

When organisations break promises to an employee, others may feel it too

*Employees pay attention to how their co-workers are treated. Depending on the circumstances, what happens to colleagues can disrupt and undermine the quality of the relationship an employee develops with the organisation. **Sandra Costa** and **Jacqueline Coyle-Shapiro** write that organisations and managers must be aware that the social context shapes individual work relationships.*

When an organisation breaks its promises to one employee, how do others react? It will make them stop and think, or trigger them into a much-detailed examination of their own relationship with the organisation. *Why, when* and *what* happens to co-workers does matter to others.

But first, let's step back and reiterate that when employees experience broken promises (that promised pay increase that doesn't happen, that promised promotion that disappears and the training that is always delayed), they tend to pay back and get even by reducing their performance and commitment and maybe even leaving the organisation. Managers should avoid making promises that they cannot keep, as broken promises undermine the employment relationship. What is less clear is whether employees react when the broken promise is not theirs but that of a co-worker. Would their views of the organisation change? Would they reconsider their expectations about the employment relationship?

Co-workers help employees to understand how things work in the organisation. It is also true that some co-workers build close relationships and count on each other to do their work. Therefore, when the broken promise is experienced by a close co-worker, other employees will think about what happened and try to fully understand how their relationship may be affected by this.

Moreover, how employees perceive and evaluate their employment relationship at the moment of knowing about their co-worker's broken promise may dictate how they react to the event. If the employee is in a high-quality relationship with their organisation, where promises are usually fulfilled, this may mentally block them from responding to their co-worker's experience of contract breach because it is inconsistent with their beliefs and experience. In contrast, if employees had experienced broken promises with the same organisation, they would give greater importance to what happened to their co-worker and look for additional information – "who is to blame"? If the employee deems the broken promise as intentional (the firm has the means to fulfil, but it does not want to) and severe, they will become more vigilant about their employers' actions or inactions, looking for cues about whether the organisation will do the same to them. They may ask others for their view on what happened, and this might involve supervisors, subordinates and others, ultimately creating a negative internal image for the organisation.

Employees pay attention to how their co-workers are treated, they develop a plotline with involved characters and a timeline sequence. Suppose the story ends with matching versions (employee and co-worker have the same view of the situation), in which there is consistency in views that the organisation broke a promise. In this case, employees may believe that the organisation will do the same to them one day and reassess their relationship with their organisation. Conversely, suppose the story does not match the information provided by the co-worker. In that case, employees will disregard or ignore the event, and their employment relationship will not suffer any consequences.

So, what can organisations and managers do? First, they need to be aware that the social context shapes individual work relationships. In fact, *what happens to others* can disrupt and undermine the quality of the employment relationship an employee develops with the organisation. Managers, as organisational representatives, should monitor employees' expectations and be prepared to justify their actions toward employees to others. Moreover, organisations should be mindful that sometimes promises are implicitly made, and employees' perception of a broken promise may not correspond to organisational reality.

Organisations need to promote the role of managers as sense-givers – managers have the power to influence how employees give meaning to events. They can help redefine the reality into something more appealing for organisations and satisfying for employees.



Notes:

- *This blog post is based on [What happens to others matters! An intraindividual processual approach to coworkers' psychological contract violations](#), in *Group and Organization Management*.*
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