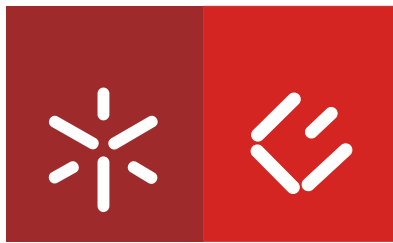


Universidade do Minho
Escola de Economia e Gestão

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The psychological contract of temporary employees with a university degree in Vietnam

Abril de 2012



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**The psychological contract of temporary
employees with a university degree in
Vietnam**

Dissertação de Mestrado
Gestão de Recursos Humanos

Trabalho realizado sob a orientação da
Professora Gina Maria Gaio dos Santos

Abril de 2012

É AUTORIZADA A REPRODUÇÃO INTEGRAL DESTA TESE APENAS PARA EFEITOS DE INVESTIGAÇÃO, MEDIANTE DECLARAÇÃO ESCRITA DO INTERESSADO, QUE A TAL SE COMPROMETE;

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ABSTRACT

Dissertation Title: The psychological contract of temporary employees with a university degree in Vietnam

Keywords: relational and transactional psychological contract, breach, violation, employees with short-term contracts, graduates, Vietnam

In Vietnam, graduate employees have entered the labor market with temporary contracts of employment and precarious employment conditions. The psychological contract is currently one of the most interesting research topics; nevertheless this concept is virtually unknown among those responsible for human resources management in Vietnam. Thus, this study was conducted to identify the psychological contract that characterizes the employees with a temporary employment contract, and to describe this reality in the context of Vietnam.

The objective of this study is therefore to understand what type of psychological contract is held by Vietnamese employees, with a university degree, working as temporary employees, and to understand how they deal with the broken promises from their employer.

The empirical study uses a quantitative methodology. Thus, questionnaire surveys were applied to employees in Ho Chi Minh City, during the month of March 2012. The questionnaire was conducted online and to participate in the research, respondents had to satisfy two criteria: have experience as employees on temporary or short-term contract, and an education level equal or superior to a degree. A total of 106 questionnaires were received. The questionnaire collected information on the expectations held by respondents as to the employment relationship, the degree to which they assessed the fulfillment of these expectations by the employer, and the degree to which they themselves have complied with their obligations, as well as the perception of breach and violation of the psychological contract (PC). The data analysis was performed with the use of the SPSS software program, version 18 (Statistical Package for Social Sciences).

The results showed that the graduate employees, with a temporary or short-term employment contract, had a psychological contract (PC) both relational and transactional, and that the two components of the PC were correlated. In addition, respondents also felt a psychological contract breach whenever their employer did not fulfill the promises made to them, and where the break occurred, they experienced a negative emotion, that is, the violation of the PC. The results of this study can be regarded as an initial step to explore the concept of psychological contract in a specific group of employees: the Vietnamese employees with short-term contracts, and with a high educational level.

RESUMO

Título: O contrato psicológico de trabalhadores temporários licenciados no Vietname

Palavras-chave: contrato psicológico relacional e transacional, quebra, violação, empregados com contrato temporário, licenciados, Vietname

No Vietname, os trabalhadores licenciados têm entrado no mercado de trabalho com um contrato de trabalho temporário e precário em termos de condições de emprego. Apesar do contrato psicológico ser atualmente um dos tópicos de investigação mais interessantes, este conceito é praticamente desconhecido junto dos responsáveis pela gestão de recursos humanos vietnamitas. Deste modo, este estudo foi conduzido com o objetivo de identificar o contrato psicológico que caracteriza o trabalhador com um contrato de trabalho temporário, ou de curto-prazo, e para descrever esta realidade no contexto vietnamita.

O objetivo deste estudo é assim o de compreender que tipo de contrato psicológico é detido pelos trabalhadores vietnamitas, com o grau de licenciatura, que trabalham como empregados temporários, e perceber como lidam com as promessas não cumpridas pelo empregador.

