin (2009), generation X and Y pursue work-life balance and flexibility, and define career success as having a good work-life balance. This is also confirmed by the empirical study of Lub et al. (2011) on generational differences and psychological contacts. In line with current research we expect that the perceived obligations of the employer regarding work-life balance to be higher for generation Y and X than for generation Baby-Boom.

Another difference between generations that is confirmed by several authors concerns the importance of career and self-development. According to Crumpacker and Crumpacker, (2007), generation Y seeks continuous recognition and instant feedback, and appreciates career development even more than older generations (Cennamo & Gardner, 2008). This is confirmed by Broadbridge et al. (2007) who found that generation Y highly values training and development, flexibility and career success, and by Terjesen et al. (2007), who found that generation Y (students) are attracted to organizations that offer training and development. Parry and Urwin (2009) found that generation X and Y define career success as (among other things) developing employable skills. These generations feel responsible for their professional development and do not hold the employer responsible for their own development (CIPD & Penna, 2008). In line with these results we expect generation Y and X to perceive employers as having higher obligations regarding their own career development than generation Baby-Boom.

Furthermore, differences are found regarding reward expectations, although mostly modest. The most demanding generation with respect to (financial) rewards is generation Y (Smola & Sutton, 2002). Twenge et al. (2010) find an increase in the importance of extrinsic values from generation Baby-Boom to X and Y, although they also conclude that this trend reverses from generation X to Y. The increase in the importance of extrinsic values is also confirmed by Cennamo and Gardner (2008), who found a significant difference in some of the extrinsic values (lower level of status-related work values for generation Baby-Boom). We thus expect generation Y and X to have higher expectations of their employer regarding rewards than generation Baby-Boom.

Current empirical research offers fewer indications for generational differences regarding organizational policies. Parry and Urwin (2011) argue that generation Baby-Boom wants to be recognized and to feel respected, and moreover expects the organization to pay attention to social responsibility (Parry & Urwin, 2009). Furthermore, Zemke et al. (2000) argue that generation Baby-Boom is more rule-oriented than younger generations, which is supported by Crumpacker and Crumpacker who argue that generation Y shows a "Why must I follow attitude" toward authority (p.355). Although empirical evidence on this topic is scarce and indirect, we expect that generation Y and X will perceive lower employer obligations regarding organizational policies than generation Baby-Boom.

Literature is divided on the question of whether more recent generations are more team-oriented and thus value social aspects of work more, or are more individualistic. Eisner (2005) is among several researchers to state that generation Y is team-oriented. Other studies claim that generation Y is more individualistic (e.g. Twenge, et al., 2010). The same applies for other aspects of the psychological contract. Since the results of current research are inconsistent, we expect no differences between generations in the perceived employer obligations regarding social atmosphere.

Current research is also not consistent regarding differences in intrinsic work values. Theories that younger generations seek more meaning in their work (e.g. Arnett, 2004) are contrary to some empirical studies that show that intrinsic values were rated lower for generation Y than by Baby-Boomers (e.g. Twenge et al., 2010). Although Lub et al. (2011) find that generation Y values a stimulating job more than older generations, this is not confirmed by other studies. In conclusion, since other studies do not confirm differences in intrinsic work values (e.g. Cennamo & Gardner, 2008) we expect no differences between generations in the perceived employer obligations regarding job content (many items regarding job content are a good reflection of intrinsic values). This results in the following hypothesis.

Hypothesis 1: Generations have different perceptions of the obligations of the employer toward the employee. The perceived employer obligations regarding work-life balance, career development and rewards increase from generation Baby-Boom to generation Y. Organizational policies are expected to decrease from generation Baby-Boom to generation Y.

Differences between generations may also exist regarding their own perception of what they are obliged to offer the organization. Work value literature (Smola & Sutton, 2002; Busch et al., 2008) shows a fairly consistent image of a decline in work ethics (e.g. doing my best in the job even if this sometimes means working overtime and less interested in working overtime). Gursoy et al. (2008) confirm that generation Baby-Boom lives to work in contrast to younger generations. This is also confirmed by Twenge et al. (2010), who found in their longitudinal study that leisure increased and work centrality declined over the generations. We thus expect more recent generations to score lower on their obligations toward the organization. This results in the following hypothesis.

Hypothesis 2: Generations have different perceptions of the employee's obligations toward the employer. The perceived employee obligations decrease from generation Baby-Boom to generation Y.

Since differences in work values exist, it is interesting to examine whether the differences in work values are reflected in the emotional bond between employee and the organization. In line with Lub et al. (2011), a decline in commitment from older to more recent

generations is expected. This, also because work value literature indicates that generation X and Y are more individualistic and self-centered (e.g. Sessa, Kabacoff, Deal, & Brown, 2007; Sirias, Karp, & Brotherton, 2007; Twenge & Campbell, 2009; Twenge, Konrath, Foster, Campbell, & Bushman, 2008), inspiring the label Generation Me (Twenge, 2006) that also scores lower on work ethics (Twenge et al, 2010). Although to our knowledge no empirical research regarding generational differences in engagement exists, it is interesting to examine whether differences in work values are reflected in the degree to which employees are passionate about what they do, about their work, are committed to their coworkers and their organization or differ in their work engagement. The latter is defined as a positive fulfilling work-related state of mind that is characterized by vigor, dedication and absorption (Schaufeli et al., 2002). Based on differences in intrinsic values and commitment, we expect differences to exist between generations. This results in the following hypothesis.

Hypothesis 3: Generations differ in their level of engagement. The level of engagement decreases from generation Baby-Boom to generation Y.

Apart from looking at generational differences in psychological contract dimensions, it is also relevant to focus on the level of fulfillment and breach of the psychological contract (Lub et al., 2012). Fulfillment and breach of the psychological contract have been found to be strong indicators of work outcomes (Bal et al., 2008; Zhao et al., 2007) and thus can result in interesting information regarding generational differences in work outcomes or engagement. Literature on work values offers some indications for generational differences. Generation Y is compared to Baby-Boomers, considered to be driven, and even more goal oriented and demanding of the work environment than generation X (Boschma & Groen, 2007; Smola & Sutton, 2002; Twenge & Campbell, 2008). When expectations are higher, the risk of not fulfilling these expectations will also increase. Since the image of growing overall expectations and demands (especially with regard to being rewarded) is fairly consistent in popular literature on generations, we expect the fulfillment regarding rewards to be lower for younger generations. However, in current literature there are no clear indications for differences in the level of fulfillment of the other underlying psychological contract fulfillment dimensions. This results in the following hypothesis.

Hypothesis 4: Generations have different perceptions of the fulfillment of employer's obligations. The level of fulfillment regarding rewards decreases from generation Baby-Boom to generation Y.

A key aspect of psychological contract theory is that the perceived obligations that constitute the psychological contract are based on promises (Rousseau, 2001) that are either made implicitly or explicitly (Rousseau, 1989). The role of the perceived failure of

the organization to keep these promises as a key component of employees' dissatisfaction and poor performance is an important element of the psychological contract research. According to Blau (1964), individuals strive to maintain a balance in what is given and taken in a relationship. If an imbalance occurs because one party increases or decreases its contributions, the other party seeks to restore the balance by changing its own contributions (Gouldner, 1960). The fulfillment of the employer's obligations in the psychological contract is therefore likely to affect the terms of the psychological contract as well (Freese, 2007). According to Herriot et al. (1997), non-fulfillment of organizational obligations results in a decrease in the employee's willingness to put extra effort into his or her work. As a result of the employer decreasing or changing its contributions, the employee seeks to restore the balance by changing his or her contributions as well (Gouldner, 1960). Several studies (e.g. Coyle-Shapiro & Kessler, 2002; Turnley & Feldman, 1998) showed that employees perceive lower obligations, especially with regard to extra effort, identification with the organization's norms, goals and values, and to loyalty as a result of organizational change and non-fulfillment of the psychological contract. It is expected that a lower level of fulfillment of employer's obligations are associated with lower levels of the employee's own obligations toward the organization. This results in the following hypothesis.

Hypothesis 5: The perceived fulfillment of organizational obligations is positively related to perceived employee obligations.

At the same time, psychological contract fulfillment has a positive effect on employee satisfaction (Tekleab et al., 2005) and commitment (Coyle-Shapiro & Kessler, 2000). Although limited, there is also support for a positive relationship between psychological contract fulfillment and engagement (Chambel & Oliviera-Cruz, 2010; Van den Heuvel, 2012). This results in the following hypothesis.

Hypothesis 6: The perceived fulfillment of the psychological contract is positively related to engagement.

Examining hypothesis 5 and 6 (the effects of the perceived fulfillment on respectively employee obligations and engagement) may result in information that can help explain the proposed differences between generations in both employee obligations and engagement. It is relevant to examine whether generational differences in the fulfillment of employer obligations as proposed in hypothesis 4 can help to explain generational differences in employee obligations as proposed in hypothesis 2 and to explain generational differences in engagement as proposed in hypothesis 3.

5.4 METHOD

Sample and procedure

Data for this study were collected through an online survey. An invitation to participate was sent to around 10,000 employees in seven organizations. This invitation was sent out on behalf of the researchers and the (senior) management of the participating organizations. The selection of organizations was based on a few criteria. First, the participating organizations were all Dutch to avoid the effects of country (culture). Our second purpose was to have a good spread in industries between participating organizations. Accordingly, organizations from different industries participated (1= professional services, 2= healthcare, 3=municipality, 4= court, 5= regional government, 6= central government and 7= IT company). Third, no restrictions were made with respect to job-level and level of education. Fourth, only organizations employing at least 500 people were invited to participate in order to gain a minimal number of respondents (per generation). Respondent confidentiality was assured. A total of 3,196 respondents completed the questionnaire, yielding a response rate of 33 percent. Of the total group of respondents, 27 percent was female. On average, employees had about 22 years of work experience and were 44 years old. About 45 percent of the respondents held a Bachelor's degree, 22 percent a Master's degree, 25 percent obtained qualifications at a vocational level and 6 percent at the secondary level. With respect to job level, most respondents had a job at the upper white collar level (59 percent), followed by intermediate white collar (24 percent), and management level (9 percent). Of the total group of respondents, 61 percent were married/ cohabiting with children, 18 percent were married/ cohabiting without children, 10 percent had no children nor a relationship, 6 percent did not have children but was into a relationship without living together or being married, and 4 percent had children but were not married nor cohabiting. Respondents worked for a professional services firm (8 percent), a healthcare organization (11 percent), a municipality (8 percent), a court (3.5 percent), a regional government (4 percent), a central governmental organization (3 percent) and an IT firm (63 percent).

Measures

Generations - The divide between generations has been based upon birth year. The categorization by Howe and Strauss (1991) is applied in this research. Baby-Boomers were born between 1943 and 1960 (N=1231, 39 percent), Generation X consists of respondents born between 1961 and 1981 (N=1576, 49 percent) and respondents born after 1982 are categorized as Generation Y (N=389, 12 percent).

The psychological contract - The psychological contract was measured using the Tilburg Psychological Contract Questionnaire (TPCQ) designed by Freese, Schalk and Croon (2008). The questionnaire focusses on measuring the terms of the psychological contract rather than contract types, in line with Morrison and Robinson's (1997) recommendation to focus on measuring the terms or elements of the psychological contract, rather than contract types. The content part of the psychological contract was measured by a set of items assigned to six scales (work content, career development, social atmosphere, organizational policies, work-life balance and rewards). These six scales measure the (perceived) obligations of the organization toward the employee. All sets of items were introduced by the following question: "In the employment relationship employees have expectations about what the organization will offer. To what extent is your organization obliged to offer you the following?". Cronbach's alpha for the six scales were job content 0.787, career development 0.827, social atmosphere 0.817, organizational policies 0.833, work-life balance 0.759, and rewards 0.774. Furthermore, two scales were used to measure the perceived employee obligations (in-role and extra-role behavior). These two sets of items were introduced by the following question: "In the employment relationship you have opinions on what you should offer the organization. To what extent do you feel obliged to offer your organization the following? All scale items are measured using a 5-point Likert-type scale ranging from 1 ("no obligation at all") to 5 ("very strong obligation"). Cronbach's alpha for the in-role and extra-role behavior scales were respectively 0.845 and 0.828. In order to evaluate the extent to which the obligations are fulfilled (the evaluation-oriented part of the psychological contract), after each scale addressing a distinct aspect of the psychological contract content (so 6 times in total), the following question was included: "To what extent did your employer fulfill the previous obligations?" The fulfillment of the psychological contract was measured by a 5-point Likert-type scale ranging from 1 ("not at all") to 5 ("to a very great extent").

Engagement - The Utrecht Work Engagement Scale (UWES) derived from Schaufeli et al. (2006) was used to measure engagement. This scale consists of nine items introduced by the following sentence: "The following statements are about how you feel at work. Please select the answer that best describes how often you feel that way". An example item is "At my work I am bursting with energy". A seven-point scale was used to measure the answers. The response options were: "never", "almost never" (a few times a year or less), "rarely" (once a month or less), "sometimes" (a few times a month), "often" (once a week), "very often" (a few times a week), "always" (every day). Cronbach's alpha for the scale is 0.935.

Control variables - Several control variables were included in this research; gender (measured with a dummy variable, 0 = male / 1 = female), job level (measured on a six-point scale ranging from 1="blue collar worker" to 6="management or director" and

level of education measured with as an interval variable that ranged from 1="primary education" to 6="PhD or similar". Family situation was also included as a control variable in this study, measured on a scale varying from 1="no relations and no children", to 4="married/ cohabiting and children". Finally, the participating organizations were included as control variables in order to control for the effects of organizational differences.

5.5   RESULTS

The first question in this research is, "Are there are generational differences in psychological contracts and engagement?" To answer this question multivariate analyses of variance (MANOVA) were used, controlling for gender, job-level, family situation, education and organization. Univariate analyses of variance (ANOVA) were used in the same way to test for single dimensions, again controlled for the same control variables. To gain insight into which specific generations differ on the constructs measured, post-hoc Bonferroni tests were used. Bonferroni was used because it does not require equal sample sizes (as is the case in this research) and because it is a conservative test compared to other post-hoc tests, reducing the chance of type I errors (e.g. McClave & Sincich, 2003). The second question in this research is, "Is engagement affected by psychological contract fulfillment and does engagement affect in-role and extra-role behavior?" These questions are answered by carrying out two regression analyses. The first regression tests the effects of psychological contract fulfillment and psychological contract violations on engagement, while the second regression tests the effect of engagement on in-role and extra-role behavior. The correlations are presented in Table 1.

The average scores on the psychological contract dimensions vary between 3.7 (job content) and 4.2 (in-role behavior). For the fulfillment items the scores vary between 3.1 (rewards) and 3.7 (work-life balance).

Generational differences in the perceived obligations of the employer

Our first hypothesis concerned differences between generations in the content of the employer part of the psychological contract. The results of the multivariate analyses (MANOVA) can be found in Table 2. The results show significant differences between generations on several aspects of the psychological contract: career development, organizational policies, work-life balance and rewards. This is after controlling for gender, job-level, education, family situation and organization. This supports the first part of our hypothesis, which proposes that generational differences on these aspects would occur. No significant differences were found for the constructs of job content and social atmosphere. That is also in line with our hypothesis.

The Bonferroni test was used to gain further information on what significant

TABLE 1: MEAN, STANDARD DEVIATIONS AND CORRELATIONS OF PSYCHOLOGICAL CONTRACT DIMENSIONS, FULFILLMENT OF PSYCHOLOGICAL CONTRACT DIMENSIONS AND CONTROL VARIABLES

		Mean	St. dev.	1	2	3	4	5	6	7	8	9	10
1	Gender (0=male, 1= female)	1.27	.442	1									
2	Education	3.89	.886	.037*	1								
3	Job level	4.66	.837	-.220**	.430**	1							
4	No no (0=no, 1=yes)	0.11	.307	.044*	-0.008	-.070**	1						
5	Kids (0=no, 1=yes)	0.04	.201	.040*	-0.003	-0.008	-.072**	1					
6	Relation (0=no, 1=yes)	0.06	.244	.059**	.077**	0.005	-.089**	-.054**	1				
7	Married (0=no, 1=yes)	0.17	.381	.061**	0.031	-0.013	-.158**	-.097**	-.120**	1			
8	Married & Kids (0=no, 1=yes)	0.61	.487	-.121**	-.057**	.055**	-.432**	-.264**	-.327**	-.583**	1		
9	Organization 1	0.08	.273	0.022	.319**	.143**	.048**	-0.023	.135**	.094**	-.161**	1	
10	Organization 2	0.11	.309	.431**	-.156**	-.319**	-.035*	0.019	-0.014	-0.020	.037*	-.103**	1
11	Organization 3	0.08	.269	.118**	-0.012	-.047**	-0.009	-0.027	-0.009	0.002	0.020	-.087**	-.101**
12	Organization 4	0.03	.178	.185**	.102**	-0.034	0.029	-0.003	0.018	0.022	-.043*	-.055**	-.064**
13	Organization 5	0.04	.192	.071**	.045*	-0.029	0.000	-0.001	-0.005	0.027	-0.018	-.060**	-.069**
14	Organization 6	0.03	.172	.139**	.081**	-0.002	0.004	-0.010	.081**	.061**	-.086**	-.053**	-.062**

		Mean	St. dev.	1	2	3	4	5	6	7	8	9	10
15	Organization 7	0.63	.483	-.500**	-.159**	.174**	-0.012	0.021	-.096**	-.082**	.111**	-.389**	-.452**
16	Mean job content	3.71	.524	-.037*	.068**	.095**	-0.027	0.015	-0.013	0.013	0.007	.053**	-.072**
17	Mean career development	3.87	.519	.051**	.039*	0.030	0.016	-0.005	0.017	0.019	-0.031	.087**	-0.014
18	Mean social atmpsphere	3.89	.542	.061**	-.098**	-.128**	0.019	0.003	-0.029	-0.012	0.011	0.005	.074**
19	Mean organizational pol.	4.05	.459	.105**	-.038*	-0.030	-0.033	0.018	-.053**	0.0023	.038*	-.053**	.066**
20	Mean work-life balance	3.66	.636	-.189**	0.004	.115**	-0.009	0.014	0.007	-0.009	0.003	.043*	-.287**
21	Mean rewards	3.83	.545	-.090**	-.117**	-0.031	-0.010	0.017	-.037*	-0.008	0.024	-0.019	-.037*
22	Mean in-role behavior	4.19	.397	.081**	-.050**	0.030	-.058**	.041*	-.055**	-0.006	.052**	-.075**	.074**
23	Mean extra-role behavior	3.43	.531	-.107**	.059**	.186**	-0.028	0.023	-.058**	-.035*	.064**	0.016	-.101**
24	Mean engagement	5.01	1.03	0.014	-.063**	.076**	-.082**	.038*	-.062**	-.039*	.097**	-0.0051	.070**
25	Fulfillment job content	3.50	.707	.053**	.094**	.158**	0.003	-0.025	-0.033	.052**	-0.015	.060**	-.056**
26	Fulfillment career developm.	3.17	.835	.040*	.042*	.112**	0.031	-.063**	0.015	.050**	-.040*	.131**	-.063**
27	Fulfillment socia atmosphere	3.21	.805	.056**	.102**	.097**	.058**	-.039*	0.016	.039*	-.059**	.127**	-.067**
28	Fulfillment organizational pol.	3.13	.739	.036*	.063**	.092**	-0.004	-0.031	-0.019	.051**	-0.014	.110**	-.081**
29	Fulfillment work-life bal.	3.74	.753	-.059**	.096**	.207**	-0.030	-0.002	0.011	0.030	-0.009	-.040*	-.184**
30	Fulfillment rewards	3.08	.817	-.021	.091**	.148**	-0.013	-0.005	0.003	0.032	-0.016	.053**	-.109**

	11	12	13	14	15	16	17	18	19	20	21
1	Gender (0=male, 1= female)										
2	Education										
3	Job level										
4	No no (0=no, 1=yes)										
5	Kids (0=no, 1=yes)										
6	Relation (0=no, 1=yes)										
7	Married (0=no, 1=yes)										
8	Married & Kids (0=no, 1=yes)										
9	Organization 1										
10	Organization 2										
11	Organization 3	1										
12	Organization 4	-.054**	1									
13	Organization 5	-.059**	-.037*	1								
14	Organization 6	-.052**	-0.033	-.036*	1							