O estudo empírico utiliza uma metodologia do tipo quantitativo. Assim, foram aplicados inquéritos por questionário a trabalhadores na cidade de Ho Chi Minh, durante o mês de Março de 2012. A aplicação do questionário foi realizada online e para poderem participar na investigação os respondentes tinham que satisfazer dois critérios: possuírem experiência como trabalhadores em regime de contrato de trabalho temporário, ou de curto-prazo, e um nível educacional igual ou superior ao grau de licenciado. Foram recebidos um total de 106 questionários. O questionário recolheu informação relativa às expectativas detidas pelos respondentes quanto à relação laboral, o grau em que eles avaliavam o cumprimento dessas expectativas pelo empregador, e o grau em que eles próprios cumpriam com as suas obrigações, bem como a perceção de quebra e violação do contrato psicológico. O tratamento dos dados recolhidos foi realizado com o recurso ao programa de análise de dados estatísticos SPSS, versão 18 (Statistical Package for the Social Sciences).

Os resultados revelaram que os empregados licenciados, com um contrato de trabalho temporário, possuíam um contrato psicológico (CP) quer relacional, quer transacional, sendo que ambas as componentes do CP estavam correlacionadas. Além disso, os respondentes também percecionavam quebra do contrato psicológico quando o empregador não cumpria com as promessas, sendo que sempre que ocorria a quebra, eles experimentavam uma emoção negativa, isto é, a violação do CP. Os resultados deste estudo podem ser perspetivados como um passo inicial para explorar o conceito de contrato psicológico num grupo específico de trabalhadores: os trabalhadores vietnamitas, com um contrato temporário, ou de curto-prazo, e com um elevado nível educacional.

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1. INTRODUCTION

The dissertation about “The psychological contract of temporary employees with university degree in Vietnam” was carried out with the purpose of identifying the psychological contract held by short-term contract employees who have a university degree. The general purpose can be divided into three elements: firstly, to find out the main components that form the psychological contract of the subjects in this study and their relationship; secondly, to explore the relationship between unfulfilled promises and perceived breach; and thirdly, to understand the relationship between perceived breach and violation of the psychological contract.

Research procedure was split into two stages: firstly, a preliminary research of the literature was undertaken and previous related studies were used to build up measurement scales; secondly, it was done by employing quantitative methods and comprehending a sample with 106 subjects. Scales were primarily evaluated by Cronbach’s alpha reliability coefficients. Principal components of the psychological contract were diagnosed by factor analysis; afterwards, their relationship was determined with the support of scatter plot and Pearson correlations. Performances of hierarchical multiple regressions were used to examine whether the subjects would tolerate psychological contract breach when they perceived that their employer failed to fulfill what had promised to them and whether the perceived breach would cause violation.

Findings confirmed that the psychological contract of temporary employees, possessing a degree of university or higher, consists of two components: relational and transactional; and, that there is a correlation between them. Furthermore, this dissertation reviews the evidence that there is a causal relationship between employer obligations fulfillment and perceived contract breach as well as between breach and violation.

This dissertation has been divided into two parts. The first part presents the literature review and is composed of two chapters laying out the theoretical dimensions of the research: the definitions of psychological contract, breach, and violation. The second part presents the research design, sample, data collection method and analysis, scales measurement, and discussion of the results obtained through the research design. The last chapter assesses the main results, contributions to psychological contract literature and practical of findings, limitations of the research, and proposals for future research.

2. OBJECTIVE AND IMPORTANCE OF THE STUDY

Considering the current business dynamics which involve constant and unpredictable change, organizations are now forced to adapt rapidly, in terms of both the number of employees and their skills (Moorman & Harland, 2002). The way organizations face this need for flexibility relies on outsourcing employees and skills. Employers choose outside employees in order to be more flexible in responding to changes in labor demands, to handle long or short term projects without the commitment and costs associated with directly employed employees, and to reduce fixed labor costs (Kalleberg, Reskin & Hudson, 2000; Lepak, Takeuchi & Snell, 2003).

On the closely related issue of headcount in Vietnam, it is interesting to acknowledge that in the last eight months of 2010 between the 2 surveys; nearly all of these companies are projecting to cut headcount by more than 40 percent (Watson Wyatt Vietnam, 2010). Relevant to the highly educated workforce (i.e. employees who have graduated from university and higher), there has been a large number of them entering employment as temporary or short-term contract employees recently (Sinhvientainang, 2010).

The psychological contract is a key to helping today's managers understand the nature and direction of their relationship with employees. As the psychological contract is developed, both the employee and the employer are able to understand the "promises" that are made and the obligations that each has on both a transactional and relational basis. This type of "feeling out" process can be especially useful during the entry socialization period of employment (Conway & Briner, 2005). By understanding the distinct relationship between employee and employer, managers can eliminate false assumptions about job duties, extra-role behaviors, and relational expectations. The "management" of the psychological contract can result in increases in job performance, lower staff turnover and higher job satisfaction for both employee and supervisor.

Increasingly competitive markets and a strong focus on short-term profits have been blamed for putting an end to the traditional employment relationship (Robinson, 1996). The widespread layoffs, reorganizations, and restructurings that have resulted from these competitive pressures have left many employees disillusioned and cynical (Andersson, 1996), feeling less job security, displaying less organizational loyalty, and placing less faith in their employers' promises and commitments to them (Robinson & Rousseau, 1994). Concerning these events, the psychological contract is now playing an increasingly important role in helping to define and understand the contemporary employment relationship. Likewise, the more likely it is or the psychological contract to be fair and balanced, the

more likely an organizational can retain strength or even gain a competitive advantage (Businessball, 2010).

With regard to the emerging of temporary contracts and the fact that the psychological contract concept is “new” in human resource practice in Vietnam, this study is conducted to identify what type(s) of psychological contracts are held by temporary employees who have graduated from university. From the result, implications can be drawn to show what organizations can do to improve the contemporary employment relationship of this type of employee.

In order to reach the goal proposed above, this study will focus on specific goals:

- To find out the main components that form the psychological contract of the university graduates in this study and their relationship.
- To examine whether unfulfilled promise brings about perceived breach or not.
- To examine whether perceived breach leads to violation or not.

Method and scope

Research was conducted based on the analysis about the perception of main respondents concerning employee and employer obligations, and their experience of breach and violation.

Regarding the methodology, this study was conducted in two stages: (1) a literature review on the psychological contract to explore the contract components of this construct and its variables and scales of measure and; (2) the gathering of empirical data with the use of an online survey conducted with 106 graduates in Vietnam in order to test the hypotheses.

A sample from Ho Chi Minh City was employed in March 2012. The participants were considered eligible if they had experience working as temporary employees and an education level from bachelor and above.

The data gathered were analyzed using the Statistical Package for the Social Sciences (SPSS) version 18, a software program used for statistical analysis. Scales were evaluated by applying Cronbach's alpha reliability. Factor analysis was used to identify the main components of psychological contract, held by the subjects in the study. Then, scatter plots and Pearson correlations were used to examine the relationship between those components. Finally, hierarchical multiple regressions were performed to analyze the relationship of unfulfilled promise and breach, and that of breach and violation.

PART I – LITERATURE REVIEW

The main objective of Part I is to review the literature related to psychological contract, perceived contract breach, violation and the psychological contract of temporary employee with education level from university graduate degree and above. Based on the literature review, hypotheses are then proposed.

CHAPTER 1 – PSYCHOLOGICAL CONTRACT

Chapter 3 mentions important literature on the field of psychological contract, including psychological contract itself, contract breach and violation.

1. Psychological contract: concept definition, functions and content

1. Definition

Argyris (1960) set the conceptual foundations for the concept of psychological contract as the implicit understanding between a group of employees and their foreman. Rousseau (1996) defined the psychological contract as an individual's subjective interpretations and evaluations of their employment relationship including intentions to stay. The psychological contract is also considered as the imprecise and perceived mutual obligations that characterize the employee's relationship with his/her employer (Guest & Conway, 2002). Similar with this approach, Wellin (2007) proposed that employees enter an employment relationship with an understanding that their employer has certain obligations to them, and they to their employer, thus creating an atmosphere of reciprocity. Some obligations may be seen as "promises" and others as "expectations". Therefore, the psychological contract is largely informal, unwritten, and constantly developing as the individual interacts with the organization (Wellin, 2007).

According to Smithson and Lewis (2000), the traditional psychological contract reflects what has been termed an implicit social contract, which means that hard work, security, and reciprocity are linked. Different people would have different perceptions of the psychological contract, even within the same organization, and of course, the content of the psychological contract is specific to a time, person, and characteristic, and particularly the skill requirements of a job. An important aspect of the notion of psychological contract is that it can be continually re-negotiated, changing with an individual's and an organization's expectations, and in shifting economic and social contexts (Smithson & Lewis, 2000).