	11	12	13	14	15	16	17	18	19	20	21
15	Organization 7	-.382**	-.241**	-.262**	-.232**	1						
16	Mean job content	-.079**	0.028	-0.030	-.040*	.076**	1					
17	Mean career development	-.047**	-0.025	-.040*	0.006	0.008	.501**	1				
18	Mean social atmpsphere	-0.004	0.020	-0.030	-0.028	-0.033	.382**	.440**	1			
19	Mean organizational pol.	.045*	0.021	-0.007	-0.019	-.035*	.359**	.497**	.498**	1		
20	Mean work-life balance	-.043*	-.063**	-.043*	-0.032	.235**	.375**	.365**	.299**	.290**	1	
21	Mean rewards	-.084**	-.057**	-.056**	-.065**	.148**	.352**	.487**	.394**	.480**	.470**	1
22	Mean in-role behavior	-0.022	-0.016	-0.008	-.074**	.043*	.226**	.320**	.324**	.486**	.142**	.315**
23	Mean extra-role behavior	-.108**	-.071**	-.050**	-.045*	.178**	.228**	.283**	.114**	.214**	.172**	.215**
24	Mean engagement	-0.019	-.035*	-0.027	-.061**	0.015	.068**	.111**	.085**	.138**	0.016	.112**
25	Fulfillment job content	.061**	.060**	.056**	.040*	-.091**	-0.005	-0.005	-0.009	0.010	-0.021	-.062**
26	Fulfillment career developm.	.105**	-0.023	.057**	.062**	-.129**	-.050**	-.037*	-0.018	-0.017	-0.020	-.080**
27	Fulfillment socia atmosphere	.071**	.059**	.057**	.064**	-.136**	-0.011	-0.012	-.049**	-.037*	-0.006	-.092**
28	Fulfillment organizational pol.	.083**	.061**	.080**	0.029	-.122**	-.048**	-0.026	-.052**	-.050**	-0.029	-.078**
29	Fulfillment work-life bal.	0.032	-.074**	0.028	.038*	.125**	.035*	0.033	-0.019	.061**	.052**	-0.023
30	Fulfillment rewards	.052**	-0.023	.063**	.079**	-.035*	-0.012	-.048**	-.056**	-0.010	-.040*	-.168**

		22	23	24	25	26	27	28	29	30
1	Gender (0=male, 1= female)									
2	Education									
3	Job level									
4	No no (0=no, 1=yes)									
5	Kids (0=no, 1=yes)									
6	Relation (0=no, 1=yes)									
7	Married (0=no, 1=yes)									
8	Married & Kids (0=no, 1=yes)									
9	Organization 1									
10	Organization 2									
11	Organization 3									
12	Organization 4									
13	Organization 5									
14	Organization 6									

	22	23	24	25	26	27	28	29	30
15	Organization 7								
16	Mean job content								
17	Mean career development								
18	Mean social atmpsphere								
19	Mean organizational pol.								
20	Mean work-life balance								
21	Mean rewards								
22	Mean in-role behavior	1							
23	Mean extra-role behavior	.439**	1						
24	Mean engagement	.351**	.348**	1					
25	Fulfillment job content	.091**	.124**	.337**	1				
26	Fulfillment career developm.	.062**	.099**	.264**	.458**	1			
27	Fulfillment socia atmosphere	.063**	.100**	.221**	.422**	.447**	1		
28	Fulfillment organizational pol.	.048**	.093**	.233**	.428**	.446**	.541**	1	
29	Fulfillment work-life bal.	.114**	.142**	.177**	.302**	.272**	.315**	.300**	1
30	Fulfillment rewards	.054**	.089**	.168**	.348**	.391**	.368**	.407**	.348**	1

TABLE 2: AVERAGE SCORES & GENERATIONAL DIFFERENCES IN PSYCHOLOGICAL CONTRACT DIMENSIONS & ENGAGEMENT

Dimensions		F	Significance	Mean BB	SD	Mean X	SD	Mean Y	SD
Psychological contract	Work content	0.483	0.617	3.658	0.023	3.671	0.022	3.692	0.031
(employer obligations)	Career development	9109.000	*0.000*	3.794	0.023	3.859	0.022	3.929	0.030
	Social atmosphere	0.761	0.467	3.894	0.024	3.900	0.023	3.856	0.032
	Organizational policies	3828.000	*0.022*	4.078	0.020	4.056	0.019	3.991	0.027
	Work-life balance	27029.000	*0.000*	3.433	0.027	3.588	0.025	3.661	0.035
	Rewards	3117.000	*0.044*	3.706	0.024	3.736	0.023	3.797	0.032
Psychological contract	In-role behavior	6565.000	*0.001*	4.192	0.017	4.157	0.016	4.098	0.023
(employee obligations)	Extra-role behavior	1529.000	0.217	3.328	0.023	3.297	0.022	3.337	0.030
Psychological contract	Work Content	0.650	0.522	3.576	0.031	3.592	0.029	3.631	0.041
(fulfillment)	Career Development	2700.000	0.067	3.285	0.036	3.246	0.034	3.365	0.048
	Social Atmosphere	6606.000	*0.001*	3.295	0.035	3.342	0.033	3.493	0.046
	Organizational Policies	0.591	0.554	3.242	0.032	3.229	0.030	3.280	0.043
	Work Life Balance	1907.000	0.149	3.658	0.032	3.707	0.031	3.733	0.043
	Rewards	14766.000	*0.000*	3.288	0.036	3.167	0.034	3.100	0.047
Engagement		7099	*0.001*	5.122	0.045	4.975	0.042	4.983	0.059

Notes: BB is generation Baby-Boom, X is generation X and Y is generation Y; results are after controlling for gender, family situation, organization, job-level and education.

differences occur between which generations. The results in Table 3 show that generation Y had a significantly higher score than generation Baby-Boom on the perceived employer obligations with regard to Career development. The same applies for generation X. the differences between generation Y and X on this aspect was not significant (although there was an increase from X to Y). As the results indicate, the perceived employer obligations regarding work-life balance are higher for generation Y and X than for generation Baby-Boom. No significant differences were found on this construct between generation Y and X. Furthermore, generation Y scored significantly lower than generation Baby-Boom in their perceived obligations with regard to organizational policies. And although there was a decrease from X to Baby-Boom, this difference was not significant. Furthermore, there was a significant increase with regard to rewards from generation Baby-Boom to Y, and although this also applies for the differences between Baby-Boom and X and between Y and X on this dimension, the latter differences were not significant. On the other psychological contract dimensions, no significant differences were found. These findings offer support for the second part of hypothesis 1, although in some aspects no significant differences (especially between generation Y and X) were found.

Generational differences in the perceived obligations of the employee

Hypothesis 2 aimed to test the proposed differences between generations in terms of employee obligations (the content of the employee part of the psychological contract). The results of the multivariate analyses (MANOVA) are offered in Table 2. It appears that there are significant differences between generations on the in-role obligations, whereas there were no differences in the perceived extra-role obligations. This partly supports the first part of hypothesis 2 in which a decrease in perceived employee obligations was postulated.

The results of the Bonferroni test provide information on the question regarding what significant differences occur between which generations. Table 3 shows that Y had a significantly lower score than generation Baby-Boom on the own in-role obligations (declines from Baby-Boom to X and from X to Y occurred but were not significant). At the same time there were no significant differences between generations in the perceived extra-role obligations. Although the findings regarding the perceived in-role obligations support hypothesis 2, the findings regarding extra-role behavior do not. In conclusion, hypothesis 2 is partly supported.

Generational differences in the evaluation of the psychological contract

Differences were also proposed to exist in the evaluation of the psychological contract (hypothesis 4). The results of the Multivariate analyses (MANOVA) are shown in Table 2. We hypothesized that the fulfillment of psychological contracts would differ between generations. This is partly confirmed by the results in Table 2. It appears that generations

do not differ significantly in the perceived fulfillment of their psychological contract with respect to work content, career development, organizational policies and work-life balance. Nevertheless and in line with our hypothesis, generational differences are found with respect to the fulfillment of social atmosphere and rewards.

The Bonferroni test furthermore shows that significant differences exist between generation Y and generation Baby-Boom and between generation Y and X regarding social atmosphere (more positive for Y). Significant differences also appear between Y and X, between Y and Baby-Boom and between X and Baby-Boom regarding the fulfillment of rewards (most negative for generation Y and most positive for generation Baby-Boom). This only partly supports hypothesis four.

Generational differences in the level of engagement

The third hypothesis concerned differences in engagement between generations. Since engagement in this study is treated as a single dimension, univariate analyses of variance (ANOVA) are used to test for differences. The results of the analyses can be found in Table 2. The results show a significant difference between generations in the level of engagement, which supports hypothesis 3.

The Bonferroni test reveals the significant differences that occur between the generations, with generation Y showing significantly lower levels of engagement than generation Baby-Boom. On the other hand, the differences between generation Y and X are not significant and, contrary to what was expected, the results show an increase in engagement from generation X to generation Y. In conclusion, the results of the Bonferroni test partly support hypothesis 4. The results are further summarized in Table 4.

Relationship between fulfillment, violation and engagement

Regression analyses were used to test hypothesis 5 and 6. To test hypothesis 5, two regressions were carried out to check for significant relationships between the fulfillment of employer obligations and in-role respectively extra-role obligations. The results of the first regression show that there is a significant relationship between the fulfillment of work content and work-life balance and in-role obligations. The same applies for the results of the second regression on the relationship between fulfillment of employer obligations and extra-role behavior. This supports hypothesis 5, which stated that the fulfillment of employer obligations would affect the employee obligations. However, not all fulfillment of employer obligations dimensions have a significant effect. Many of the control variables have significant effects, depending on the relationship between fulfillment and in-role, respectively extra-role behavior.

Hypothesis 6 is partly confirmed by the results of the regression analyses (Table 6). The

results show a significant positive relationship between fulfillment of the psychological contract and engagement. All fulfillment (of the employer obligations) dimensions (except rewards) had a significant effect on engagement. This supports hypothesis 6.

Examining hypothesis 5 and 6 (the effects of the perceived fulfillment on respectively employee obligations and engagement) may result in information that can help explain the differences between generations in both employee obligations and engagement. It is relevant to examine whether generational differences in the fulfillment of employer obligations as proposed in hypothesis 4 can help to explain generational differences in employee obligations as proposed in hypothesis 2 and to explain generational differences in engagement as proposed in hypothesis 3. The last question is of course if and how differences in fulfillment of employer obligations and the relations between fulfillment and respectively engagement and employee obligations offer extra explanations for generational differences in engagement and employee. More concretely, hypotheses 5 and 6 aim to explain possible differences between generations in both engagement and employee obligations. Although hypothesis 5 is partly confirmed and 6 is also confirmed, the results do not lead to additional insights that help explain the observed differences between generations in both engagement and in-role and extra-role behavior. Although differences in fulfillment are found between generations (see Tables 2, 3 and 4; differences are found regarding rewards and social atmosphere), exactly those dimensions appear to not significantly affect in-role and extra-role behavior. The same reasoning is valid with respect to engagement, as it appears unaffected by the fulfillment of rewards. At the same time, the fulfillment of social atmosphere does differ between generations (higher scores for generation Y) and does affect engagement, but does not help to explain the lower scores on this dimension between generation X, Y and Baby-Boom (only a significant difference between X and Baby-Boom and a (not significant) increase from generation X to Y).

TABLE 3: BONFERRONI TEST RESULTS ON GENERATIONAL DIFFERENCES IN PSYCHOLOGICAL CONTRACT DIMENSIONS & ENGAGEMENT

Dimensions		Mean difference X - BB	Mean difference Y - BB	Mean difference Y - X
Psychological contract	Work content	0.013	0.034	0.020
(employer obligations)	Career development	0.066*	0.135*	0.069
	Social atmosphere	0.006	-0.038	-0.044
	Organizational policies	-0.022	-0.088*	-0.066
	Work-life balance	0.155*	0.228*	0.073
	Rewards	0.030	0.091*	0.061
Psychological contract	In-role behavior	-0.035	-0.094*	-0.059
(employee obligations)	Extra-role behavior	-0.031	0.009	0.040
Psychological contract	Work content	0.016	0.054	0.038
(fulfillment)	Career development	-0.038	0.080	0.118
	Social atmosphere	0.048	0.198*	0.151*
	Organizational policies	-0.130	0.380	0.051
	Work-life balance	0.490	0.075	0.026
	Rewards	-0.121*	-0.277*	-0.157*
Engagement		-0.147*	-0.139	0.008

Notes: BB is generation Baby-Boom, X is generation X and Y is generation Y; results are after controlling for gender, family situation, organization, job-level and education.

TABLE 4: SUMMARY AND CONCLUSIONS ON GENERATIONAL DIFFERENCES

Dimensions		Significant differences
Psychological contract	Work content	No significant differences
(employer obligations)	Career development	X>BB & Y>BB
	Social atmosphere	No significant differences
	Organizational policies	Y<BB
	Work-life balance	X>BB & Y>BB
	Rewards	Y>BB
Psychological contract	In-role behavior	Y<BB
(employee obligations)	Extra-role behavior	No significant differences
Psychological contract	Work Content	No significant differences
(fulfillment)	Career Development	No significant differences
	Social Atmosphere	Y>X & Y>BB
	Organizational Policies	No significant differences
	Work Life Balance	No significant differences
	Rewards	Y<X. Y<BB & X<BB
Engagement		X<BB

Notes: BB is generation Baby-Boom, X is generation X and Y is generation Y; results are after controlling for gender, family situation, organization, job-level and education.

TABLE 5A: MULTIPLE REGRESSION ON RELATIONSHIP BETWEEN FEO AND IN-ROLE OBLIGATIONS

Variable	Model 1			Model 2		
	B	**s.e.**	**β**	**B**	**s.e.**	**β**
Gender	0.119	0.019	0.132 **	0.109	0.019	0.121 **
Education	-0.023	0.009	-0.052 *	-0.024	0.009	-0.054 *
Job-level	0.041	0.010	0.087 **	0.027	0.01	0.057 *
Family situation 1: no relation no kids	-0.074	0.023	-0.057 *	-0.076	0.023	-0.059 *
Family situation 2: relation no kids	-0.076	0.030	-0.047 *	-0.076	0.029	-0.046 *
Family situation 3: relation cohibiting no kids	-0.009	0.019	-0.009	-0.016	0.019	-0.015
Family situation 4: no relation kids	0.048	0.035	0.024	0.053	0.035	0.027
Org 1: professional services	-0.108	0.028	-0.074 **	-0.107	0.028	-0.074 **
Org 2: healthcare	0.011	0.028	0.008	0.031	0.028	0.24
Org 3: local government	-0.070	0.027	-0.048 *	-0.083	0.027	-0.057 *
Org 4: court	-0.086	0.042	-0.039 *	-0.076	0.042	-0.034
Org 5: regional government	-0.048	0.037	-0.023	-0.062	0.037	-0.030
Org 6: contral government	-0.210	0.042	-0.091 **	-0.225	0.042	-0.098 **
Fulfillment Work content				0.029	0.012	0.051 *
Fulfillment Career development				0.011	0.010	0.024
Fulfillment Social atmosphere				0.015	0.011	0.030
Fulfillment Organizational policies				-0.007	0.12	-0.014
Fulfillment Work-life balance				0.047	0.010	0.90 **
Fulfillment Rewards				0.004	0.010	0.008
R²	0.037			0.056		
Δ R²	0.033			0.050		
Δ F	9.462 **			9.836 **		

Note: The regression coefficients shown are standardized regression coefficients (β)

*P<.05

**P<.01

TABLE 5B: MULTIPLE REGRESSION ON RELATIONSHIP BETWEEN FEO AND EXTRA-ROLE OBLIGATIONS

Variable	Model 1			Model 2		
	B	s.e.	β	B	s.e.	β
Gender	0.022	0.025	0.018	0.008	0.025	0.006
Education	0.007	0.012	0.011	0.008	0.012	0.014
Job-level	0.092	0.013	0.145 **	0.072	0.013	0.113 **
Family situation 1: no relation no kids	-0.050	0.031	-0.029	-0.056	0.031	-0.032
Family situation 2: relation no kids	-0.132	0.039	-0.060 *	-0.125	0.039	-0.057 *
Family situation 3: relation cohibiting no kids	-0.051	0.025	-0.037 *	-0.061	0.025	-0.043 *
Family situation 4: no relation kids	0.031	0.046	0.012	0.044	0.046	0.017
Org 1: professional services	-0.054	0.037	-0.028	-0.077	0.037	-0.039 *
Org 2: healthcare	-0.168	0.037	-0.098 **	-0.149	0.037	-0.086 **
Org 3: local government	-0.252	0.036	-0.128 **	-0.283	0.036	-0.144 **
Org 4: court	-0.258	0.055	-0.086 **	-0.267	0.055	-0.089 **
Org 5: regional government	-0.188	0.049	-0.068 **	-0.223	0.049	-0.081 **
Org 6: contral government	-0.185	0.055	-0.060 *	-0.216	0.055	-0.070 *
Fulfillment Work content				0.047	0.016	0.063 *
Fulfillment Career development				0.025	0.013	0.039
Fulfillment Social atmosphere				0.028	0.014	0.042
Fulfillment Organizational policies				0.016	0.016	0.023
Fulfillment Work-life balance				0.039	0.014	0.055 *
Fulfillment Rewards				-0.001	0.013	-0.001
R²	0.067			0.090		
Δ R²	0.064			0.085		
Δ F	17.588**			16.533 **		

Note: The regression coefficients shown are standardized regression coefficients (β)

*P<.05

**P<.01

TABLE 6: MULTIPLE REGRESSION ON RELATIONSHIP BETWEEN FEO AND ENGAGEMENT

Variable	Model 1			Model 2		
	B	**s.e.**	**β**	**B**	**s.e.**	**β**
Gender	0.094	0.050	0.041	0.030	0.046	0.013
Education	-0.131	0.024	-0.113**	-0.117	0.022	-0.101 **
Job-level	0.176	0.025	0.144 **	0.081	0.024	0.066 *
Family situation 1: no relation no kids	-0.288	0.060	-0.086 **	-0.313	0.056	-0.093 **
Family situation 2: relation no kids	-0.293	0.076	-0.069 **	-0.240	0.070	-0.057 *
Family situation 3: relation cohibiting no kids	-0.145	0.049	-0.054 *	0.188	0.045	-0.070 **
Family situation 4: no relation kids	0.106	0.090	0.021	0.177	0.083	0.035 *
Org 1: professional services	0.115	0.072	0.031	-0.032	0.068	-0.008
Org 2: healthcare	0.232	0.072	0.070 *	0.279	0.067	0.084 **
Org 3: local government	-0.050	0.070	-0.013	-0.215	0.065	-0.056 *
Org 4: court	-0.091	0.107	-0.016	-0.197	0.100	-0.034
Org 5: regional government	-0.086	0.095	-0.016	-0.271	0.089	-0.051 *
Org 6: central government	-0.258	0.108	-0.043 *	-0.415	0.101	-0.070 **
Fulfillment Work content				0.347	0.028	0.239 **
Fulfillment Career development				0.140	0.025	0.114 **
Fulfillment Social atmosphere				0.069	0.026	0.054 *
Fulfillment Organizational policies				0.083	0.029	0.059 *
Fulfillment Work-life balance				0.074	0.025	0.054 *
Fulfillment Rewards				-0.002	0.024	-.0001
R²	0.041			0.186		
Δ R²	0.037			0.181		
Δ F	10.485 **			37.949 **		

Note: The regression coefficients shown are standardized regression coefficients (β)

*P<.05

**P<.01

5.6   DISCUSSION

The first major topic in this research concerns generations in relation to their psychological contract. First, differences in the perceived employer obligations were considered. The results show that perceived employer obligations do differ with regard to career development, organizational policies, work-life balance and rewards, whereas differences regarding work content and social atmosphere were not significant. In most cases significant differences were found between Y and Baby-Boom, followed by differences between generation X and Baby-Boom. However, no significant differences were found between generation Y and X. These results are in line with our hypothesis. Second, regarding employee obligations, significant differences were only found between generation Y and Baby-Boom with respect to "in-role obligations". This partly supports our hypothesis since support is found for the presumed differences in in-role obligations but not for extra-role obligations. It appears that going the extra mile (extra-role obligations) is not related to generations, whereas the more regular obligations or regular behavior that is expected from an employee who performs his task well does differ (in-role obligations). Third, this study also examined whether generations differ in their level of engagement. The results show that there is a significant difference between generation X and Baby-Boom whereas the differences between X and Y and between Y and Baby-Boom are not significant. This partly supports our hypothesis. Fourth, generational differences were examined in the fulfillment of the employer obligations. It appears that generational differences occur with respect to social atmosphere (Y > X & Y > Baby-Boom) and rewards (Y < X, Y < Baby-Boom and X < Baby-Boom). Although differences regarding rewards were also proposed, differences in the fulfillment of the social atmosphere dimension were not expected. It did emerge however that the overall expectations regarding this dimension are among the highest across all generations. These high expectations may be related to a relatively low judgment on the fulfillment of this dimension.