2. Functions of psychological contract

The principal functions of the psychological contract have been described in a number of ways. For example:

- i. Despite being a part of the social contract, the psychological contract is not the same. Psychological contract deals with how people meet their human needs exchanged when performing their work. The interpersonal structure composed of mutually respected agreements helps the human side to function as smoothly as possible in an organization. (Levinson, 1962).

ii. The psychological contract is also said to provide a sense of control. Employees believe that they are one of the parties connected to the contract; therefore, they have the right to choose whether they carry out their obligations. In other words, the psychological contract gives employees the feeling that they are able to influence their fate in an organization. Thus, its essential function is to reduce uncertainty and to offer employees a greater sense of predictability, security, and control (Rousseau, 1995).

iii. The psychological contract is described as a mental model or schema that develops through an individual's interactions and experiences, and acts in a similar manner to hygiene factors (Herzberg, 1959). Although good contract may not always result in superior performance, poor contract tends to discourage and weaken commitment, and heighten absenteeism and turnover (Sparrow, 1996). The psychological contract offers a metaphor or representation of what goes on in the workplace that highlights important but often neglected features. However, it offers a framework for addressing "soft" issues about managing performance; it focuses on people, rather than technology; and it draws attention to some important shifts in the relationship between people and organizations (CIPD, 2010).

iv. The psychological contract helps to accomplish two tasks, on the one hand, it helps to predict the kinds of outputs employers will get from employees, and on the other hand, it predicts what kind of reward the employee will get from investing time and effort in the organization as an exchange (Rousseau, 2001; Sparrow & Hiltrop, 1997).

3. The development of psychological contract

Rousseau (1995) believed that the psychological contract creation was affected by a series of organizational and individual processes.

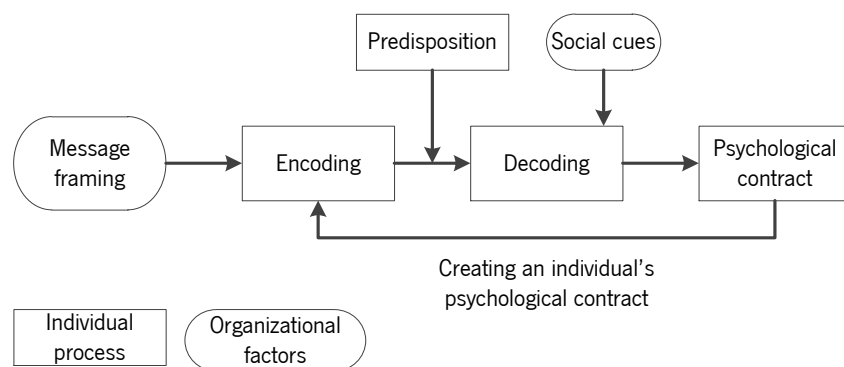


Figure 1 - Creating an individual's psychological contract

Source: Rousseau (1995:33)

What can be seen from this figure is that the two sets of factors that operate in forming the psychological contract are external messages and social cues from the organization or social setting and the individual's internal interpretations, predispositions, and constructions.

This figure can be explained by using the following specific example given Rousseau (1995). Anne Lee would apply for a job with a bank as a result of having caught some attractive information "growth industry" (message) from an advertisement in brochures. In the interview, the interviewer, eager to recruit a competent candidate, indicated some more good aspects of the job, such as "hard work puts you on the fast track here" (message). After the applicant absorbed the message got through both the advertisement and the interviewer, she took the job and concentrated on achieving growth targets and learning the business. Moreover, as a career oriented individual (her individual disposition), she looked forward to her upcoming performance review. When she learned some "successful advancement stories" of previous employees with the same job title with her (social cues), specific features of her contract took shape: she expected to be promoted in case of achieving high level ratings (decoding the messages). Based on this belief, Anne prepared to sacrifice her social life to attain the promised fast track. Also, she began to anticipate how much she would gain from the next job (challenge, status, a sense of accomplishment). Anne totally relied on that contract behaviorally and emotionally (reliance on the contract).