The second major topic in this study concerns the relationship between the fulfillment of employer obligations and respectively in-role and extra-role obligations (reciprocity) and between fulfillment and engagement. We also aimed to explain differences in in-role and extra-role obligations and engagement by differences in the fulfillment of employer obligations. First of all, the relationship between the fulfillment of employer obligations and in-role behavior, extra-role behavior and engagement is significant. This supports earlier research regarding the reciprocal character of the psychological contract (e.g. Gouldner, 1960; Blau, 1964; Herriot et al., 1997; Coyle-Shapiro & Kessler, 2002; Freese, 2007). The presumed effect of contract fulfillment on engagement was also confirmed. Furthermore, we intended to explain generational differences in employee obligations and engagement by generational differences in psychological contract fulfillment. Although the results show that significant differences do occur regarding the fulfillment of social atmosphere and rewards, these differences

offer no explanation for employee obligations or engagement. Unexpectedly, the fulfillment of rewards has a significant effect on neither employee obligations nor on engagement. So despite the fact that the fulfillment on rewards was lower for more recent generations, this does not offer an explanation for the lower scores on engagement nor for lower scores in in-role and extra-role obligations. Apparently, the fulfilment of obligations regarding rewards does not affect engagement, whereas the fulfillment of all other aspects of the psychological contract are positively related to engagement. Based on the results of this study, differences in engagement or employee obligations cannot be explained by differences between generations in the fulfillment of employer obligations.

Theoretical implications

The results of this study fill a gap in academic research. First of all, there is not much empirically-based academic research on generational differences (Cogin, 2012). Others (Westerman & Yamamura, 2007) even argue that empirical research on generational differences is a "critical and underdeveloped area for management research". Moreover, academic research on generational differences regarding psychological contracts is even scarcer. However, the few academic studies (De Meuse et al., 2001; Hess & Jepsen, 2009; Lub, Blomme & Bal, 2011, Lub, Bal, Blomme & Schalk, 2014) that do exist indicate that this is a relevant research area. This study adds to this by combining new perspectives; it focuses on both the content of the psychological contract and the fulfillment of the psychological contract, and it tests the reciprocal character of the psychological contact. The study moreover includes generational differences in engagement and the relationship between psychological contact fulfillment and engagement.

Practical implications

The results of this study clearly show generational differences regarding the employer side of psychological contracts. The differences regarding organizational policies and work-life balance support earlier findings by Burk (2005) who found support for differences in work–life balance requirements and in perceptions regarding ethics. These insights can help managers and HR professionals to better understand generational conflicts (Dencker, Joshi & Martocchio, 2007). These insights can also help organizations to make the specific demands of different generations more explicit. This will be helpful in fine-tuning the working conditions per generation, and so to remain competitive in attracting qualified applicants. The insights into the effects of psychological contract fulfillment can help organizations to manage expectations of younger generations more successfully. Despite the fact that younger generations value rewards more than older generations, the non-fulfillment of rewards does not affect the engagement or reciprocity of the psychological contract. However, the fulfillment of most other psychological contract dimensions does. This is something to take into account when formulating

policies regarding employee retention. The significant differences between generations indicate how important it is for employers to be aware of dissimilarities between different groups of employees in for example engagement, as emphasized by Armstrong-Stassen and Lee (2009). This further underlines the importance of more diverse HRM practices to motivate and engage different groups of employees.

LIMITATIONS AND SUGGESTIONS FOR FUTURE RESEARCH

An important limitation of this study is the cross-sectional design. This makes it hard to isolate generational differences from age effects. And although more empirical research has been done that confirms differences in psychological contracts due to age (e.g. Anderson & Schalk, 1998; Bal, De Lange, Jansen & Van Der Velde, 2008), age can be a proxy for many age-related types of changes that people are confronted with. Examples are biological, psychological, social and societal change (De Lange, Taris, Kompier, Houtman & Bongers, 2005). At the same time, Smola and Sutton (2002) concluded that the results of their longitudinal research show that work values are more influenced by generational differences than by age. Bal et al. (2008) also suggest that it is not possible to determine whether age effects are a consequence of ageing or cohort changes. The design of the study is also important to bear in mind when interpreting the relationships between psychological contract fulfillment and engagement, respectively in-role and extra-role obligations. Although the hypotheses tested in this study were based on argumentations and results of current literature, the cross sectional design of the study makes it not possible to proof the causality of the relationships found in this study.

A suggestion for future research is to examine in more detail what the psychological contract looks like per generation. More qualitative research could be useful here. Another suggestion is to study the employee aspects of the psychological contract more thoroughly. Unexpectedly and strangely, differences between generations were confirmed for in-role behavior but not for extra-role behavior. More detailed analyses of the scores on underlying items revealed that on some aspects generation Y indeed scored significantly lower, but on others it scored higher. Perhaps this scale needs to be updated or analyzed in more detail. In conclusion, this study found several differences that were in line with our hypotheses but not significant. This is partly due to the variation in samples (the group of generation Y employees in this article was much smaller than the generation X and Baby-Boom groups) and the likewise larger standard deviation. Collecting more data with bigger sample sizes (especially for generation Y) may help mitigate this shortcoming.

REFERENCES

Anderson, N., & Schalk, R. (1998). The psychological contract in retrospect and prospect. *Journal of Organizational Behavior, 19(S1),* 637-647.

Armstrong-Stassen, M., & Lee, S.H. (2009). The effect of relational age on older Canadian employees' perceptions of human resource practices and sense of worth to their organization. *The International Journal of Human Resource Management*, *20*(8), 1753-1769.

Arnett, J.J. *(2004). Emerging adulthood: The winding road from the late teens through the twenties.* New York: Oxford University Press.

Bal, P.M, De Lange, A.H., Jansen, P.G.W., & Van Der Velde, M.E.G. (2008). Psychological contract breach and job attitudes: A meta-analysis of age as moderator. *Journal of Vocational Behavior, 72(1),* 143-158.

Boschma, J., & Groen, I. (2007). *Generatie Einstein; slimmer, sneller en socialer. Communiceren met jongeren van de 21e eeuw*. Amsterdam: Pearson Education.

Broadbridge, A.M., Maxwell, G.A., & Ogden, S.M. (2007). Students' views of retail employment–key findings from generation Ys. *International Journal of Retail & Distribution Management*, *35(12),* 982-992.

Busch, P., Venkitachalam, K., & Richards, D. (2008). Generational differences in soft knowledge situations: Status, need for recognition, workplace commitment and idealism. *Knowledge and Process Management*, *15(1),* 45-58.

Cennamo, L., & Gardner, D. (2008). Generational differences in work values, outcomes and person-organization values fit. *Journal of Managerial Psychology, 23(8),* 891-906.

Chambel, M.J., & Oliveira-Cruz, F. (2010). Breach of psychological contract and the development of burnout and engagement: A longitudinal study among soldiers on a peacekeeping mission. *Military Psychology*, *22*(2), 110.

CIPD & Penna (2008). *Gen up: How the four generations work.* Chartered Institute of Personnel and Development, London, UK. Retrieved from: http://www.walesdeanery.org/images/stories/Files/Documents/careers/Gen_Up_Report.pdf.

Cogin, J. (2012). Are generational differences in work values fact or fiction? Multi-country evidence and implications. *The International Journal of Human Resource Management, 23(11),* 2268-2294.

Coyle-Shapiro, J., & Kessler, I. (2002). Exploring reciprocity through the lens of the psychological contract: Employee and employer perspectives. *European Journal of Work and Organizational Psychology, 11(1),* 69-86.

Crumpacker, M., & Crumpacker, J.M. (2007). Succession planning and generational stereotypes: Should HR consider age-based values and attitudes a relevant factor or a passing fad?. *Public Personnel Management*, *36(4),* 349-369.

De Lange, A.H., Taris, T. W., Kompier, M.A.J., Houtman, I.L.D., & Bongers, P. M. (2005). Different mechanisms to explain the reversed effects of mental health on work characteristics. *Scandinavian Journal of Work, Environment and Health*, *31(1),* 3-14.

De Meuse, K.P., Bergmann, T.J., & Lester, S.W. (2001). An investigation of the relational component of the psychological contract across time, generation, and employment status. *Journal of Managerial Issues, 13(1),* 102-18.

Dencker, J.C., Joshi, A., & Martocchio, J.J. (2007). Employee benefits as context for intergenerational conflict. *Human Resource Management Review*, *17*(2), 208-220.

Eisner, S.P. (2005). Managing generation Y. *SAM Advanced Management Journal, 70(4),* 4-15.

Freese, C. (2007). *Organizational change and the dynamics of psychological contracts: A longitudinal study* (Doctoral dissertation). Tilburg University, ISBN/EAN: 978-90-5335-122-2.

Freese, C., Schalk, R., & Croon, M.A. (2008). Schending van het psychologisch contract tijdens

organisatieveranderingen. *Tijdschrift voor HRM, 4,* 49-66.

Gouldner, A. W. (1960). The norm of reciprocity: A preliminary statement. *American Sociological Review*, *25(2),* 161-178.

Gursoy, D., Maier, T., & Chi, C. (2008). Generational differences: An examination of the work values and generational gaps in the hospitality workforce. *International Journal of Hospitality Management, 27(3),* 448–458.

Hess, N., Jepsen, D.M. (2009). Career stage and generational differences in psychological contracts. *Career Development International, 14(3),* 261-283.

Herriot, P., Manning, W.E.G., & Kidd, J.M. (1997). The content of the psychological contract. *British Journal of Management*, *8*(2), 151-162.

Heuvel, van den, S. (2012). *The influence of the psychological contract on attitude toward change* (Doctoral dissertation). Tilburg University, ISBN/EAN: 978-90-5335-577-0.

Howe, N, & Strauss, W. (1991). Generations: The History of America's Future. 1584 to 2069. New York, NY: Harper Perennial.

Jurkiewicz, C.E., & Brown, R.G. (1998). GenXers vs. boomers vs. matures: Generational comparisons of public employee motivation. *Review of Public Personnel Administration, 18(4),* 18–37.

Kowske, B.J., Rasch, R., & Wiley, J. (2010). Millennials' (lack of) attitude problem: An empirical examination of generational effects on work attitudes. *Journal of Business Psychology, 25(2),* 265-279.

Lancaster, L.C., & Stillman, D. (2003). *When generations collide: Who they are, why they clash, how to solve the generational puzzle at work.* New York: HarperBusiness.

Lub, X.D., Blomme, R.J., & Bal, P.M (2011). Psychological contracts and organizational citizenship behavior: A new deal for new generations? *Advances in Hospitality and Leisure, 7(1),* 109-130.

Lub, X., Bijvank, M.N., Bal, P.M., Blomme, R., & Schalk, R. (2012). Different or alike?: Exploring the psychological contract and commitment of different generations of hospitality workers. *International Journal of Contemporary Hospitality Management*, *24(4),* 553-573.

Lub, X. D., Bal, P. M., Blomme, R. J., & Schalk, R. (2014). Why do generational differences in psychological contracts exist? In E. Parry (Ed.), *Generational Diversity at Work: New Research Perspectives* (pp. 37-52). New York: Routledge.

Mannheim, K. (1972). The problem of generations. In P.G. Altbach, and R.S. Laufer (Eds), *The New Pilgrims: Youth Protest in Transition* (pp. 101-138). New York, NY: David McKay.

Martin, C.A. (2005). From high maintenance to high productivity: What managers need to know about Generation Y, *Industrial and Commercial Training, 37(1),* 39 – 44.

Martocchio, J.J. (2008). *Employee benefits: a primer for human resource professionals* (3th edition). New York: McGraw-Hill/Irwin.

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.

Ng, E.S.W., Schweitzer, L., & Lyons, S.T. (2010). New generation, great expectations: A field study of the millennial generation. *Journal of Business and Psychology, 25(2),* 281-292.

Parry, E., Urwin, P. (2011). Generational differences in work values: A review of theory and evidence. *International Journal of Management Reviews, 13(1),* 79-96.

Parry, E., & Urwin, P. (2009). *Tapping into talent: The age factor and generation issues*. London: Chartered Institute of Personnel and Development.

Robinson, S.L., & Rousseau, D.M. (1994). Violating the psychological contract: Not the exception but the norm. *Journal of Organizational Behavior*, *15(3),* 245-259.

Rousseau, D.M. (1989). Psychological and implied contracts in organizations. *Employee Responsibilities and Rights Journal*, *2(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 Organizational Behavior, 11(5),* 389-400.

Rousseau, D.M. (1995). *Psychological contracts in organizations.* Thousand Oaks, CA: Sage.

Rousseau, D.M. (2001). Schema, promise and mutuality: The building blocks of the psychological contract. *Journal of Occupational and Organizational Psychology*, *74(4),* 511-541.

Rousseau, D.M., & Tijoriwala, S.A. (1998). Assessing psychological contracts: Issues, alternatives and measures. *Journal of Organizational Behavior, 19(S1),* 679-695.

Schaufeli, W.B., Salanova, M., González-Romá, V., & Bakker, A. B. (2002). The measurement of engagement and burnout: A two sample confirmatory factor analytic approach. *Journal of Happiness Studies*, *3(1),* 71-92.

Schaufeli, W.B., Bakker, A.B., & Salanova, M. (2006). The measurement of work engagement with a short questionnaire a cross-national study. *Educational and Psychological measurement*, *66(4),* 701-716.

Sessa, V.I., Kabacoff, R.I., Deal, J., & Brown, H. (2007). Generational differences in leader values and leadership behaviors. *The Psychologist-Manager Journal*, *10(1),* 47-74.

Sheahan, P. (2005*). Generation Y: Thriving and surviving with generation Y at work.* Published**:** Prahran, Victoria: Hardy Grant.

Sirias, D., Karp, H. B., & Brotherton, T. (2007). Comparing the levels of individualism/collectivism between Baby-Boomers and generation X: Implications for teamwork. *Management Research News*, *30(10),* 749-761.

Smola, K.W., Sutton, C.D. (2002). Generational differences: Revisiting generational work values for the new millennium. *Journal of Organizational Behavior, 23(4),* 363-382.

Solnet, D., Hood, A. (2008). Generation Y as hospitality employees: Framing a research agenda. *Journal of Hospitality and Tourism Management, 15(1),* 59-68.

Tekleab, A. G., Takeuchi, R., & Taylor, M. S. (2005). Extending the chain of relationships among organizational justice, social exchange, and employee reactions: The role of contract violations. *Academy of Management Journal*, *48(1),* 146-157.

Terjesen, S., Vinnicombe, S., & Freeman, C. (2007). Attracting generation Y graduates: Organizational attributes, likelihood to apply and sex differences. *Career Development International*, *12(6)*, 504–522.

Thompson, J.A., & Bunderson, J.S. (2003). Violations of principle: Ideological currency in the psychological contract. *Academy of Management Review*, *28(4),* 571-586.

Twenge, J.M. (2010). A review of the empirical evidence on generational differences in work attitudes. *Journal of Business and Psychology, 25(2),* 201-210.

Twenge, J.M., Campbell, S.M. (2008). Generational differences in psychological contract traits and their impact on the workforce. *Journal of Managerial Psychology, 23(8),* 862-877.

Twenge, J.M., & Campbell, W. K. (2009). *The narcissism epidemic: Living in the age of entitlement*. New York: Simon and Schuster.

Twenge, J.M., Konrath, S., Foster, J.D., Keith Campbell, W., & Bushman, B. J. (2008). Egos inflating over time: A cross-temporal meta-analysis of the narcissistic personality inventory. *Journal of Personality*, *76*(4), 875-902.

Twenge, J.M., Campbell, S.M., Hoffman, B.J., & Lance, C.E. (2010). Generational differences in work values: Leisure and extrinsic values increasing, social and intrinsic values decreasing. *Journal of Management, 36(5),* 1117-1142.

Turnley, W.H., Feldman, D.C. (1998). Psychological contract violations during corporate restructuring. *Human Resource Management, 37(1),* 71-83.

Van der Smissen, S., Schalk, R. & Freese, C. (2013). Contemporary psychological contracts: How both employer and employee are changing the employment relationship. *Management Revue, 24(4),* 309-

327.

Westerman, J.W., & Yamamura, J. H. (2007). Generational preferences for work environment fit: effects on employee outcomes. *Career development International, 12(2),* 150-161.

Zemke, R., Raines, C., & Filipczak, B. (2000). *Generations at work: Managing the clash of Veterans, Boomers, Xers, and Nexters in your workplace.* New York: Amacom.

Zhao, H.A.O., Wayne, S.J., Glibkowski, B.C., & Bravo, J. (2007). The impact of psychological contract breach on work-related outcomes: a meta-analysis. *Personnel Psychology, 60(3),* 647-680.

Chapter 6

Conclusions

6.1   INTRODUCTION

The world of work is changing dramatically and as a result psychological contracts are being affected. The first author to argue that this results in a so-called new psychological contract was Hiltrop (1995), later followed by others (e.g. Rousseau 1995). However, the author argues that a universal new psychological contracts does not exist and therefore focuses on two trends that are expected to affect psychological contracts in their own way: organizational change and generational differences between employees in the underlying dimensions of the psychological contract.

The aim of this thesis is:
A) *to examine the relationship between organizational change and fulfillment of the psychological contract and*
B) *to examine whether psychological contracts differ between generations,*
to better understand how (the context of) change affects contemporary psychological contracts, what employees want from their employers, and what they are willing to offer in return.

To gain insight into these two central issues and how this may affect contemporary psychological contracts, a conceptual model was developed in Chapter 2 that contains several propositions on how both organizational change and generational differences affect psychological contracts and what these effects may look like. These propositions were tested in the three empirical studies that make up Chapter 3, 4 and 5 of this dissertation by all using survey data (obtained from a maximum of seven participating organizations) and interview data that were analyzed by using both quantitative and qualitative methods.

In this concluding Chapter, the main findings for each of these questions are discussed. First, the conclusions are presented. Subsequently, the theoretical contributions and implications, the practical contributions and implications, the research limitations and the recommendations for future research are presented.

6.2 ORGANIZATIONAL CHANGE AND THE PSYCHOLOGICAL CONTRACT

One of the aims of this study was to examine how organizational change would be related to the fulfillment of (the employer obligations of) the psychological contract in order to get a better understanding of what contemporary psychological contracts look like. This issue was addressed by three main questions. The first question is whether the six antecedents of change included in this research are related to the fulfillment of the psychological contract (Chapter 2, 3 and 4). The second question is about the reciprocal character of the psychological contract, or whether employees adjust their own obligations as a reaction to psychological contract fulfillment (Chapter 4). Question three is about the role of context in examining the effects of organizational change on psychological

contracts (Chapter 4). Together these questions should contribute to the image of what contemporary psychological contracts look like as a result of organizational change.

The relationship between six change antecedents and psychological contract fulfillment

This dissertation is not primary about the effects of one single change event but rather about which determinants of change really matter. Consequently, six change antecedents were selected that match the main categories contained in Oreg et al.'s (2011) literature review on change antecedent categories. It was examined whether these change antecedents are related to the fulfillment of the employer side of the psychological contract. The change antecedents included in this research are: frequency of change, type of change (transformational type of change), impact of change, change history (successfulness of past changes), change management and justification of changes. Finally, the role of attitude toward change was examined. Attitude toward change not only influences the success or failure of organizational change itself (Piderit, 2000), but will also influence the employee's perception regarding the fulfillment of perceived employer obligations. We also argue that the same antecedents of change that were likely to be significantly related to the fulfillment of psychological contracts, would also affect the attitude toward change.

Main findings

The results as presented in Chapter 3 indicate that change history (the success of past changes) and the personal impact of change were positively, respectively and negatively related to the fulfillment of employer obligations. However, the other antecedents included in that study (frequency and type) were not significantly related to psychological contract fulfillment. The results as presented in Chapter 4 are in line with this. In that study, frequency and type of change were also not significantly related to fulfillment. The success of past change was, in line with the results in Chapter 3, positively related to the fulfillment of employer obligations. The same applies for the relationship between impact of change and psychological contract fulfillment. Two other antecedents added in Chapter 4, justification of changes and change management, are both positively related to the fulfillment of the employer obligations.

Surprisingly, the results of study 2 and 3 show that type of change, but also change frequency are not significantly related to the fulfillment of employer obligations. This means that more change or more intense types of changes are not significantly related to lower levels of fulfillment of employer obligations. This may have to do with the fact that change is so common nowadays, it is becoming the "new normal". At the same time, the type of change appears not to be the most important factor to take into account, but attuning the change management approach to the context, taking

change histories into account, good change management and good communication do. Moreover, I should note that one change antecedent may be a pre- condition for another change antecedent (for example change management for justification of change). This is not taken into account in this research.

In addition, the results as presented in Chapter 3 of this dissertation underline the importance of attitude toward change when understanding the relationship between organizational change and the psychological contract. First, a significant relationship between the attitude toward change and the fulfillment of employer obligations was found. The attitude toward change was significantly related to frequency of change (frequency being negatively related to attitude toward change), impact of change (more impactful changes are related to a more negative attitude toward change), and change history (the success of past changes has a positive relationship on attitude toward change). In addition, a mediating effect of the attitude toward change was found on the significant relationship between the dependent variable (fulfillment) and the independent variables (the success of past changes and impact of change).

With regard to the new psychological contract or contemporary contracts some remarks can be made. The results (in Chapter 3 and 4) are indeed in line with earlier work of various authors (Freese, 2007; Rousseau, 1995; Turnley & Feldman, 1998; Pate et al., 2000) who found that that organizational change affects the perceived fulfillment of employer obligations, since four of the antecedents are significantly related to psychological contract fulfillment (the perceived impact of change, the success of past changes, change management and the justification of changes). Since many of these aspects are steerable (for example change management or perceived justification) by paying more attention to communication, change management and how change will impact the individual, the overall negative image about the effects of organizational change on psychological contracts and change attitude needs to be nuanced. Change does not necessarily lead to negative consequences but can indeed lead to lower fulfillment of employer obligations and a more negative attitude toward change if several antecedents of change are not managed or filled in in the right way. As the results of the study show (see Chapter 4), answering patterns also differ per organization, which indicates that context plays an important role in how change affects the psychological contract. We will come back to that in paragraph 6.2.4.

The reciprocal character of the psychological contract

Employees adjust their own obligations as a reaction to the treatment they receive from their employer (Robinson et al., 1994; Freese, 2007). In other words: employees tend to reciprocate the treatment they received, for example as a result of organizational change, by downgrading their own obligations to the organization (Robinson, Kraatz, Rousseau, 1994). Consequently, as an effect of lower fulfillment of employer obligations, it was expected that the perceived fulfillment of employer obligations would be negatively

related to the employees' own obligations toward the organization. So the proposition was that employees that have a more negative perception toward the fulfillment of the employer obligations, in this case due to organizational change, would consequently also perceive their own obligations toward the organization to be lower. With regard to the new psychological contract this would mean that organizational change is (via a lower fulfillment of employer obligations) related to a general view of lower employee obligations.

Main findings

As shown by the results in Chapter 4, the relationship between the fulfillment of employer obligations and in-role behavior are rather small but consistently positive, which is in line with earlier research (e.g. Coyle-Shapiro & Kessler, 2002; Turnley & Feldman, 1998). The relationship between fulfillment of employer obligations and extra-role behavior are also rather small but also consistently positive, although the effect is slightly stronger for extra-role behavior than for in-role behavior. The results show that, in contrast to in-role behavior, the effects on extra-role differ less across the organizations that participated in this study. The results indicate that lack or lower levels of fulfillment of employer obligations is indeed associated with lower employee obligations, whereas in this case, fulfillment of employer obligations is significantly related to several change antecedents (study 3).

However, the conclusion that organizational change in general leads to lower employee obligations cannot be drawn. There are other factors that affect the fulfillment of employer obligations. Moreover, the relations between change, fulfillment and the employer obligations are contextually bound as we will highlight in the next paragraph. Amongst other things, this means that depending on the context and employee, change does not necessarily lead to negative perceptions of fulfillment. A new psychological contract that would be characterized by consistent lower scores on fulfillment and employee obligations cannot be established. Robinson, Kraatz and Rousseau's (1994) argument that psychological contracts become more transactional after a violation because the employee withdraws from the relationship and will pay more attention to financial and other economic aspects is also hard to underpin. Although fulfillment of employer obligations and violations are not the same (though related), the results of this dissertation indicate that the assumption that a violation per definition leads to withdrawal from the relationship needs to be nuanced.

The role of the context in relation to organizational change

We agree with Roehling et al., (1998) that it is overly simplistic to assume, as current research does, that factors in the business and social environment that drive changes in the employment relationship have equal influence across organizations or industries.

However, in organizational research, context is often ignored (Rousseau & Fried, 2001). Since a good taxonomy of change is lacking (Schalk, 2012), we followed Rousseau and Fried (2001) by adding rich descriptions of and reflections on the role that context plays in influencing the variables under study. In this dissertation, a taxonomy of context was used to interpret the results of the effects of the antecedents of change on the fulfillment of employer obligations. In addition, quantitative analyses interviews and qualitative analyses were used to gather and interpret information. Several aspects of context were examined: the external environment (e.g. industry, market dynamics, products), worker and job factors (e.g. career paths, mobility, employee factors), organizational factors (e.g. performance of the organization, culture, recent change events) and time (current issues, period).

Main findings

The results as described in Chapter 4 highlight the importance of the context in which changes take place. The qualitative analyses add to the understanding of how organizational change is related to the psychological contract. It appears that in the external environment, the type of business and industry, the level of competition, the level of job protection and the availability of job alternatives were of importance. In general, more dynamics tend to lead to more understanding of and being more used to change. This in turn tends to soften the effects of organizational change on psychological contracts. Characteristics and motivation of employees are relevant when it comes to work and job factors. More motivated employees seem to be less affected by change. Furthermore, culture seems to influence how changes land within organizations. Our data indicate that organizations with cultural features that resemble high performance work systems as described by several authors (e.g. Boxall & Macky, 2009; Combs et al., 2006) tend to absorb organizational changes well. The reason for this is probably that the organization's philosophy is to keep the organization agile by alignment between employees and management, between strategy and (HR) practices and by putting effort in enabling the right mix of autonomy, motivation and pressure to ensure good performance.

Organizational change does not affect all organizations or employees in the same way. Factors that are of influence are mentioned above. This also means that a clear image of how organizational change affects psychological contracts is hard to draw. Robinson and Rousseau (1994) conclude that a violation is not the end of the relationship between employer and employee, but the effect rather depends on several factors. In line with this, it can be concluded that the effects of organizational change do not automatically lead to lower fulfillment of employer obligations, but rather depends on several factors that derive from the external context, the organization as well as from job factors and individual characteristics. On the other hand, it could also be the case that people who like change and a more turbulent environment start to work for organizations that fit

that profile. This is an interesting topic for future research.

6.3   GENERATIONAL DIFFERENCES IN THE PSYCHOLOGICAL CONTRACT

The second main topic of this dissertation is about *generational differences in psychological contracts* and was addressed by four main questions. The first question is about generational differences in the content of the psychological contract (Chapter 2 and 5). The second question is about generational differences in the fulfillment of employer obligations (Chapter 5). The third question is whether generations differ in their level of engagement (Chapter 5). The final question is whether possible effects of fulfillment of employer obligations on engagement can help to explain generational differences in the level of engagement (Chapter 5). Together these questions should contribute to the view of what contemporary psychological contracts (of different generations) look like and whether the psychological contract of the youngest generation in employment (Y) differs from other generations.

Generational differences in the content of the psychological contract

So the question is whether psychological contracts of three generations (Baby-Boom, X and Y) differ. A different picture of generation Y could fill in the picture of the "new psychological contract". Very little attention has been given to generational differences in the way the employment relationship is experienced (Lub, Bal, Blomme & Schalk, 2014). A key concept in understanding the employment relationship is the psychological contract (Rousseau, 1995). Based on (empirical) research regarding generational differences in (work) values, it was hypothesized that psychological contracts will differ between generations with regard to the perceived employer and employee obligations. The Tilburg Psychological Contract Questionnaire (TPCQ) by Freese, Schalk and Croon (2008) was used to measure the dimensions of the psychological contract. The employer side of the construct consisted of six scales: work content, career development, social atmosphere, organizational policies, work-life balance and rewards. In addition, two scales were used to measure the perceived employee obligations: in-role and extra-role behavior.

Main findings

Based on the literature regarding generational differences in work values (e.g. Parry & Urwin, 2011; Twenge et al., 2010; Cennama & Gardner, 2008) and the few academic studies on generational differences in psychological contracts (De Meuse et al., 2001; Hess & Jepsen, 2009; Lub, Blomme & Bal, 2011; Lub, Bal, Blomme & Schalk, 2014), hypotheses were formulated on how generations would differ in the content of the psychological contract. These were tested and the results of this study is presented in

Chapter 5. The results show significant differences between generations on several aspects of the psychological contract (see Table 1).

TABLE 1: SUMMARY OF GENERATIONAL DIFFERENCES IN PSYCHOLOGICAL CONTRACTS

Dimensions		Significant differences
Psychological contract	Work content	No significant differences
(employer obligations)	Career development	X>BB & Y>BB
	Social atmosphere	No significant differences
	Organizational policies	Y<BB
	Work-life balance	X>BB & Y>BB
	Rewards	Y>BB
Psychological contract	In-role behavior	Y<BB
(employee obligations)	Extra-role behavior	No significant differences

The results of study 4 (Chapter 5) show significant differences between generations in career development, organizational policies, work-life balance and rewards. No significant differences were found for the constructs of job content and social atmosphere. These findings are all in line with our hypotheses. It appears that generation Y scored significantly higher than generation Baby-Boom on the perceived obligations of the organization regarding career development, work-life balance and rewards even though they scored lower than generation Baby-Boom on organizational policies. Differences with generation X only exist with regard to work-life balance and career development in which Y scored significantly higher.

This is in line with other research on generational differences in psychological contracts (Lub et al., 2011) and work values (e.g. Parry & Urwin, 2011; Twenge et al., 2010; Cennama & Gardner, 2008) and confirms the view of the new psychological as drawn by several authors (e.g. Hiltrop, 1995; Anderson & Schalk, 1998; Hendry & Jenkins, 1997). These same scholars argue that career development, employability and flexibility are important needs for younger generations whereas old psychological contracts would best be characterized by focus on job security, continuity, loyalty and fairness .The importance of work-life balance was confirmed earlier by several authors (Smola & Sutton, 2002; Twenge et al., 2010; Cennama & Gardner, 2008).

Current literature on the topic of employer obligations (e.g. Smola & Sutton, 2002; Twenge, 2010; Busch et al., 2008) shows a fairly consistent image of a decline in work ethic and Gursoy et al., (2008) confirm that generation Baby-Boom lives to work in contrast to younger generations. It also appears that there are significant differences between generations on the in-role obligations whereas there were no differences in the perceived extra-role obligations. This partially supports our hypothesis in which a decrease in perceived employee obligations was suggested. This also adds to the image

of the new psychological contract in which mutual loyalty was supposed to decline although this only applies for in-role behavior and not for extra-role behavior. This is rather striking since employers are especially interested in employees that are willing to walk the extra mile (and thus score high in extra-role behavior).

Generational differences in the fulfillment of the psychological contract

Apart from looking at generational differences in psychological contract dimensions, it is also relevant to focus on the level of fulfillment and breach of the psychological contract (Lub et al., 2012). In this study it was examined whether generational differences exist in the perceived fulfillment of employer obligations. The results are presented in Chapter 5.

Main findings

The results of study 4 (Chapter 5) are summarized in Table 2.

TABLE 2: SUMMARY OF GENERATIONAL DIFFERENCES IN THE FULFILLMENT OF PSYCHOLOGICAL CONTRACTS

Dimensions		Significant differences
Psychological contract	Work content	No significant differences
(fulfillment)	Career development	No significant differences
	Social atmosphere	Y>X & Y>BB
	Organizational policies	No significant differences
	Work-life balance	No significant differences
	Rewards	Y<X, Y<BB & X<BB

The results indicate that generation Baby-Boom, X and Y do not differ significantly in the perceived fulfillment of their psychological contract with respect to work content, career development, organizational policies and work-life balance. Nevertheless and in line with our hypothesis, generational differences were found with respect to the fulfillment of social atmosphere and rewards (respectively Y>X and Y>Baby-Boom and Y<X, Y<Baby-Boom and X<Baby-Boom).

The differences in fulfillment can be caused by higher expectations and consequently, the risk of not fulfilling these expectations will increase when expectations are higher. Generation Y was compared to Baby-Boomers, considered to be driven, and even more goal-oriented and demanding of the work environment than Generation X (Boschma & Groen, 2007; Smola & Sutton, 2002; Twenge & Campbell, 2008). These results indicate that when the importance of social atmosphere and rewards are higher,

the perceived fulfillment is lower for these same dimensions. This confirms the view of the psychological contract that is sketched in paragraph 6.2.1.

Generational differences in engagement

Generational difference in engagement were also examined in Chapter 5. Younger generations are expected to place less value on work for its own sake and score lower on work centrality (e.g. Smola & Sutton, 2002; Twenge, 2010). This is supported by Lub et al., (2011) who found a decline in commitment from older to more recent generations. Although, to our knowledge, there is no empirical research on generational differences in engagement, based on differences in intrinsic values and commitment, we do expect that generations differ in their level of engagement.

Main findings

The results in Chapter 5 show that generation Y has significant lower levels of engagement than generation Baby-Boom. At the same time, the differences between generation Y and respectively X are not significant and contrary to what was expected, the results show an increase in engagement from generation X to generation Y. These results are partly in line with the hypothesis in Chapter 5.

This partially confirms the view of generations Y in current literature in which a fairly consistent image is drawn about a decline in the work ethic of generation Y and X (e.g. Smola & Sutton, 2002; Twenge, 2010; Busch et al., 2008) and Lub et al., (2011) who found a decline in commitment from older to more recent generations. Nevertheless, no significant differences in engagement were found between generation X and Y.

The effects of the fulfillment of employer obligations on employee engagement

Fulfillment and breach of the psychological contract have been found to be stronger indicators of work outcomes (Bal et al., 2008; Zhao et al., 2007) and thus can result in interesting information regarding generational differences in work outcomes or engagement. Although limited, there is support for a positive relationship between psychological contract fulfillment and engagement (Chambel & Oliviera-Cruz, 2010; Van den Heuvel, 2012). When differences in fulfillment exist, they may be useful in explaining differences in the level of engagement (lower fulfillment for generation Y may cohere with lower levels of engagement for this same generation).

Main findings

The results in Chapter 5 with regard to the relationship between the fulfillment of employer obligations and engagement show a significant positive connection. All fulfillment dimensions were significantly related to engagement, except for the dimension rewards. This supports our hypothesis. The aim was to see whether generational differences in the fulfillment of employer obligations as described in paragraph 6.2.2. could help explain generational differences in employee obligations as described in 6.3.3. Based on the results, no information was offered which could explain differences in engagement through differences in the fulfillment of employer obligations. The main reasons for this are that the fulfillment item "rewards" was one of the two fulfillment items in which generational differences exist and this was the only topic that was not significantly related to engagement. The second reason is that the results do not show linear decline in engagement from generation Baby-Boom to X and Y. The level of engagement does indeed decline from generation Baby-Boom to X but then increases from generation X to Y. Therefore, these results do not lead to extra insights regarding contemporary psychological contracts.

6.4 OVERALL CONCLUSION, THE IMAGE OF CONTEMPORARY PSYCHOLOGICAL CONTRACTS

So how do change and generational differences add to the image of contemporary psychological contracts? The first topic is about the relationship between change and psychological contracts. Most hypothesis in this dissertation were confirmed. The results clearly indicate that the change (antecedents included in this research) are related to psychological contract fulfillment and further highlight the reciprocal character of the psychological contract (fulfillment of employer obligations is significantly related to the employees own obligations toward the organization). So, more negative perceptions of change are related to more negative perceptions of the fulfillment of the employer obligations whereas negative perceptions toward the latter are significantly related to the employees own obligations toward the organization. The results also confirm the negative relationship between fulfillment and engagement. Context plays an important role in if and how organizational change affects psychological contracts.

However, a clear picture of how these conclusions affect contemporary psychological contracts exactly is hard to draw. Rather unexpectedly, some of the proposed results were not found. It appears that despite the hypotheses, type of change and frequency did not have a significant relationship with contract fulfillment. It is not the fact and frequency of change that matter but how changes are managed, justified, etc. and how organizations deal with change. However, this does not mean that change frequency is not important at all. Depending on the circumstances regarding the context, if change is more frequent, the risk of negative experiences also increases. Inevitably this

will lead to more negative perceptions toward fulfillment and one's own obligations. Furthermore, the context plays an important role in if and how change affects employees and organizations. It appears that not attuning the change process, communication and approach to the organization's context (history, type of organization, culture, etc.) and not taking past change experiences into account lead to negative effects on fulfillment. The fact that effects are strongly determined by context is a second reason why it is hard to draw a clear picture of how these results are related to the image of the new psychological contract. Another interesting avenue is that individuals who like change choose to work for organizations in a turbulent environment. It can be argued that in such a case, organizational change (or several change antecedents) may be limitedly, not or even positively, related to the fulfillment of obligations. Possible violations and negative effects on engagement may be absent. Since no literature exists indicating this, our reasoning focuses on the known effects of organizational change. However, the results of this study show that change is significantly related to the fulfillment of employer obligations and the employees' own obligations toward the organization. If not managed well (negative perception of change management, of justification, etc.), change does negatively affect the psychological contract. So, and although careful and depending on the context and on how change affects the individual, this might lead to a psychological contract that is characterized by lower levels of fulfillment and employer obligations.

The second topic is about generational differences in the content of the psychological contracts. The results of this study show a rather clear picture of how generations differ. Since generation Y is associated with the new psychological contract, this offers valuable information into what contemporary psychological contracts look like. Generation Y scores significantly higher than generation Baby-Boom on career development, work-life balance and rewards whereas they scored lower than generation Baby-Boom on organizational policies. Differences with generation X only exist for work-life balance and career development for which Y scored significantly higher.

Furthermore, it appears that there are significant differences between generations with regard to the in-role obligations whereas there were no differences in the perceived extra-role obligations. This partially supports our hypothesis in which a decrease in perceived employee obligations was proposed. This also adds to the image of the new psychological contract in which mutual loyalty was supposed to decline although this only applies for in-role behavior and for extra-role behavior. Differences in fulfillment between generations show that in line with what employees find important the fulfillment of these perceived obligations decreases. The results show that generation Y has a significant lower level of engagement than generation Baby-Boom. This confirms the image of generations Y and contributes to the picture of the new psychological contract.

6.5   THEORETICAL CONTRIBUTIONS AND IMPLICATIONS

This research adds to current literature in several ways. First, it is one of the few empirical studies to explore the existence of the so called new psychological contract. Several authors argue that changes in the relationship between employer and employee result in a new psychological contract (Rousseau, 1995; Anderson & Schalk 1998; Hiltrop, 1995; Guest, 2004). One new universal psychological contract is questionable, although literature does clearly indicate that several factors influence contemporary psychological contracts. Explanation on how two trends affect psychological contracts: organizational change causes psychological contract change and generational differences are reflected in the psychological contract, are therefore offered. A comprehensive model is offered in which the effects of these trends affect psychological contracts. This dissertation also offers explanations on how these two trends are related to different parts of the psychological contract. In line with the different ways of measuring Rousseau and Tijoriwala's (1998) psychological contracts, we use both the content-oriented and evaluation-oriented method. Though, in general, the (academic) attention for the new psychological contract has shown some decline in the last few years, the concept of changing psychological contracts still remains important, partly due to ongoing technological change and globalization but also due to the related changes in the labor market, increased global competition in the labor market and reliance on temporary work (e.g. Guest 2004). By examining the relationship between organizational change and the psychological contract and by examining generational differences in psychological contracts, both practical and theoretical insights are offered into if and how psychological contracts are affected by trends that occur in current employment relationships.