4. The feature, content, and evaluation of the psychological contract

Rousseau and Tijoriwala (1998) reviewed the assessments used in the psychological contract research and proposed an organizing framework for future research. Three forms of measurement of the psychological contract are distinguished:

4.1. Feature

Though each organization or each employee has his or her own ways of expressing contract terms, these terms can be fitted into certain general categories. The general terms that researchers have focused in the study of the psychological contract have been referred to as *transactional* and *relational*. These terms can be considered as being at two ends of a contractual continuum, as presented in Figure 2 (MacNeil, 1985; Rousseau, 1990). For example, while specific economic conditions, such as wage rate, are thought to characterize transactional contract terms, emotional involvement as well as economic exchange, such as personal support and concern for family well-being, characterizes relational terms. Typical contract terms include those listed in the Figure 2.

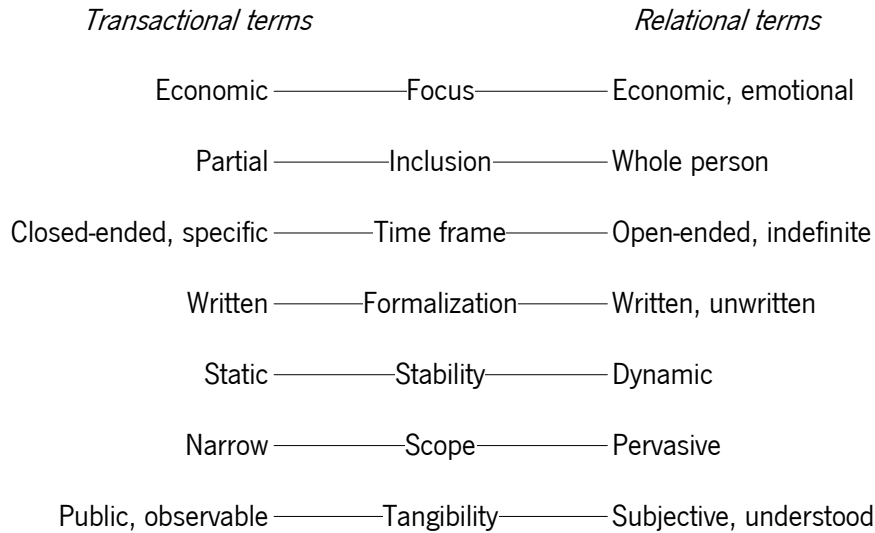


Figure 2 – A continuum of contract terms

Source: Rousseau (1995:91)

4.2. Content

The psychological contract includes specific obligations based on promises made between the employer and the employee. Typical examples of obligations are the provision of opportunities for training, career development, flexible working hours, challenging tasks, confidentiality, and working overtime when needed (Freese & Chalk, 2007).

The content has been operationalized in three ways: (i) specific terms, focusing on individual contract elements such as “job security”; (ii) composites (where groups of items are combined to create scales or indices characterizing broad content of the psychological contract); and (iii) nominal classifications, assessing such contract types as “relational” or “transactional” (Rousseau & Tijoriwala, 1998).

i. Terms are the discrete obligations individuals perceive themselves to owe (e.g., hard work, accepting a transfer) and their employer to owe in return (e.g., advancement, support with personal problems).

ii. Composites of terms are sets of separate obligations that combine to form measures of the broad patterns of the contract, measured at the item level and analyzed at an aggregated level by creating an index based on cluster analysis of individuals by their combinations of employee and employer obligations. A psychological contract is a composite or bundle of obligations.

iii. Nominal classifications are the understanding of the employment relationship, in other words, the type of psychological contract. Time frame and performance requirements have emerged as

important contemporary contract features. When these two contracts are arranged in a 2x2 framework, four types of contract emerge with distinct behavioral implications for employees (Rousseau, 1990).

Table 1 – Types of psychological contract

	Performance terms	
Duration	Specified	Not specified
Short term	Transactional	Transitional
Long term	Balanced	Relational

Source: Rousseau (1995:98)

i. *A transactional psychological contract* consists of perceptions regarding specific tangible items such as high salary and fringe benefits generally emphasizing specific tasks and time frames rather than extended relationships between the parties. In other words, this type of psychological contract is characterized by obligations that are considered to be “economic” in nature (Rousseau & McLean Parks, 1993). Transactional psychological contract may work well in the case of “flexible” and highly competitive organizations; where employees are likely to show off their ability to gain monetary benefits (Rousseau, 1995). Psychological contract with transactional characteristic covers two outstanding features: narrow and short term.

- **Narrow:** Regarding the scope, due to the characteristics of economic advantages, employee holding this kind of psychological contract is obligated to perform only a limited or fixed set of duties that he or she is paid to do. Involvement in the organization is limited; and little to none training or other employee development benefit is offered (Rousseau, 2000).
- **Short-term:** Regarding time frame, employee only commits to work for a limited amount of time and has no obligations to remain with the firm. On the other side of the employment contract, the employer is not obligated to future commitments, only a specific or limited employment period is offered (Rousseau, 2000).

ii. *A relational contract*, on the other hand, is less tangible, characterized by perceived obligations to their employer of loyalty on the employees’ side, and by obligations to provide job security on the employer’s side. Thus, a relational contract includes not only transactional elements, but also characteristics of long-term, less-defined, socio-emotional obligations namely commitment and trust

(Rousseau & McLean Parks, 1993; Rousseau, 1995; Rousseau, 2001). Relational contract is said to evolve in the formation of organizational attachments which depends to a certain extent on length and security of tenure (Rousseau, 1995). Two typical features characterizing the relational psychological contract are stability and loyalty.

- **Stability:** In order to keep the job, the employee is obliged to do what is required and to commit with the firm. The employer is committed to offer stable wages and long-term employment in return (Rousseau, 2000).
- **Loyalty:** The employee is obligated to support the firm, manifest loyalty and commit to the organization's needs and interests, all of which make him/her a good organizational citizen. At the same time, the employer is committed to support the well-being and interests of employees as well as their families (Rousseau, 2000).

iii. *Transitional* or "*no guarantees*" condition reflects the absence of both commitments concerning future employment and explicit performance demands or contingent incentives. Also, it refers to a transitory, unstable and erosive situation (Rousseau, 1995).

- **Mistrust:** The employee believes that the firm sends out inconsistent and mixed signals regarding its intentions therefore mistrusts the firm. The employer has withheld important information from employees; as a result, the firm mistrusts its employees (Rousseau, 2000).
- **Uncertainty:** The employee finds it uncertain to define the nature of his or her own obligations to the firm. The employer how uncertain the employee feels about the employer's future commitments to him or her (Rousseau, 2000).
- **Erosion:** The employee expects to receive fewer returns from his or her contributions to the firm than they used to; he/she anticipates continuing decrease in the future. The employer has instituted changes that reduce employee wages and benefits and eroding quality of work life, compared to previous years (Rousseau, 2000).

iv. *Balanced contract*, a mixture of transactional and relational terms, occurs when relationships are desire; yet the organization can specify performance demands as long as membership condition is met (Rousseau, 1995). The balanced contract implies external employability, internal advancement and dynamic performance (Rousseau, 2000).

- External employability relies on the career development in the external labor market. As a result, employee is obligated to develop marketable skills. The employer is committed to enhance employee's long-term employability, both outside and inside the organization (Rousseau, 2000).
- Internal advancement relates to the career development within the internal labor market. It is therefore obligatory that the employee develops skills valued by his/her current employer. The employer is committed to offer career development opportunities within the firm (Rousseau, 2000).
- Dynamic performance: The employee is obligated to successfully perform incessantly changing and more demanding goals to help the firm establish and remain its competitiveness. Regarding organizational support, the employer is committed to promote continuous learning attitude in employees and to help them successfully meet escalating performance requirements (Rousseau, 2000).

Any particular psychological contract would contain both transactional and relational elements with various ratios (Rousseau, 1995). Those two components of the psychological contract are not independent. The transactional terms of the contract can influence the kinds of relational rewards expected by the employee (Guzzo & Noonan, 1994). Relational psychological contract may have both relational and transactional content; whereas transactional psychological contract only has transactional content (Coyle-Shapiro & Kessler, 2000).

Coyle-Shapiro and Kessler (2000) found that employees who placed more importance on transactional obligations were less likely to fulfill their own psychological contract obligations; and vice versa, employees who expressed relational obligations did a better job at fulfilling their commitments. Employees in De Vos and Meganck's sample (2009) were most positive about the fulfillment of promises relating to their job content and the social atmosphere while promises of financial rewards are perceived to be least-fulfilled.