Second, this dissertation is the first research to empirically explore the relationship between several change antecedents and the psychological contracts. This is an important contribution to current literature since most existing research on organizational change focuses on the effects of specific changes such as downsizing, but do not identify the properties of change events that lead to negative employee outcomes (Rafferty & Griffin, 2006). Although longitudinal research by Freese, Schalk and Croon (2011) contributes to the understanding of the effects of organizational change on the psychological contract, it does not differentiate between antecedents of change that may affect employee outcomes. This is a limitation because, without knowing which antecedents of change are perceived negatively and are associated with poor outcomes, it is difficult to manage the implementation of change. The change antecedents incorporated in this study match the five primary antecedent categories of Oreg, Vakola and Armenakis (2011) who base their categories on an extensive review of quantitative studies published between 1948 and 2007. This study contributes to the literature by clearly indicating which change antecedents matter when it comes to the effects on the fulfillment of the psychological contract.

Third, empirical research on how recipients' reactions toward change relate

to the fulfillment of psychological contract is scarce (exception: Van den Heuvel, 2012). However, next to organizational change factors, the employee's feelings about organizational change in general influence the psychological contract. Piderit (2000) argues that the employee's attitude toward change is an important determinant of the success or failure of organizational change. Employees feel, think and behave in either a positive or a negative manner about change in line with an overall attitude (Arnold, Cooper, & Robertson, 1995). The employee's attitude toward change may influence the relationship between organizational change and the psychological contract. Therefore, the attitude toward change is incorporated in this study. Since the relation between attitude toward change and psychological contracts has never been studied in a similar vein, this is the third contribution of this study.

Fourth, this study underlines the importance of reciprocity in social exchange and takes both the fulfillment and the content of psychological contracts into account. Current research argues that the fulfillment of the employer's obligations is likely to affect the terms of the psychological contract (Freese, 2007). Current research (Freese, 2007; Rousseau, 1995; Turnley & Feldman, 1998; Pate et al., 2000) finds that organizational change results in violations of the employer's obligations (perceived obligations are not fulfilled). Furthermore, several studies (Coyle-Shapiro & Kessler, 2002; Turnley & Feldman, 1998) indicate that employees perceive lower obligations as a result of organizational change and (un)fulfillment of the psychological contract. This study confirms this rather scarce research based on a large data set of 3,371 respondents. This is the fourth contribution of this dissertation.

Fifth, context is often neglected in studies on for example the effects of organizational change (Rousseau & Fried, 2001). This study fills this gap by including the context in interpreting results of quantitative data and by using both qualitative data and quantitative methods and analyses to acquire insights into the topic of organizational change. The qualitative analyses on context combined with the quantitative survey data analyses, adds to the understanding of how the change antecedents are related to psychological contracts. They revealed several factors that influence employee's reactions and that may also explain differences between organizations. In the external environment, the type of business and industry, the level of competition, the level of job protection and the availability of job alternatives were of importance. Characteristics and motivation of employees are relevant when it comes to the work and job factors. We show that it is especially important to take aspects of both the external context (industry, competition, job protection), the organization (culture, past changes and events) and work and job factors (drive and characteristics of employees) into account. And although our research supports McDermott et al. (2013) who argue that leadership styles that support a firm's HR strategy are key in making psychological contracts benefit for both the firm and its members, we need to note that a broader scope needs to be applied when it comes to understanding the exact role that context plays in relation to

psychological contracts. Another interesting topic that resulted from studying the context were the mutual patterns between groups of employees within one organization. There are indications from the interviews that mutual patterns exist in how employees of the same organization react to organizational change and how organizational change affects their psychological contract. This is a further indicator for the importance of the work of several authors (e.g. Sverdrup & Schei, 2013) on horizontal psychological contracts and how this can offer explanations for the relationships between group members. Although psychological contracts are of course individual there are some indications for patterns of similarity between group members (within one organization) that are interesting for further exploration

Sixth, studies on generational differences that have an empirical basis are scarce (Cogin, 2012), or as Westerman and Yamamura (2007) put it: "empirical research on generational differences is a critical and underdeveloped area for management research". However, academic research on generational differences regarding psychological contracts is even scarcer. The few academic studies (De Meuse et al., 2001; Hess & Jepsen, 2009; Lub, Blomme & Bal, 2011; Lub, Bal, Blomme & Schalk, 2014) that do exist indicate that this area of research is relevant. This study adds to this by combining new perspectives: it focuses on both the content of the psychological contract and the fulfillment of the psychological contract, the reciprocal character of the psychological contact is tested as well, and it includes generational differences in engagement and the relationship between psychological contact fulfillment and engagement. This is the sixth contribution of this dissertation.

Seventhly, the survey data used in this research come from seven organizations and represent a total of 3,379 respondents used for analyses. Most psychological contract studies make use of smaller data samples that often also consists of relatively highly educated people or is focused on one organization or sector (e.g. Sparrow, 1996). This study includes a large data sample from different organizations in which people have all kind of jobs and levels of education. The seventh contribution is the fact that 28 interviews and rich context data were used to further interpret the qualitative data analyses and is combined with the richness of the data set.

6.6   PRACTICAL CONTRIBUTIONS AND IMPLICATIONS

This study also aims to add value for practitioners, especially for those who are involved with organizational change, managers and those who are professionally interested in (generational) diversity. Several insights are offered on how organizational change and generational differences add to the picture of contemporary psychological contracts. The following section includes the most important practical implications of the results of this study.

A different perspective on the effects of organizational change.

The results of this study give a different perspective on organizational change. In both practice and academic research, a lot of attention is paid to negative employee outcomes as a result of organizational change such as: the intention to quit (e.g. De Jong, Schalk, & Croon, 2009), increased levels of employee stress (e.g. Korunka, Scharitzer, Carayon, & Sainfort, 2003), dissatisfaction (e.g. Mikkelsen, Ogaard, & Lovrich, 2000), disidentification (e.g. Kreiner, & Ashforth, 2004) as well as on the negative effects of change on psychological contracts (e.g. Freese, Schalk & Croon (2011). Both literature (e.g. Rafferty & Griffin, 2006) and practice argue that the negative effects of change should be associated with frequency of change. In other words: employees are more likely to perceive changes as unpredictable, threatening and will experience anxiety arousing feelings of vulnerability and the fear of losing security (Saunders & Thornhill, 2003). At the same time, the type of change is thought to be important: especially changes like downsizing and restructuring should lead to psychological contract violations (e.g. Pate et al., 2000). Despite this popular image of organizational change, this research clearly indicates that change frequency and type of change are not significantly related to (the fulfillment of) psychological contracts. This means that more frequent change or more intense types of changes (such as a downsizing or restructuring) are not associated with a more negative perception toward the fulfillment of employer obligations. This may have to do with the fact that change is so common nowadays that change is becoming "the new normal". An alternative explanation however is that people select the organization they work for partly based on their preferences toward the dynamics of the organization and its environment. However, since change is so common in organizations nowadays, organizations should pay attention to how people can be equipped and prepared for these new circumstances. Training and development, attracting the right talent and good leadership can help organizations become more flexible. Change management, change programs and interventions that guide organizations when they go through a change program will not lose in importance but should coexist with more general interventions that help organizations and employees to become more flexible. Nevertheless, it cannot be assumed that organization can roll out change after change assuming that every change is an independent event (Herold et al., 2007) since more change increases the risk of being confronted with negative experiences that lead to negative effects. As the results in this dissertation show, not taking the context into account and not paying attention to change management and communication increases the risk of negative effects.

The fact that frequency and type of change are not significantly related to psychological contract fulfillment, does not mean that organizational change is not related to psychological contract fulfillment at all. Several other change antecedents are significantly related to psychological contract fulfillment: the personal impact of change, the perception toward the organization's change history, the change management and the justification of changes. Although organizations are often very well aware of the

importance of change management, the importance of the other change antecedents is often underestimated in practice. Change history or past experience are often neglected. Consequently, it would be wise to determine what past experiences look like to be able to actively manage the views and emotions around these past experiences. If positive, use these as an example and if negative, try to explain how the current change and approach differs from former ones. The same applies for justification of changes. Practitioners should be aware of the fact that apart from insights into "What is going to change", employees are also interested in "Why changes take place". More attention should be paid to explaining the rationale behind changes that take place. This is especially important in organizations in which employees do not expect or are less used to change, or in which the external environment does not automatically justify the change. If the business dynamics are bad and organizations need to cut cost and there has been coverage in the media, employees tend to better understand cost cutting. The same applies for the personal impact of change. Good explanation of the personal impact on people and involvement with the change process, with designing new ways of working, processes and responsibilities, are key for success. When these variables are not managed well, this will, as the results point out, affect psychological contracts in a negative way. This results in a different bond between organization and employee, which carries more risk because of the fact that many employees nowadays already work on flexible contracts.

The overall negative image about the effects of organizational change on psychological contracts needs to be nuanced. Negative or positive attitudes toward change are important in how change affects employee outcomes and should be more associated with the personal impact of change on daily work, the justification of changes, past experiences and change management than with frequency and type of change. The effects of change, however, also depend on the context in which changes take place. As the results of the study show, answering patterns differ per organization, which makes it clear that context plays an important role in how change affects the psychological contract. Both the external context (such as industry, level of competition), organization factors (such as culture, change history) and employee or job factors (such as personality and drive of the employees) play an important role. This suggests that change by blueprinting (planned change approach) is not wise when not taking the context into account. We propose a shift from blueprint change management to a contextually-based change approach. The culture of the organization, the type of employee and the perceived pressures from the external environment are especially important aspects. Managers and change practitioners should be aware of the fulfillment of perceived obligations and their impact on what employees are willing to offer in return. Homan (2009) argues that interconnectivity between individuals and local communities is essential for successful change, hereby also highlighting the importance of the role of the individual in the change process. We agree that, seen the importance of worker and job factors as shown in this research, the importance of the individual level cannot be

forgotten. It is argued that first a good scan of relevant context variables should be made before starting a change intervention. Consequently, the interventions should consist of a combination of group interventions (such as communication via diverse channels) and individual interventions (such as training and development on an individual level accustomed to the job changes and new ways of working). Group interventions are useful to create a common language, to create a shared view of the change but are also suitable to offer employees the same level of training and education (for example important when implementing new ICT systems). Individual level interventions on the other hand are suitable to minimize the personal impact, to offer employees new perspectives and to equip the individual with the skills and knowledge according to the changed job demands. We hope that the conclusions of this study help managers, HR professionals and change professionals to rethink their approaches toward organizational change. Change management is often envisioned as a planned process in which change plans, training, education and communication are key for success. Although that is of course true and this study confirms the importance of change management, this study also highlights the importance of the broader context in which change takes place. This is especially important since the pervasiveness and urgency of change is increasing (Guest, 2004) as a result of globalization and advances in technology.

Well-founded insights into generational differences.

Contemporary labor markets are increasingly competitive while at the same time employment relationships are becoming more flexible, personalized and tailored to the individual needs of employees (Rousseau, Hornung & Kim, 2009). According to Tarique and Schuler (2010) most organizations are facing global challenges including those related to talent flow, the managing of multiple generations of employees, older or mature workers and younger workers, and a shortage of necessary competencies as a result of increasing complexity and volatility in the business environment. As a result, organizations have to be systematic in managing their human capital if they want to keep or achieve a competitive advantage in the years ahead. Insights into the specific needs of (specific groups) of employees is thus becoming more and more important especially since diversity and reliance on temporary work is increasing and competition for talent is becoming more and more global (e.g. Guest 2004).

The results of this study show that some of the (proposed stereotypical) generational differences regarding the employer side of their psychological contracts are valid. Generation Y has (especially when compared to generation Baby-Boom) a stronger preference for career development, work-life balance and rewards. However, they score lower on organizational policies than generation Baby-Boom. The differences regarding organizational policies and work-life balance is also supported by earlier findings by Burke (2004) who found support for differences in work–life balance requirements and in perceptions regarding ethics. These insights may help managers and HR professionals to better understand generational conflicts (Dencker, Joshi & Martocchio, 2007).

These insights can also help organizations to make the specific demands of different generations more explicit. This will be helpful in attuning their working conditions per generation in order to stay competitive for attracting qualified applicants. The insights into the effects of psychological contract fulfillment can help organizations manage expectations of younger generations better. Although HR departments and professionals have to shape conditions in which specific programs can take place and are responsible for shaping the right working conditions, line managers have to take responsibility to start a dialogue between generations. Working in mixed teams and actively steering on generational diversity can be useful to increase mutual understanding. However, a problem in contemporary organizations is that management is not aware of these conflicts and often not able to differentiate. Another issue is a popular paradigm of older employees being less productive, expensive and less flexible. Dialogues between groups of generations can also be useful to eliminate these kind of barriers.

Despite the fact that younger generations value rewards more than older generations, the lack of fulfillment of rewards does not affect the engagement or reciprocity of the psychological contract. However, the fulfillment of most other psychological contract dimensions do. This is something to take into account when formulating policies regarding employee retention. The significant differences regarding generations indicates the importance for employers to be aware of age dissimilarities in engagement within their organization as emphasized by Armstrong-Stassen and Lee (2009). This further underpins the importance of more diverse HR practices to motivate and engage different groups of employees.

Since the results of this study show that generation Y also scores lower on engagement, psychological contract and commitment, which are related to performance (e.g. Zhao et al., 2007), this will also affect the bottom line of the organization. However, different studies show mixed results and limited effect size (Costanza et al., 2012) and consequently organizations need to be careful in adopting stereotypical approaches in managing employees from different organizations.

In conclusion the results of this research offer insight into the existence of generational differences and what is often referred to as the "new employee". These insights help (HR) managers better understand the specific demands and values of groups of people which make it easier for organizations to remain competitive while attracting qualified applicants. This is especially important in the light of the aging population and multiple age segments in the workforce.

6.7   LIMITATIONS AND SUGGESTIONS FOR FUTURE RESEARCH

The first limitation of this study is of course the cross-sectional design. This makes is hard to isolate generational differences from age effects. Although empirical research has been done that underpins differences in psychological contracts due to age (e.g.

Anderson & Schalk, 1998; Bal, De Lange, Jansen & Van Der Velde, 2008), age can be a proxy for many age-related types of changes that people are confronted with. Examples are biological, psychological, social and societal (De Lange, Taris, Kompier, Houtman & Bongers, 2005). Smola and Sutton (2002) concluded that their results of a longitudinal research show that work values are more influenced by generational differences than by age. Bal et al., (2008) also suggest that it is not possible to determine whether age effects are a consequence of aging or cohort changes. However, as argued by Lub (2014), given the limited scope of a PhD and the dearth of available historical data on this topic the studies in this dissertation also have a cross-sectional design. Nevertheless and although difficult to collect, longitudinal research (spanning multiple decades/ cohorts when looking at generational differences) could reveal more specific differences in psychological contracts.

The design of the study is also important to take in mind when interpreting the relationships between organizational change and psychological contract fulfillment and contract fulfillment with respectively employee and engagement. Although we used arguments based on literature, the design of the study makes it impossible to prove the causality of the relationships found in this study. In this case, time span is smaller than for generational differences, the reason here to select the cross-sectional design was also the focus of the research itself. This dissertation is about the effects of a combined set of antecedents of changes that employees went through during the last few working years rather than the effects of one single change event. Furthermore, given the exploratory nature of this research (no research has been done before on this topic), a cross-sectional design can accomplish the aim of this study. Nevertheless, for future research it is recommended to test some of the results found in this research by using a longitudinal design.

Second, this study highlights the importance of the context in which changes take place which confirms Rousseau and Fried (2001) who state that the context is important in understanding behavioral processes within organizations. In our opinion, the role of the context will gain in importance because of the ongoing globalization and the growing diversity within and between organizations. We recommend to further explore the concept of context, both in qualitative as in more quantitative studies. Also since Schalk (2012) states a good taxonomy of context does not yet exist, we advise that further work be done on this by conducting a good meta study on what variables could belong to context. Furthermore, a research design that takes both quantitative and qualitative aspects into account (mixed method approach) is recommended since it results in both quantitative results and deeper insights into relevant additional information. Finally, we recommend to start more detailed research on several topics that appeared to be important in this research. Examples are: the fit between culture and change approach, the fit between change approach and industry, or the fit between organization and change approach. The effects of these fits on psychological contracts

would be very interesting to look into as well.

Third, that reported differences about generational differences could be due to age is an often heard comment about generational research in general. Several studies that examine generational differences in work values by using large-scale time-lag designs do suggest that cohort effects provide better explanations than age effects (e.g. Hansen & Leuty, 2012; Sutin, 2013). Nevertheless, for future research it is recommended to combine cross sectional data and longitudinal research. The combination of quantitative data with qualitative data could help to separate age effects from generational differences better.

Fourth, as mentioned before, when examining the effects of organizational change there are multiple variables that influence the psychological contract. In this dissertation several relevant variables were selected in line with the literature review of studies of change recipients' reactions to organizational change by Oreg et al., (2011). Of course it was not possible to include all change antecedents that can possible affect psychological contracts. We made our choices based on literature, a recommendation for future research would be to also look into the effects of other change antecedents that were not taken into account in this research. For example Bouckenooghe (2010) distinguishes between antecedents related to the context in which change takes place, the process of the change and the content of the change. Holt, Armenakis, Field and Harris (2007) also name individual attributes that can explain why some employees are more inclined to favor organizational change than others. As stated in Van den Heuvel (2012), future research can benefit from a more comprehensive classification of pre-change and change antecedents and their underlying subcategories. Furthermore, one change antecedent can be a pre-condition for another change antecedent. Although this was not examined in this research, this can be an interesting avenue for future research.

Fifth, in line with Lub (2014) and others (e.g. Parry & Urwin, 2011) it is argued that future research should extend its operationalization of the concept beyond birth cohorts. Formative experiences and the way they affect attitudes and values should be included. According to Mannheim (1952) generational identities develop in what he calls "generationseinheiten" (environments such as organizations). Though we controlled for differences between the seven participating organizations in this study, it is suggested to include context more in interpreting the results. This could be done by using a narrative approaches, by using context descriptions or by using the case study design. It is overly simplistic to assume that effects of organizational change are the same across organizations (Roehling et al., 1998) let alone countries. The same applies for generational differences. The existence of global universities is still subject of debate (Parry & Urwin, 2011). Therefore, it is recommended to extend the scope of this research by including a cross country design and collect data in different countries.

Sixth, of course there are numerous other interesting avenues for future research, both for theory and practice. This paragraph is ended by naming a few of these shortly.

Considering the growing number of flexible contracts and self-employed people (in the Netherlands, see the numbers from CBS (Statistics Netherlands), 2014) it would be interesting to do specific research on this group of people. Partly because they make out a more substantial part of the labor force but also because one would think that the bond between these employees and the organization and their expectations would differ from employees with fixed contracts. A more longitudinal research design on how attitude toward change affects the fulfillment of employer obligations would be interesting as well. Also since Van den Heuvel and Schalk's (2012) study looked into the relationship between attitude and psychological contract but hypothesized that attitude would be affected by psychological contract fulfillment and not vice versa. Further longitudinal research on how these two interact would be valuable. Another interesting question that appears to be important when looking into the results of our qualitative data is how employee factors influence the effects of organizational change or how they interact with generational differences. An example is personality, but also how risk averse people are or how much risk appetite they have. To conclude, and in line with the research design, the next step would be to investigate the relationship between generations and organizational change. More precisely: do different generations react differently to organizational change?

REFERENCES

Anderson, N., & Schalk, R. (1998). The psychological contract in retrospect and prospect. *Journal of Organizational Behavior, 19(S1),* 637-647.

Armstrong-Stassen, M., & Lee, S.H. (2009). The effect of relational age on older Canadian employees' perceptions of human resource practices and sense of worth to their organization. *The International Journal of Human Resource Management*, *20*(8), 1753-1769.

Arnold J., Cooper C. & Robertson T. (1995). *Work psychology: Understanding human behaviour in the workplace* (2nd ed.). London: Pitman Publishing.

Bal, P.M, De Lange, A.H., Jansen, P.G.W., & Van Der Velde, M.E.G. (2008). Psychological contract breach and job attitudes: A meta-analysis of age as moderator. *Journal of Vocational Behavior, 72(1),* 143-158.

Boschma, J., & Groen, I. (2007). *Generatie Einstein; slimmer, sneller en socialer. Communiceren met jongeren van de 21e eeuw*. Amsterdam: Pearson Education.

Boxall, P. & Macky, K (2008). Research and theory on high-performance work systems: progressing the high-involvement stream. *Human Resource Management Journal, 19(1),* 3-23.

Burke, M.E. (2004). *SHRM Generational differences survey report.* A study by the Society for Human Resource Management. Alexandria, VA: Society for Human Resource Management. Retrieved from: https://www.shrm.org/Research/SurveyFindings/Documents/Generational%20Differences%20 Survey%20Report.pdf.

Busch, P., Venkitachalam, K. & Richards, D. (2008). Generational differences in soft knowledge situations: Status, need for recognition, workplace commitment and idealism. *Knowledge and Process Management, 15(1),* 45-58.

CBS, Centraal Bureau voor de Statistiek (2014). *Positie werkkring en arbeidsduur: minder personen met een vaste arbeidsrelatie.* Retrieved from: http://www.cbs.nl/nl-NL/menu/themas/arbeid-sociale-zekerheid/ publicaties/arbeidsmarkt-vogelvlucht/korte-termijn-ontw/vv-positie-werkkring-arbeidsduur-art.htm.

Cennamo, L., & Gardner, D. (2008). Generational differences in work values, outcomes and person-organization values fit. *Journal of Managerial Psychology, 23(8),* 891-906.

Chambel, M.J., & Oliveira-Cruz, F. (2010). Breach of the psychological contract and the development of burnout and engagement: A longitudinal study among soldiers of a peacekeeping mission, *Military Psychology, 22(2),* 11-127.

Cogin, J. (2012). Are generational differences in work values fact or fiction? Multi-country evidence and implications. *The international journal of Human Resource Management, 23(11),* 2268-2294.

Combs, J., Liu, Y., Hall, A., & Ketchen, D. (2006). How much do high-performance work practices matter? A meta-analysis of their effects on organizational performance. *Personnel Psychology, 59(3),* 501-528.

Costanza, D.P., Badger, J.M., Fraser, R.L., Severt, J.B., & Gade, P.A. (2012). Generational differences in work-related attitudes: A meta-analysis. *Journal of Business and Psychology*, *27*(4), 375-394.

Coyle-Shapiro, J., Kessler, I. (2002). Exploring reciprocity through the lens of the psychological contract: employee and employer perspectives. *European Journal of Work and Organizational Psychology, 11(1),* 69-86.

De Jong, J., Schalk, R., & Croon, M. (2009). The role of trust in secure and insecure employment situations: A multiple-group analysis. *Economic and Industrial Democracy, 30(4),* 510–538.

De Meuse, K.P., Bergmann, T.J., Lester, S.W. (2001). An investigation of the relational component of the psychological contract across time, generation, and employment status. *Journal of Managerial Issues, 13(1),* 102-18.

de Lange, A.H., Taris, T.W., Kompier, M.A., Houtman, I.L.D., & Bongers, P. M. (2005). Different mechanisms to explain the reversed effects of mental health on work characteristics. *Scandinavian*

Journal of Work, Environment & Health, 31(1), 3-14.

De Meuse, K.P., Bergmann, T.J., & Lester, S.W. (2001). An investigation of the relational component of the psychological contract across time, generation, and employment status. *Journal of Managerial Issues, 13(1),* 102-18.

Dencker, J.C., Joshi, A., & Martocchio, J.J. (2007). Employee Benefits as Context for Intergenerational Conflict. *The International Journal of Human Resource Management, 17(2),* 208–220.

Freese, C. (2007). *Organizational change and the dynamics of psychological contracts: A longitudinal study* (Doctoral dissertation). Tilburg University, ISBN/EAN: 978-90-5335-122-2.

Freese, C., Schalk, R., & Croon, M. (2008). De Tilburgse psychologisch contract vragenlijst. *Gedrag en Organisatie*, *21(3)*, 278-294.

Freese, C., Schalk, R. & Croon, M. (2011). The impact of organizational changes on psychological contracts: A longitudinal study. *Personnel Review, 40(4),* 404–422.

Guest, D. (2004). The psychology of the employment relationship: an analysis based on the psychological contract. *Applied Psychology, 53(4),* 541-555.

Gursoy, D., Maier, T., & Chi, C. (2008). Generational differences: an examination of the work values and generational gaps in the hospitality workforce. *International Journal of Hospitality Management, 27(3),* 448–458.

Hansen, J.I.C., & Leuty, M.E. (2012). Work values across generations. *Journal of Career Assessment*, *20*(1), 34-52.

Herold, D.M., Fedor, D.B., & Caldwell, S.D. (2007). Beyond change management: a multilevel investigation of contextual and personal influences on employees' commitment to change. *Journal of Applied Psychology*, *92(4),* 942-951.

Hess, N., & Jepsen, D.M. (2009). Career stage and generational differences in psychological contracts. *Career development International, 14(3),* 261-283.

Hiltrop, J.M. (1995). The changing psychological contract: the human resources challenge of the 1990s. *European Management Journal, 13(3),* 286-294.

Holt, D.T., Armenakis, A.A., Feild, H.S., & Harris, S.G. (2007). Readiness for organizational change: The systematic development of a scale. *The Journal of Applied Behavioral Science*, *43*(2), 232-255.

Homan, T. (2009). *Organisatiedynamica. Theorie en praktijk van organisatieverandering.* Schoonhoven: Academic Service.

Korunka, C., Scharitzer, D., Carayon, P., & Sainfort, F. (2003). Employee strain and job satisfaction related to an implementation of quality in a public service organization: A longitudinal study. *Work & Stress, 17(1),* 52–72.

Kreiner, G.E., & Ashforth, B.E. (2004). Evidence toward an expanded model of organizational identification. *Journal of Organizational Behavior*, *25(1),* 1–27.

Lub, X.D., Blomme, R.J., & Bal, P.M. (2011). Psychological contracts and organizational citizenship behavior: A new deal for new generations? *Advances in Hospitality and Leisure, 7(1),* 109-130.

Lub, X.D. (2014). *Generations and their psychological contract* (Doctoral dissertation).Tilburg University, ISBN: 978-94-6191-980-9.

Lub, X.D., Bal, P.M., Blomme, & R.J., Schalk, M.J.D. (2014). Why do generational differences in psychological contracts exist? In: E. Parry (Ed.), *Generational Diversity at Work: New Research Perspectives.* Palgrave: MacMillan.

Lub, X.D. Nije Bijvank, M., Bal, P.M., Blomme, R., & Schalk, M.J.D. (2012). Different or alike?: Exploring the psychological contract and commitment of different generations of hospitality workers. *International Journal of Contemporary Hospitality Management, 24(4),* 553-573.

Mannheim, K. (1952). The problem of generations. In P. Kecskemeti (Ed.), *Essays on the sociology of*

knowledge, (pp. 378-404). London, UK: Routledge.

McDermott, A. M., Conway, E., Rousseau, D. M., & Flood, P. C. (2013). Promoting effective psychological contracts through leadership: The missing link between HR strategy and performance. *Human Resource Management*, *52(2),* 289-310.

Mikkelsen, A., Osgard, T., & Lovrich, N. (2000). Modeling the effects of organizational setting and individual coping style on employees' subjective health, job satisfaction and commitment. *Public Administration Quarterly*, *24(3),* 371–397.

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.

Oreg, S., Vakola, M., & Armenakis, A. (2011). Change recipients' reactions to organizational change: A 60 year review of quantitative studies. *Journal of Applied Behavioral Science, 47(4),* 461-521.

Parry, E., & Urwin, P. (2011). Generational differences in work values: a review of theory and evidence. *International Journal of Management Reviews, 13(1),* 79-96.

Pate, J., Martin, G., & Staines, H. (2000). Exploring the relationship between psychological contracts and organizational change: a process model and case study evidence. *Strategic Change, 9(8),* 481-493.

Piderit, S.K. (2000). Rethinking resistance and recognizing ambivalent attitudes toward organizational change: A multidimensional view. *Academy of Management Review, 25(4),* 783-794.

Rafferty, A.E., & Griffin, M.A., (2006), Perception of organizational change: A stress and coping perspective. *Journal of Applied Psychology, 91(5),* 1154-1162.

Robinson, S.A, Kraatz, M.S., & Rousseau, D.M. (1994). Changing obligations and the psychological contract: A longitudinal study. *Academy of Management Journal, 37(1),* 137-152.

Robinson, S.L., & Rousseau, D.M. (1994). Violating the psychological contract: Not the exception but the norm. *Journal of Organizational Behavior, 15(3),* 245–259.

Roehling, M.V., Cavanaugh, M.A., Moynihan, L.M., & Boswell, W.R. (1998). The nature of the new employment relationship(s): A content analysis of the practitioner and academic literatures. *Human Resource Management, 39(4),* 305-320.

Rousseau, D.M. (1995). *Psychological contracts in organizations.* Thousand Oaks, CA: Sage.

Rousseau, D.M., & Fried, Y. (2001). Location, location, location: Contextualizing organizational research. *Journal of Organizational Behavior, 22(1),* 1-13.

Rousseau, D.M., Hornung, S., & Kim, T. G. (2009). Idiosyncratic deals: Testing propositions on timing, content, and the employment relationship. *Journal of Vocational Behavior*, *74*(3), 338-348.

Rousseau, D.M., & Tijoriwala, S.A. (1998). Assessing psychological contracts: Issues, alternatives and measures. *Journal of Organizational Behavior, 19(S1),* 679-695.

Saunders, M.N.K., & Thornhill, A. (2003). Organizational justice, trust and the management of change: An exploration. *Personnel Review. 32(3),* 360-374.

Schalk, R. (2012). Waar is de organisatie in Gedrag en Organisatie? *Gedrag en Organisatie*, *25(3),* 285-292.

Smola, K.W., & Sutton, C.D. (2002). Generational differences: Revisiting generational work values for the new millennium. *Journal of Organizational Behavior, 23(4),* 363-382.

Sparrow, P. (1996). Transitions in the psychological contract: some evidence from the banking sector. *Human Resource Management Journal, 6(4),* 75-92.

Sutin, A.R., Terracciano, A., Milaneschi, Y., An, Y., Ferrucci, L., & Zonderman, A.B. (2013). The effect of birth cohort on well-being. The legacy of economic hard times. *Psychological Science*, *24(3),* 379-385.

Sverdrup, T.E., & Schei, V. (2013). The Power of Reciprocity: Horizontal Psychological Contracts and Group Functioning. In *Academy of Management Proceedings* (Vol. 2013, No. 1, p. 13710). Academy of Management.

Tarique, I, & Schuler, R.S. (2010). Global talent management: Literature review integrative framework and

suggestions for further research. *Journal of World Business, 45(2),* 122-133.

Thompson, J.A., & Bunderson, J.S. (2003). Violations of principle: Ideological currency in the psychological contract. *Academy of Management Review, 28(4),* 671-586.

Twenge, J.M., & Campbell, S.M. (2008). Generational differences in psychological contract traits and their impact on the workforce. *Journal of Managerial Psychology, 23(8),* 862-877.

Twenge, J.M. (2010). A review of the empirical evidence on generational differences in work attitudes. *Journal of Business and Psychology, 25(2),* 201-210.

Twenge, J.M., Campbell, S.M., Hoffman, B.J., & Lance, C.E. (2010). Generational differences in work values: leisure and extrinsic values increasing, social and intrinsic values decreasing. *Journal of Management, 36(5),* 1117-1142.

Turnley, W.H., & Feldman, D.C. (1998). Psychological contract violations during corporate restructuring. *Human Resource Management, 37(1),* 71-83.

Van den Heuvel, S. (2012). *The influence of the psychological contract on attitude toward change* (Doctoral dissertation). Tilburg University, ISBN/EAN: 978-90-5335-577-9.

Van den Heuvel, S., & Schalk, R. (2012). *The influence of psychological contract fulfillment on attitude toward change: the mediating role of trust and organizational performance.* Submitted. Chapter 4. The influence of the psychological contract on attitude toward change (Doctoral dissertation). Tilburg University, ISBN/EAN: 978-90-5335-577-9.

Westerman, J.W., & Yamamura, J.H. (2006). Generational preferences for work environment fit: Effects on employee outcomes. *Career development International, 22(2),* 150-161.

Zhao, H., Wayne, S., Glibkowski, B, & Bravo, J. (2007). The impact of psychological contract breach on work-related outcomes: a meta-analysis. *Personnel Psychology, 60(3),* 647-680.

Summary

Advances in technology and ongoing globalization are changing the nature of work dramatically (e.g. Dicken, 2011). This not only impacts organizations and jobs, but also the relationship between employer and employee (e.g. Guest, 2004). Psychological contracts are affected as well, although it is not clear how. Since psychological contracts concern the reciprocal exchange agreement between (in this case) employer and employee, it is relevant to examine how both parties contribute to changes in the psychological contract. This thesis examines how changes as induced by the employer (organizational change) and changes as induced by the individual (generational differences) affect the psychological contract.

More specifically, the aim of this thesis is
A) *to examine the relationship between organizational change and the fulfillment of the psychological contract and*
B) *to examine whether psychological contracts differ between generations*
to better understand how (the context of) change affects contemporary psychological contracts, what employees want from their employers, and what they are willing to offer in return.

A comprehensive model is developed in a first study and empirically tested in three further studies using quantitative methods (on survey data) and qualitative methods (using context and interview data). The results of these studies are summarized in this chapter.

RESULTS

The first aim of this study is to examine the relationship between organizational change and (the fulfillment of) the psychological contract. This issue was addressed by means of three main questions.

1) How is organizational change related to psychological contract fulfillment? Since this thesis is not about the effects of any single change event, but instead seeks to determine what antecedents of change really matter, it was examined if and how six antecedents affect psychological contracts: frequency of change, type of change, impact of change, change history, change management and justification of changes. The results (Chapter 3 and 4) indicate that change history, justification of changes and change management are positively related to the fulfillment of the psychological contract whereas the impact of change is negatively related to it. Contrary to the hypothesis, frequency and type of change are not significantly related to psychological contract fulfillment. In addition, attitude toward change was taken into account. Attitude toward change is expected to be affected by organizational change antecedents and in turn to be related to the fulfillment of employer obligations. The results (Chapter 3) show a significant relationship between

attitude toward change and the fulfillment of employer obligations. Frequency of change, impact of change and change history were also significantly related to attitude toward change.

2. Are the employees' obligations toward the organization affected by the fulfillment of employer obligations? The second question is about the reciprocal character of the psychological contract. It was examined whether employees that have a more negative perception toward the fulfillment of employer obligations would consequently also perceive their own obligations toward the organization to be lower. The results (Chapter 4) indicate that the relationship between fulfillment of employer obligations and the employee obligations toward the organization is rather small but consistently positive.

3. How does context influence the relationship between organizational change and the psychological contract? Although context is often ignored in organizational research (Rousseau and Fried, 2001), it is important when interpreting the research results. Since a good taxonomy of change is lacking (Schalk, 2012), we added rich descriptions of the role that context plays in influencing the variables under study (Chapter 4). Several aspects of context were examined: the external environment, worker and job factors, organizational factors and time. The results (Chapter 4) indicate that several aspects of the external environment were important: type of business and industry, level of competition, level of job protection and the availability of job alternatives. In general, more dynamics tend to lead to more understanding and comfort with change. This in turn tends to soften the effects of organizational change on psychological contracts. Personal characteristics and employees' motivation are relevant when it comes to work and job factors. More motivated employees seem to be less affected by change. Furthermore, the culture of the organization influences how changes land within organizations.

The second main topic of this thesis is about generational differences in psychological contracts, and this was addressed by means of four main questions.

1. Do generations differ in the content of the psychological contract? The question is whether psychological contracts of three generations (Baby-Boom, X and Y) differ. The Tilburg Psychological Contract Questionnaire by Freese, Schalk and Croon (2008) was used to measure the dimensions of the psychological contract and consists of six scales on the employer side: work content, career development, social atmosphere, organizational policies, work-life balance and reward and two scales on the employee side: in-role and extra-role behavior. The results show significant differences between generations in career development (X & Y>BB), in organizational policies (Y<BB), in work-life balance (X & Y>BB), in rewards (Y>BB), and in in-role behavior (Y<BB). No significant differences were found for the constructs of job content, social atmosphere and extra-role behavior. These findings are mostly in line with the hypotheses.

2. Do generations differ in the (perceived level of) fulfillment of the psychological contract? Aside from looking at generational differences in psychological contract dimensions, it is also relevant to focus on the level of fulfillment of the psychological contract. The results indicate that generation Baby-Boom, X and Y -- in line with our hypothesis -- only differ with respect to the fulfillment of social atmosphere (Y>X & BB) and rewards (Y<X & BB & X<BB).

3. Do generations differ in their level of engagement? Generational differences in engagement were also examined (Chapter 5). Younger generations are expected to place less value on work for its own sake and to score lower on work centrality (e.g. Twenge, 2010). The results show that generation Y has significantly lower levels of engagement than generation Baby-Boom. At the same time, the differences between generation X and Y are not significant and contrary to what was expected, the results show an increase in engagement from generation X to generation Y. These results are partly in line with the hypothesis in Chapter 5.

4. Can generational differences in the level of engagement be explained by differences in the fulfillment of the psychological contract? Although limited, current research (Van den Heuvel, 2012) does find a positive relationship between psychological contract fulfillment and engagement. Where differences in fulfillment exist, they may help explain differences in the level of engagement. Although all fulfillment dimensions (except rewards) were significantly related to engagement, no information was offered that could explain differences in engagement. The main reason is that the fulfillment item "rewards" was one of the two fulfillment items in which generational differences exist and this was the only topic that was not significantly related to engagement. Furthermore, the results do not show linear decline in engagement from generation Baby-Boom to X and Y (there is a decline from generation BB to X but then increases from X to Y).

CONCLUSIONS

So how do change and generational differences add to the picture of contemporary psychological contracts? The first topic concerns the relationship between organizational change and the fulfillment of the psychological contract. Most hypotheses regarding the relationship between organizational change and psychological contracts were confirmed. The results clearly indicate that organizational change antecedents are related to psychological contract fulfillment. The results also highlight the reciprocal character of the psychological contract and confirm the negative relationship between fulfillment and engagement. Context plays an important role in how organizational change affects psychological contracts.

However, a clear picture of how these conclusions affect contemporary psychological contracts, is hard to draw. Rather unexpectedly, some of the proposed results were not found. It appears that type of change and frequency does not have a significant relationship with contract fulfillment. It is not the fact and frequency of change that matter but how changes are managed, justified etc., and how organizations deal with change. Still, this does not mean that change frequency is not important at all. Depending on the circumstances regarding the context, if change is more frequent, the risk of negative experiences also increases. Inevitably this will lead to more negative perceptions toward fulfillment and one's own obligations.

Furthermore, the context plays an important role in if and how change affects employees and organizations. It appears that a failure to embed the change process, communications and approach in the organization's context (history, type of organization, culture, etc.), and not taking past change experiences into account, lead to negative effects on fulfillment. If not managed well (negative perception of change management, of justification, etc.), change does negatively affect the psychological contract. So, depending on the context and on how change affects the individual, this might lead to a psychological contract that is characterized by lower levels of fulfillment and employer obligations.

The second topic concerns generational differences in the content of the psychological contracts. The results of this study produce a fairly clear picture of how generations differ. Since generation Y is associated with the new psychological contract, this offers valuable information on what contemporary psychological contracts look like. Generation Y scores significantly higher than generation Baby-Boom on career development, work-life balance and rewards, whereas they score lower than generation Baby-Boom on organizational policies. Differences with generation X only exist for work-life balance and career development, for which Y scores significantly higher.

In addition, it appears that there are significant differences between generations with regard to the in-role obligations, but no differences in the perceived extra-role obligations. This adds to the picture of the new psychological contract in which mutual loyalty is supposed to decline, although this only applies for in-role behavior and for extra-role behavior. Differences in fulfillment between generations show that in line with what employees find important the fulfillment of these perceived obligations decreases. The results show that generation Y has a significant lower level of engagement than generation Baby-Boom. This confirms the image of generation Y.

CONTRIBUTIONS AND IMPLICATIONS

Theoretical contributions and implications

This research adds to current literature and theory in several ways. First, it is one of the few empirical studies to explore the existence of the so called new psychological contract by examining the effects of organizational change and generational differences. By doing so, insights are offered into the effects of trends that occur in current employment relationships.

Second, this dissertation is the first research to empirically explore the relationship between the change antecedents and the psychological contracts. This is an important contribution since most existing research on organizational change focuses on the effects of specific changes, but do not identify the properties of change events that lead to employee outcomes (Rafferty & Griffin, 2006). This is important to understanding the dynamics of organizational change.

Third, the results of this study produce a different perspective on organizational change. In both practice and academic research, a lot of attention is paid to negative employee outcomes as a result of organizational change. This needs to be nuanced. Negative or positive responses should be associated with the personal impact of change, the justification of changes, past experiences and change management, instead of with frequency and type of change.

Fourth, empirical research on how recipients' reactions toward change relate to the fulfillment of the psychological contract is scarce (exception: Van den Heuvel, 2012). Since the relation between attitude toward change and psychological contract has never been studied in a similar way, this is a further contribution of this study.

Fifth, this study underlines the importance of reciprocity in social exchange. Current research argues that the fulfillment of the employer's obligations is likely to affect the terms of the psychological contract (Freese, 2007). This study confirms this rather scarce research based on a large data set of 3,379 respondents.

Sixth, context is often neglected in studies on for example the effects of organizational change (Rousseau & Fried, 2001). This study fills this gap by including the context in interpreting results of quantitative data and by using a mixed method approach to interpreting data and results.

Seventh, studies on generational differences (regarding psychological contracts) that have an empirical basis are scarce. However this is a relevant research area. This study adds to this by combining different perspectives; it focuses on both the content of the psychological contract and the fulfillment of the psychological contract, and it tests the reciprocal character of the psychological contact. The study moreover includes generational differences in engagement and the relationship between psychological contact fulfillment and engagement.

Eighth, the survey data used in this research derive from seven organizations

and represent a total of 3,379 respondents used for analyses. Unlike most psychological contract studies, this study includes a large data sample from different organizations in which people have all kinds of jobs and levels of education.

Practical contributions and implications

This study also adds value for practice. First, the results of this study produce a different perspective on organizational change. Despite popular images of the effects of frequency of change and type of change, where changes like downsizing and restructuring in particular are thought to cause psychological contract violations, no significant relationships between change frequency, type of change and (the fulfillment of) psychological contracts were found. This may relate to the fact that change is so common nowadays that it is becoming "the new normal". Consequently, organizations should pay attention to how people can be equipped and prepared for these new circumstances. Nevertheless, it cannot be assumed that organizations can roll out change after change on the assumption that every change is an independent event, since more change increases the risk of being confronted with negative experiences that lead to negative effects.

Second, although organizations are often very well aware of the importance of change management, the importance of the other change antecedents is often underestimated in practice. Change history or past experiences are often neglected. Consequently, it would be wise to survey the past experiences in order to actively manage the views and emotions regarding these experiences. The same applies for justification of changes. Practitioners should realize that, apart from understanding "what is going to change", employees are also interested in "why changes take place". More attention should be paid to explaining the rationale behind impending changes, and the same applies to the personal impact of the change.

Third, as the results in this thesis show, failure to take the context into account increases the risk of negative effects. The external context, organization factors (e.g. culture), and employee or job factors (e.g. personality) all play an important role. We propose a shift from blueprint change management to a contextually-based change approach in which aspects like the culture of the organization, types of employees, the external context and level of competition are taken into account.

Fourth, this dissertation offers practical insights into generational differences. Most organizations are facing global challenges related to talent flow, the managing of multiple generations of employees, and a shortage of necessary competencies as a result of increasing complexity and volatility in the business environment. Consequently, insights into the specific needs and characteristics of different generations are becoming more important. The results of this study show that some of the (proposed stereotypical) generational differences regarding the employer side of psychological contracts are valid. These insights may help managers and HR professionals to better understand generational conflicts but can also help organizations to make their specific demands

of different generations more explicit. This will help to attune working conditions to each generation in order to stay competitive for attracting qualified applicants. This is especially important in the light of the aging population and multiple age segments in the workforce. The insights into the effects of psychological contract fulfillment can help organizations manage expectations of younger generations more effectively. In conclusion, the results of this research offer insight into the existence of generational differences and what is often referred to as the "new employee".

LIMITATIONS AND RECOMMENDATIONS

A first limitation of this study is the cross-sectional design. This makes it hard to isolate generational differences from age effects. For future research it is recommended to combine cross-sectional data and longitudinal research.

Second, this study highlights the importance of the context in which changes take place in understanding behavioral processes within organizations. We recommend to further explore the concept of context and to conduct a meta study on what variables could belong to context.

Third, when examining the effects of organizational change, there are numerous variables affecting the psychological contract to consider. Obviously, this study was unable to take account of all possible change antecedents. A recommendation for future research would be to include the effects of change antecedents that were not taken into account in this research.

Fourth, it is argued that future research should extend its operationalization of the concept beyond birth cohorts. Formative experiences and the way they affect attitudes and values should be included. This could be done by using a narrative approach, by using context descriptions or by using the case study design. Furthermore, it is recommended to extend the scope of this research by including a cross-country design and to collect data in different countries.

Fifth, there are of course various other interesting avenues for future research. Given the growing number of flexible contracts, for example, it would be interesting to do specific research on this group of people. A more longitudinal research design on how attitude toward change affects the fulfillment of employer obligations would be interesting as well. To conclude, and in line with the research design, the next step would be to investigate the relationship between generations and organizational change. More precisely: do different generations react differently to organizational change?

Samenvatting

Technologische vooruitgang en globalisering hebben een ongekend effect op de aard en inhoud van werk (o.a. Dicken, 2011). Dit heeft niet alleen gevolgen voor de arbeidsmarkt en organisaties, maar ook voor de relatie tussen werkgever en werknemer (o.a. Guest 2004). Ook psychologische contracten worden beïnvloed door deze trends, hoewel niet duidelijk is op welke wijze. Omdat het psychologisch contract betrekking heeft op de onderlinge ruilrelatie tussen werkgever en werknemer, is het relevant te onderzoeken of en op welke manier beide partijen bijdragen aan mogelijke verandering in het psychologisch contract. Om hedendaagse psychologische contracten beter te kunnen begrijpen is in dit proefschrift onderzocht of veranderingen veroorzaakt door de werkgever (organisatieverandering) en veranderingen veroorzaakt door de medewerker (generatie verschillen) van invloed zijn op het psychologisch contract.

Meer specifiek zijn de doelstellingen van dit onderzoek:
A) *de relatie tussen organisatieverandering en de vervulling van het psychologisch contract te onderzoeken, en*
B) *te onderzoeken of er verschillen zijn in de (inhoud van) het psychologisch contract van verschillende generaties,*
teneinde beter te begrijpen hoe (de context van) verandering het hedendaagse psychologische contract beïnvloedt, wat medewerkers willen van hun werkgever en wat zij bereid zijn daarvoor terug te doen.

In een eerste hoofdstuk (2) is een model ontwikkeld waarin wordt aangegeven hoe beide zaken ingrijpen op het psychologisch contract. Deze proposities worden vervolgens empirisch getoetst door het gebruik van kwantitatieve methoden (op enquêtegegevens van 7 deelnemende Nederlandse organisaties) en kwalitatieve methoden (met behulp van contextinterpretaties en interview gegevens uit 7 organisaties). De resultaten van het onderzoek worden samengevat in dit hoofdstuk.

DE RESULTATEN

Een van de doelstellingen van deze dissertatie is de relatie tussen organisatieverandering en (de vervulling van) het psychologisch contract te onderzoeken. Dit is gedaan aan de hand van drie kernvragen.

1) Hoe hangt organisatieverandering samen met de vervulling van het psychologisch contract? Dit proefschrift gaat niet over de effecten van één verandering, maar heeft tot doel te onderzoeken welke antecedenten van verandering echt belangrijk zijn en hoe deze psychologisch contract vervulling beïnvloeden. De volgende zes aspecten van organisatieverandering zijn in dit onderzoek opgenomen: de frequentie van verandering, het type verandering, de impact van de verandering, de veranderhistorie,

verandermanagement en de gepercipieerde rechtvaardigheid van de verandering. De resultaten (hoofdstuk 3 en 4) geven aan dat (in lijn met de hypotheses) veranderhistorie, de gepercipieerde rechtvaardigheid van verandering en verandermanagement positief gerelateerd zijn aan de vervulling van het psychologisch contract, terwijl de impact van verandering er negatief mee samenhangt. In tegenstelling tot de hypotheses zijn de frequentie en het type verandering niet significant gerelateerd aan psychologisch contract vervulling. Daarnaast is ook het begrip "houding t.o.v. verandering" opgenomen in het onderzoek. Dit omdat het van invloed is op de mate waarin de medewerker vindt dat de wekgever zijn verplichtingen is nagekomen. De resultaten (hoofdstuk 3) laten een significante relatie zien tussen de houding ten opzichte van verandering enerzijds en de mate waarin de werkgever zijn verplichtingen nakomt anderzijds. Frequentie van verandering, de impact van de verandering en veranderhistorie hangen ook significant samen met de houding ten opzichte van verandering.

2. Worden de verplichtingen van de werknemers jegens de organisatie beïnvloed door het al dan niet nakomen van verplichtingen door de werkgever? De tweede vraag gaat over het wederkerige karakter van het psychologisch contract. Onderzocht is of er een relatie bestaat tussen de mate waarin medewerkers vinden dat de werkgever zijn verplichtingen waarmaakt en de gepercipieerde eigen verplichtingen jegens de werkgever. De resultaten (hoofdstuk 4) geven aan dat (in lijn met de hypothesen) er een significante relatie is tussen beide begrippen.

3. Hoe is context van invloed op de relatie tussen organisatieverandering en het psychologisch contract? In sociaal wetenschappelijk onderzoek wordt context vaak genegeerd (Rousseau en Fried, 2001), terwijl het van groot belang is voor de interpretatie van de resultaten van onderzoek. Aangezien een goede taxonomie van verandering ontbreekt (Schalk, 2012) is deze in dit proefschrift, op basis van het werk van Rousseau en Fried (2001), geconstrueerd. Vervolgens is dit model gevuld met gegevens vanuit diverse (openbare) bronnen en data die zijn verzameld in interviews met (HR) managers van de 7 deelnemende organisaties. Verschillende aspecten van context werden daarbij in beschouwing genomen: de externe omgeving, kenmerken van de werknemer, kenmerken van de organisatie en het aspect tijd. De resultaten (hoofdstuk 4) geven aan dat verschillende aspecten van de externe omgeving belangrijk waren: het type organisatie en de bedrijfstak, het niveau van concurrentie, het niveau van baanzekerheid en de beschikbaarheid van werk. In het algemeen geldt dat meer dynamiek in de context leidt tot meer begrip voor en comfort met verandering. Persoonlijke kenmerken en motivatie van medewerkers zijn relevant als het gaat om werk-gerelateerde factoren. Sterker gemotiveerde medewerkers lijken minder (op negatieve wijze) beïnvloed te worden door de verandering. Bovendien is organisatiecultuur sterk van invloed op de wijze waarop veranderingen landen binnen organisaties.

Het tweede hoofdonderwerp van dit proefschrift betreft de mogelijke verschillen in psychologische contracten van verschillende generaties. Er wordt ingegaan op vier kernvragen.

1. Zijn er verschillen tussen generaties in de inhoud van het psychologisch contract? De vraag is of het psychologisch contract van drie generaties (babyboom (BB), X en Y) verschilt. De Tilburgse psychologisch contract vragenlijst van Freese, Schalk en Croon (2008) werd gebruikt om de verschillende dimensies van het psychologisch contract in kaart te brengen en bestaat uit zes schalen aan de werkgever kant: werkinhoud, loopbaanontwikkeling, sociale sfeer, organisatiebeleid, werk-privé balans en belonen, en twee schalen aan de werknemer kant: in-rol en extra-rol gedrag. De resultaten laten significante verschillen zien tussen generaties in loopbaanontwikkeling (X & Y>BB), in organisatiebeleid (Y<BB), in de werk-privé balans (X & Y>BB) in beloningen (Y>BB) en in-rol gedrag (Y<BB). Geen significante verschillen zijn gevonden voor de constructen functie-inhoud, sociale sfeer en extra-rol gedrag. Deze bevindingen komen grotendeels overeen met de hypothesen.

2. Zijn er verschillen tussen generaties in (het gepercipieerde niveau van) de vervulling van het psychologisch contract? Afgezien van generatieverschillen in de inhoud van het psychologisch contract, is het ook van belang te onderzoeken of er verschillen zijn in het niveau van vervulling van het psychologisch contract. De resultaten geven aan dat, in lijn met de hypothese, er verschillen zijn in sociale sfeer (Y>X & BB) en beloningen (Y<X & BB en X<BB).

3. Zijn er verschillen tussen generaties in hun mate van betrokkenheid? Jongere generaties hechten naar verwachting minder waarde aan werk in het algemeen, hebben eigen belang hoger in het vaandel staan en stellen werk minder centraal in het leven (o.a. Twenge, 2010). De resultaten laten zien dat generatie Y significant lager scoort op betrokkenheid dan generatie babyboom. Tegelijkertijd zijn de verschillen tussen generatie Y en X niet significant en in tegenstelling tot wat werd verwacht, is er sprake van een toename in betrokkenheid van generatie X naar Y. Deze resultaten zijn gedeeltelijk in overeenstemming met de hypotheses (hoofdstuk 5).

4. Kan vanuit de effecten van psychologisch contract vervulling op engagement een verklaring worden geboden voor de (generationele) verschillen in engagement? Hoewel beperkt, wijst bestaand onderzoek uit dat er een positieve relatie bestaat tussen psychologisch contract vervulling en betrokkenheid (o.a. Van den Heuvel, 2012). Wanneer verschillen in vervulling bestaan, kunnen deze nuttig zijn bij het verklaren van verschillen in het niveau van betrokkenheid. Hoewel alle dimensies van psychologisch contract vervulling significant zijn gerelateerd aan betrokkenheid (behalve beloningen), biedt dit geen extra

informatie voor het verklaren van verschillen in betrokkenheid. De belangrijkste reden hiervoor is dat beloning de enige dimensie is waar een verschil in vervulling zichtbaar is terwijl dit ook de enige dimensie is die niet van invloed is op betrokkenheid. Verder is er geen lineaire daling van betrokkenheid zichtbaar van generatie babyboom naar X en Y (er is wel een daling van BB naar X, maar dan stijgt deze weer van X naar Y).

CONCLUSIES

De vraag is dus hoe inzicht in de effecten van organisatieverandering op het psychologisch contract en generatieverschillen bijdragen aan het begrip van hedendaagse psychologische contracten. De resultaten geven aan dat 4 van de 6 aspecten van organisatieverandering zoals opgenomen in dit onderzoek zijn gerelateerd aan psychologisch contract vervulling. De resultaten benadrukken ook de wederkerigheid van het psychologisch contract en laten zien dat er een negatieve relatie bestaat tussen psychologisch contract vervulling en engagement.

Een eenduidig beeld van hoe het hedendaags psychologisch contract eruit ziet is moeilijk te geven. Deels omdat de veronderstelde (negatieve) effecten van frequentie en soort verandering op het psychologisch contract ontbraken. Het blijkt dat de frequentie en type verandering er niet zozeer toe doen, maar wel hoe organisaties omgaan met verandering. Verder blijkt dat de context waarin organisatieverandering plaatsvindt een belangrijke rol speelt in hoe veranderingen landen en effect sorteren op medewerkers. Het niet afstemmen van het veranderproces, de communicatie en veranderaanpak op de context (denk aan verander historie, type organisatie, organisatiecultuur, etc.) heeft negatieven effecten op psychologische contracten. Als verwachtingen en beelden niet goed gemanaged worden (negatieve percepties uit het verleden, gepercipieerde rechtvaardigheid, etc.) heeft organisatieverandering een negatief effect op het psychologisch contract.

Het tweede onderwerp van deze dissertatie gaat in op generatie verschillen in psychologische contracten. De resultaten van deze studie laten duidelijke verschillen tussen generaties zien. Generatie Y scoort significant hoger dan generatie babyboom op loopbaanontwikkeling, werk-privé balans en beloningen terwijl ze lager scoren dan generatie babyboom op organisatiebeleid. Verder blijken er significante verschillen te zijn tussen generaties ten aanzien van in-rol gedrag, terwijl er geen verschillen zijn waargenomen in extra-rol verplichtingen. Dit ondersteunt gedeeltelijk onze hypothese waarin een daling van gepercipieerde verplichtingen door de werknemer werd voorzien. Dit draagt bij aan het beeld van het nieuwe psychologisch contract waarin wederzijdse loyaliteit werd verondersteld te dalen, hoewel dit alleen geldt voor in-rol gedrag. De resultaten laten verder zien dat generatie Y lager scoort op betrokkenheid dan generatie babyboom.

BIJDRAGEN EN IMPLICATIES

Bijdragen aan de literatuur en theorie

Dit onderzoek draagt op verschillende manieren bij aan de huidige literatuur en theorie. Ten eerste is het een van de weinige empirische studies naar het zogenaamde nieuwe psychologisch contract. Door twee trends die op het psychologisch contract van invloed zijn te onderzoeken worden inzichten geboden die helpen om hedendaagse arbeidsverhoudingen beter te managen.

Op de tweede plaats is dit proefschrift het eerste (empirische) onderzoek naar de relatie tussen verschillende aspecten van organisatieverandering en het psychologisch contract (Rafferty & Griffin, 2006). Dit is een belangrijke bijdrage, omdat de meeste onderzoeken over organisatieverandering zich richten op de effecten van een specifieke verandering, maar het effect van verschillende aspecten van verandering achterwege laten (Rafferty & Griffin, 2006). Daardoor wordt niet helder welk aspect van verandering nu wel effect heeft en welk aspect niet. Dit is belangrijk om de dynamiek van organisatieveranderingen te begrijpen en een veranderaanpak te kunnen aanpassen.

Op de derde plaats nuanceren de resultaten van dit onderzoek het negatieve beeld van organisatieverandering. In zowel de praktijk als in wetenschappelijk onderzoek wordt veel aandacht besteed aan de negatieve kant van organisatieveranderingen voor medewerkers. Negatieve of positieve reacties worden vaak veroorzaakt door de persoonlijke impact van verandering op het werk van het individu, de gepercipieerde rechtvaardigheid of juistheid van de veranderingen, ervaringen uit het verleden en de wijze waarop het verandermanagement is ingericht. Dit zijn factoren die goed door het management te beïnvloeden zijn, zo blijkt ook uit de interviews. Een hoge frequentie van verandering of een bepaald type verandering (zoals een reorganisatie) hebben echter geen negatief effect op het psychologisch contract. Ook dat is opvallend en nuanceert het huidig beeld van organisatieverandering.

Verder is empirisch onderzoek naar de relatie tussen de houding van het individu ten opzichte van verandering en de vervulling van het psychologisch contract schaars (uitzondering: Van den Heuvel, 2012). Aangezien deze verhouding nog nooit op deze wijze in beeld is gebracht is dat de vierde bijdrage van deze studie.

Op de vijfde plaats onderstreept dit onderzoek het belang van wederkerigheid in sociale relaties. Bestaand onderzoek laat zien dat de mate waarin de werkgever de verplichtingen waarmaakt waarschijnlijk van invloed is op de inhoud van het psychologisch contract (Freese, 2007). De resultaten in deze dissertatie bevestigen het schaars en bestaand onderzoek op dit terrein.

Ten zesde wordt context vaak verwaarloosd in studies over de effecten van organisatieverandering (Rousseau & Fried, 2001). In dit proefschrift wordt juist expliciet aandacht besteedt aan context door in het interpreteren van de resultaten allerlei context variabelen te betrekken. De uitkomsten van de kwantitatieve analyses op de enquête

data worden m.b.v. kwalitatieve gegevens van interpretatie en betekenis voorzien. Zo kunnen bepaalde verbanden uit de kwantitatieve analyses en verschillen tussen de aan dit onderzoek deelnemende organisaties worden verklaard.

Op de zevende plaats zijn empirische studies naar verschillen in het psychologisch contract van verschillende generaties schaars. Deze studie vult dit gat en geeft invulling aan een aantal behoeften in de praktijk. De huidige arbeidsmarkt is steeds concurrerender en organisaties worstelen met allerlei vraagstukken rondom talent. Daarbij kan worden gedacht aan het werken met meerdere generaties van werknemers, vraagstukken rondom oudere en jongere werknemers, flexibilisering, een tekort aan bepaalde competenties, een algehele schaarste aan personeel of een gebrek aan retentie. Om een concurrentievoordeel te verkrijgen in de komende jaren dienen organisaties op gestructureerde en innovatieve wijze om te gaan met hun talent. Inzicht in de specifieke behoeften van (groepen) werknemers wordt daarbij steeds belangrijker.

Op de achtste plaats wordt in dit onderzoek gebruik gemaakt van onderzoeksgegevens uit zeven organisaties met in totaal 3,379 bruikbare enquêtes en 28 interviews. In tegenstelling tot veel psychologisch contract studies betreft dit een grote dataset met medewerkers met een veelheid aan soorten banen en opleidingsniveaus.

BIJDRAGEN AAN DE PRAKTIJK

De eerste bijdrage voor de praktijk is dat het onderzoek een ander licht werpt op organisatieverandering. Niettegenstaande de veronderstelling dat frequentie en type van verandering een enorm effect hebben op het psychologisch contract, laten de resultaten van dit onderzoek een ander beeld zien. Dat er geen significante relaties zijn gevonden tussen frequentie en type verandering aan de ene kant en het psychologisch contract aan de andere kant zou kunnen worden veroorzaakt door het feit dat continue verandering het nieuwe equilibrium is. Organisaties zullen dan ook aandacht moeten besteden aan het voorbereiden op en uitrusten van medewerkers voor deze nieuwe omstandigheden. Uiteraard blijft bij continue verandering altijd het risico op negatieve (bij) effecten aanwezig.

Op de tweede plaats zijn organisaties zich vaak wel bewust van het belang van verandermanagement, maar wordt het belang van andere aspecten van verandering vaak niet meegenomen. Een belangrijk voorbeeld is ervaringen uit het verleden met organisatieverandering. Indien deze negatief zijn dient daar aandacht aan te worden besteed. Het zelfde geldt voor de gepercipieerde rechtvaardigheid en juistheid van een verandering. Medewerkers zijn niet allen geïnteresseerd in wat er gaat veranderen maar ook in de achterliggende redenen. Er moet dan ook meer aandacht worden besteed aan toelichting daarop en het congruent maken van interne en externe communicatie. Tot slot zou explicieter moeten worden stilgestaan bij de impact van een verandering op het dagelijkse werk van individuen.

Op de derde plaats dient meer aandacht te worden besteed aan context. Aspecten als organisatiecultuur, het type werk, type medewerkers maar ook de druk vanuit de externe omgeving en berichtgeving in de media spelen een belangrijke rol in hoe veranderingen landen in de organisatie. Een aanpak die niet zozeer blauwdruk gedreven is (een veel toegepaste methodiek in de praktijk), maar één die uitgaat van de context en daar de aanpak en tempo op aanpast zou veel negatieve effecten van verandering kunnen ondervangen.

Op de vierde plaats biedt het onderzoek concrete handvatten voor het managen van verschillende generaties en generatieverschillen. De meeste organisaties hebben belangrijke uitdagingen in het aantrekken en behouden van talent, maar ook in het aanpassen van HR beleid op verschillende doelgroepen (waaronder verschillende generaties). Inzicht in specifieke kenmerken en behoeften van generaties is dan ook van belang. De resultaten uit dit onderzoek laten zien dat sommige stereotiepe beelden worden bevestigd en anderen niet. Deze inzichten kunnen (HR) managers helpen om de eisen en wensen van verschillende generaties beter te managen, maar kunnen ook nuttig zijn in het aantrekkelijk zijn voor en aantrekken van nieuw talent. Omdat talent voor veel organisaties cruciaal is kan dit bijdragen aan het hebben van een competitief voordeel.

BEPERKINGEN EN AANBEVELINGEN

Een eerste beperking van deze studie is het ontwerp. Omdat er geen sprake is van een longitudinale studie is het moeilijk om generatieverschillen te onderscheiden van leeftijdseffecten. Hoewel lastig om te doen in een promotieonderzoek met een tijdspanne van circa vier jaar, is het aan te bevelen extra longitudinaal onderzoek te doen naar generatie effecten.

Op de tweede plaats wordt in dit onderzoek expliciet aandacht besteed aan de context waarin veranderingen plaatsvinden. Aanbevolen wordt om het begrip context verder te verkennen en nader te operationaliseren. Het uitvoeren van een metastudie met de vraag welke variabelen tot de context behoren zou daartoe een goed startpunt zijn.

Op de derde plaats is er sprake van een veelheid aan variabelen rondom organisatieverandering die het psychologisch contract beïnvloeden. Vanzelfsprekend was het niet mogelijk om alle factoren in dit onderzoek te betrekken. Een aanbeveling is wel om de effecten van meerdere en andere antecedenten die niet in dit onderzoek zijn meegenomen te onderzoeken.

Ten vierde wordt gesteld dat in toekomstig onderzoek de operationalisering van het concept generaties verder moet gaan dan alleen op basis van geboortecohorten. De wijze waarop formatieve ervaringen van invloed zijn op de houding, normen en waarden van groepen mensen dient te worden uitgewerkt. Dit kan worden gedaan met behulp

van een narratieve benaderingen, met behulp van context omschrijvingen of met behulp van case study designs.

Op de vijfde plaats zijn er natuurlijk tal van andere interessante mogelijkheden voor toekomstig onderzoek. Een paar voorbeelden. Gezien het groeiend aantal flexibele contracten en flexwerkers zou het interessant zijn om specifiek onderzoek te doen naar psychologische contracten van deze doelgroep. Tot slot, en in lijn met de onderzoeksopzet, zou de volgende stap zijn om de relatie tussen de generaties en organisatieveranderingen te onderzoeken. Ofwel: reageren verschillende generaties verschillend op organisatieverandering?

REFERENCES

Dicken, P. (2011). *Global Shift: Mapping the Changing Contours of the World Economy, 6th edition.* London: Sage.

Freese, C. (2007). *Organizational change and the dynamics of psychological contracts: A longitudinal study* (Doctoral dissertation). Tilburg University, ISBN/EAN: 978-90-5335-122-2.

Freese, C., Schalk, R., & Croon, M. (2008). De Tilburgse psychologisch contract vragenlijst. *Gedrag en Organisatie*, *21(3)*, 278-294.

Guest, D. (2004). The psychology of the employment relationship: an analysis based on the psychological contract. *Applied Psychology, 53(4),* 541-555.

Heuvel, van den, S. (2012). *The influence of the psychological contract on attitude toward change* (Doctoral dissertation), Tilburg University, ISBN/EAN: 978-90-5335-577-0.

Rafferty, A.E., & Griffin, M.A., (2006), Perception of organizational change: A stress and coping perspective. *Journal of Applied Psychology, 91(5),* 1154-1162.

Rousseau, D.M., & Fried, Y. (2001). Location, location, location: Contextualizing organizational research. *Journal of Organizational Behavior, 22(1)*, 1-13.

Schalk, R. (2012). Waar is de organisatie in Gedrag en Organisatie? *Gedrag & Organisatie*, *25(3),* 285-292.

Twenge, J.M. (2010). A review of the empirical evidence on generational differences in work attitudes. *Journal of Business and Psychology, 25(2),* 201-210.

Appendix: Questionnaire

Organizational change

Frequency and success of past changes (Rafferty & Griffin, 2006, Metselaar, 1997)

The following questions are about change within your organization and your feelings about that.

	Totally disagree	Disagree	Neutral	Agree	Totally agree
Change frequently occurs within my organization (frequency)					
I feel like change is always happening (frequency)					
Our organization has always been able to cope with new situations (success past changes)					
Past changes generally were successful (success past changes)					
Announced changes usually came to nothing in the past (success past changes)					
Our company has proven to be capable of major changes (success past changes)					

Type of change (based on Rousseau's (1995) division of accommodational and transformational changes)

The following statement is about the types of changes that you were confronted with during the last two years.

Please choose (a maximum of) the three most important changes that you were you confronted with during the last two years (if none, rest of the questions about organizational change were skipped, type of change).
Change in technology
Change in plant, machinery or equipment
Change in structure
Change in culture
Change in leadership
Change in organizational policies
Downsizing
Cost cutting

Justification and impact of change (Self et al., 1997, Lau & Woodman, 1995)

The following statements are about how you experienced the changes that happened within your organization during the last 2 year.

	Totally disagree	Disagree	Neutral	Agree	Totally agree
Do you agree this (these) change(s) was (were) necessary (justification)?					
To what extent do you agree this (these) was (were) the correct change(s) to make (justification)?					
The change(s) have (had) important consequences for my future at this organization (impact).					
The change(s) altered my way of doing things.(impact)					
The change(s) affected the way I do things here (impact)					
The communication about changes in my organization fulfills my expectations (change management).					
The way changes in my organization are managed fulfills my expectations (change management).					
The way I am involved with organization changes fulfills my expectations (change management)					

Attitude toward change (Oreg, 2006)

The following statements are about how you have thought and felt about the change(s) you have selected previously. Please read each statement carefully and decide if you ever thought or felt this way about the change(s).

	Totally disagree	Disagree	Neutral	Agree	Totally agree
I am (was) afraid of the change(s).					
I have (had) a bad feeling about the change(s).					
I am (was) quite excited about the change(s).					
The change(s) makes (made) me upset.					
I feel (felt) stressed about the change(s).					

Psychological contracts (Tilburg Psychological Contract Questionnaire, Freese, et al., 2008)

Work content
In the employment relationship employees have expectations about what the organization will offer. To what extent is your organization obliged to offer you the following?

	Not at all	Slightly	Somewhat	Moderately	To a great extent
Variation in your work					
Challenging work					
Balanced workload					
Interesting work					
Autonomy					

Question: To what extent did your employer fulfill previous obligations regarding work content?

Much less than expected	Less than expected	As expected	More than expected	Much more than expected

Career development

In the employment relationship employees have expectations about what the organization will offer. To what extent is your organization obliged to offer you the following?

	Not at all	Slightly	Somewhat	Moderately	To a great extent
Career opportunities					
Training and education					
Coaching on the job					
Professional development opportunities					
Learning on the job					
Opportunity to fully utilize knowledge and skills					

To what extent did your employer fulfill previous obligations regarding career development?

Much less than expected	Less than expected	As expected	More than expected	Much more than expected

Social atmosphere

In the employment relationship employees have expectations about what the organization will offer. To what extent is your organization obliged to offer you the following?

	Not at all	Slightly	Somewhat	Moderately	To a great extent
Good working atmosphere					
Good cooperation					
Support from colleagues					
Appreciation and recognition					
Support from supervisor					

To what extent did your employer fulfill previous obligations regarding social atmosphere?

Much less than expected	Less than expected	As expected	More than expected	Much more than expected

Organizational policies

In the employment relationship employees have expectations about what the organization will offer. To what extent is your organization obliged to offer you the following?

	Not at all	Slightly	Somewhat	Moderately	To a great extent
Participation in important decisions					
A fair supervisor					
Feedback on performance					
Clear and fair rules and regulations					
Keeping you informed of developments					
Open communication					
Ethical policies toward society and environment					
Being able to have confidence in the organization					

To what extent did your employer fulfill previous obligations regarding organizational policies?

Much less than expected	Less than expected	As expected	More than expected	Much more than expected

Work-life balance

In the employment relationship employees have expectations about what the organization will offer. To what extent is your organization obliged to offer you the following?

	Not at all	Slightly	Somewhat	Moderately	To a great extent
Consideration of personal circumstances					
Opportunity to schedule your own holidays					
Working at home					
Adjustment of working hours to personal life					

To what extent did your employer fulfill previous obligations regarding work-life balance?

Much less than expected	Less than expected	As expected	More than expected	Much more than expected

Rewards

In the employment relationship employees have expectations about what the organization will offer. To what extent is your organization obliged to offer you the following?

	Not at all	Slightly	Somewhat	Moderately	To a great extent
Employment security					
Appropriate salary					
Rewards for exceptional performance					
Reimbursement of training costs					
Good benefits package					
Pay for performance					

To what extent did your employer fulfill previous obligations regarding work-life balance?

Much less than expected	Less than expected	As expected	More than expected	Much more than expected

In-role obligations

In the employment relationship you have opinions on what you should offer the organization. To what extent do you feel obliged to offer your organization the following?

	Not at all	Slightly	Somewhat	Moderately	To a great extent
Good cooperation					
Helping colleagues					
Provide good service to customers					
Performing well on tasks you do not like					
Working with integrity					
Dedication to your work					
Being cost-conscious when dealing with organizational properties					
Dealing with private matters at home					
Complying with organizational rules and regulations					
Protect the organization's image					
Contributing to a pleasant work atmosphere					

To what extent did you fulfill your obligations?

Much less than expected	Less than expected	As expected	More than expected	Much more than expected

Extra-role obligations

In the employment relationship you have opinions on what you should offer the organization. To what extent do you feel obliged to offer your organization the following?

	Not at all	Slightly	Somewhat	Moderately	To a great extent
Keeping knowledge and skills up to date to be able to deal with changing requirements					
Participating in training outside working hours that is important to do your job properly					
Making suggestions for improvement					
Volunteering to do additional tasks					
Working overtime if that is necessary to get the job done					
Working weekends					
Participation in training to enhance employability					
Willingness to work in different positions					
The flexibility to change positions					
Willingness to work in another region					
Stay with the organization for several years					

To what extent did you fulfill your obligations?

Much less than expected	Less than expected	As expected	More than expected	Much more than expected

Engagement (Utrecht Work Engagement Scale, Schaufeli, et al., 2006)

The following statements are about how you feel at work. Please select the answer that best describes how often you feel that way. In the employment relationship you have opinions on what you should offer the organization. To what extent do you feel obliged to offer your organization the following?

	Never	Almost never – a few times a year or less	Rarely – once a month or less	Sometimes – a few times a month	Often – once a week	Very often – a few times a week	Always – every day
At my work, I feel bursting with energy							
At my job, I feel strong and vigorous							
I am enthusiastic about my job							
My job inspires me							
When I get up in the morning, I feel like going to work							
I feel happy when I am working intensely							
I am proud of the work that I do							
I am immersed in my work							
I get carried away when I am working							

Nawoord

Alles, was uns begegnet, läßt Spuren zurück. Alles trägt unmerklich zu unserer Bildung bei.

J. W. von Goethe

Medio 2008 besloot ik te starten met het schrijven van een proefschrift. Nieuwsgierigheid, intrinsieke interesse in de relatie tussen medewerker en organisatie en een passie voor onderzoek hebben mij dit besluit doen nemen. Het was soms zwaar, de combinatie tussen een mooie baan bij Deloitte Consulting, een lief gezin met drie kinderen en onderzoek doen. Ook al omdat onderzoek doen betekent dat je nachtenlang op zoek bent naar literatuur, dat je na een week writer's block in je vakantie toch maar weer aan het werk gaat, dat je ongekend heldere en harde (ook goedbedoelde) feedback krijgt van collega onderzoekers en dat je je soms afvraagt waarom je ook al weer bedacht hebt wat je bedacht hebt. Enfin, ook een tijd waarin ik het "vak" van onderzoeker onder de knie heb gekregen en een tijd waarin ik veel te weten ben gekomen over het psychologisch contract, organisatie verandering en generaties. Ook een tijd waarin ik geleerd heb nederig te zijn en heb moeten toegeven dat één universele werkelijkheid niet bestaat. Ik wil iedereen bedanken die mij heeft geholpen mijn proefschrift tot een goed einde te brengen. Zonder anderen te kort te willen doen noem ik een aantal van hen bij naam.

Allereerst René Schalk, mijn promotor. Dank voor jouw inbreng, steun en vertrouwen. Ook in de periodes waarin ik er zelf wat minder vertrouwen in had, heb jij er altijd weer voor gezorgd dat ik moedig voorwaarts ging. Ook dank aan Charissa Freese, mijn copromotor. Jouw visies en verbinding naar de praktijk hebben mij in wetenschappelijk en praktisch opzicht op de juiste momenten verder geholpen. Ook mijn waardering voor jullie geduld, humor en tijd.

Dank ook aan alle studenten van de Tilburg University met wie ik de afgelopen jaren heb mogen samenwerken: Rafael Canzian, Esther Kloet, Hanna Varheenmaa, Mieke van Doornmalen, Laura Storm, Wendy Springvloet en Carlijn Stultiens.

Verder dank aan Johan Braeken voor de samenwerking en de hulp bij de methoden en technieken.

Uiteraard is het schrijven van een proefschrift niet mogelijk zonder data. Hartelijk dank aan alle organisaties en individuen die mee hebben gewerkt aan mijn onderzoek en de moeite hebben genomen om de vragenlijst in te vullen. Dank ook aan alle mensen die de tijd hebben genomen om (soms meerder malen) tijd vrij te maken voor een interview. Om anonimiteit te borgen noem ik jullie niet bij naam.

Zoals ik aangaf was ik de afgelopen jaren niet alleen promovendus maar vooral ook consultant bij Deloitte. Deloitte wil ik danken voor de geboden flexibiliteit, de eerlijkheid en openheid over slaagkansen en aanslag op (privé) tijd. Ook dank voor het vertrouwen en geloof in een bijna onmogelijk traject. In het bijzonder dank aan Wim Hiddink en Wim Scheper. Ik herinner me een lunch met jullie beiden waarin

mij haarfijn de consequenties van de keuze werden geschetst. In veel opzichten hebben jullie gelijk gekregen, dank voor de goede adviezen. Dank ook aan alle andere collega's, in het bijzonder Laudy Konings. Jij was degene die elke klacht en hick-up in het proces te horen kreeg, jij was ook de commerciële denker die inhoud in business wist om te zetten. Dank voor het luisterend oor. Dank ook dat je mijn paranimf wil zijn. Dank ook het public sector team voor het met belangstelling volgen van het proces.

Dank ook aan de commissie voor het lezen en becommentariëren van het manuscript: Ans de Vos, Charissa Freese, Jaap Paauwe, René Schalk, Beate van der Heijden en Mario van Vliet.

Buiten de professionele contacten wil ik ook mijn ouders, familie en vrienden danken voor de ontspannende momenten, de relativerende opmerkingen en humor. Bas Schot, dank dat jij mijn paranimf wilt zijn. Een dankwoord aan mijn neefjes Michiel en Steyn Verbogt. Wat hebben we veel gelachen, ook in de voorstelling van hoe mijn verdediging zou lopen. Natuurlijk ontzettend veel dank aan mijn drie bijzondere kinderen. Eefje, bedankt voor alle gezelligheid en momentjes van relativering. Ik waardeer ons etentje bij Visj. De opmerking, "Ach pap, wat maakt het allemaal uit" zal ik nooit vergeten. Dank Mels voor de enorme interesse in het onderwerp. Jouw opmerking, "Je onderzoekt dus eigenlijk wat mensen op het werk gelukkig maakt, wat lief", zal ik nooit vergeten. Ook dank voor Lans, jouw lach maakt mij altijd vrolijk, ook als er even niets te lachen valt. Jouw vraag "Wat wordt je dan als je boek klaar is", mijn antwoord "doctor" en jouw antwoord "Mooi dan hoef ik nooit meer naar de dokter" zal ik nooit vergeten. Dank voor al het geduld met papa die gedurende sommige periodes wel heel veel achter de laptop zat. Tot slot enorm veel dank voor mijn lieve vriendin Aukje Hettinga. Jij bent mijn steun en toeverlaat. Door jou heb ik kunnen doen wat ik heb gedaan. Enorm, enorm veel dank daarvoor.

About the author

Sjoerd (A.I.M.) van der Smissen was born on the 17th of December, 1974 in Bergen op Zoom, The Netherlands. After finishing his secondary school (VWO) at the Moller Lyceum in Bergen op Zoom Sjoerd moved to Utrecht to start studying psychology at Utrecht University, The Netherlands. After traveling through Asia for about a year he earned his master's degree in organizational psychology in 1999. In 2000 he started to work for Deloitte Consulting as a management consultant. In 2007 he started with his business administration study at Nyenrode Business University in Breukelen, The Netherlands. His graduation (as a valedictorian of the year) in 2008 was also the start of his PhD program. Sjoerd currently works as a partner for Deloitte Consulting.

Publications (scientific)

Van der Smissen, S., Schalk, R. & Freese, C. (2013). Contemporary psychological contracts: How both employer and employee are changing the employment relationship. *Management Revue, 24(4),* 309-327

Van der Smissen, S., Schalk, R. & Freese, C. (2013). Organizational change and the psychological contract: How change influences the perceived fulfillment of obligations. *Journal of Organizational Change Management, 26(6),* 1071-1090.