II. The psychological contract breach and violation

Morrison and Robinson (1997) make a distinction between the cognitive perception of a discrepancy (breach) and the emotional reaction to the discrepancy (violation). They refer to the psychological contract violation as emotional reaction to a perceived failure to comply with psychological contract terms; in other words, if the breach is significant, it constitutes a violation.

1. The psychological contract breach

1.1. Definition

“Perceived breach refers to the cognition that one's organization has failed to meet one or more obligations within one's psychological contract in a manner commensurate with one's contributions” (Morrison & Robinson, 1997:230).

1.2. Breach operationalization

Traditionally, contract breach is operated by yielding promised and delivered inducements into a single entity using one of the following four methods.

i. The first method involves subtracting what was promised from what was delivered, yielding a numerical value (Coyle-Shapiro & Kessler, 2000; Guzzo, Noonan, & Elron, 1994; Robinson, 1996).

ii. The second method is conducted by asking employees to report the extent to which delivered amounts fall short of or exceed the promised amount (Guest & Conway, 2002). This method is equivalent of subtracting promised inducements from delivered inducements; but the difference is obtained directly from the respondent.

iii. According to Morrison and Robinson (1997), for a breach of contract to be perceived, an employee must personally determine not only that a promise has not been met, but also that the contributions he or she made in exchange for that promise that have not been adequately reciprocated. As shown in Figure 3, the relationship between an unmet promise and a perceived breach of contract is moderated by comparing both parties' commitment of the contract. The nature of this comparison process highlights one of the defining features of psychological contracts, which is that they entail perceptions of reciprocal obligations. The authors posited that there is an implicit equation underlying an employee's determination of psychological contract breach that reflects the employee's perceptions of the two parties' contributions and promises. The equation is as follow:

$$\frac{\textit{Benefits provided by organization}}{\textit{Benefits promised by organization}} \textit{ compared to } \frac{\textit{Contributions promised by employee}}{\textit{Contributions provided by employee}}$$

Figure 3 – Relationship between an unmet promise and a perceived breach of contract

Source: Morrison & Robinson (1997)

This equation indicates that an employee first considers the ratio of what he or she has received relative to what the organization promised then compares this ratio to the ratio of what the employee has provided the organization relative to what he or she promised to provide. In other words, the comparison is between how well the organization has fulfilled its promised obligations to how well the employee has done so (Morrison & Robinson, 1997). Then, the equation displayed above can be translated into the one shown at Figure 4:

How well the organization fulfilled its promised obligations compared to *How well the employee fulfilled its promised obligations*

Figure 4 – Relationship between an unmet promise and a perceived breach of contract – based on fulfillment

If the ratio on the left side of the equation is perceived to be less than the ratio on the right, the employee will be more likely to determine that a breach of contract has occurred. In other words, there will be a threshold effect, whereby the greater the perceived imbalance, the more likely an employee will be to conclude that a breach of contract has occurred (Morrison & Robinson, 1997).

However, with the above three methods, the resulting score represents a directional comparison between delivered and promised inducements.

iv. The fourth method asks employees the extent to which their psychological contract was fulfilled, then reverses these scores to indicate breach (Coyle-Shapiro & Kessler, 2000; Robinson & Morrison, 1995; Robinson & Morrison, 2000; Robinson & Rousseau, 1994). Low scores imply that delivered and promised inducements are equal, such that the psychological contract is fulfilled. High scores indicate that delivered inducements differ from promised levels without specifying the direction of the difference, given that lack of fulfillment could mean that delivered inducements either exceed or fall short of promised inducements. Hence, these scores represent the perceived non-directional comparison between delivered and promised inducements.

The directional and non-directional approaches both disregard absolute levels of delivered and promised inducements, and the non-directional approach does not distinguish between deficient and excess inducements. Additionally, both approaches represent a computed or perceived difference between delivered and promised inducements and are, therefore, sensitive to methodological problems with difference scores (Edwards, 1994).

1.3. Effects of psychological perceived breach

The perception of breach in the relational contract has more impact than in the transactional contract breach (Morrison & Robinson, 1997). In the relational contract, employees emotionally attached to the organization hence put a lot of effort in helping the organization to develop; and if employee's efforts are not compensated appropriately, this results in lower trust in the employer. The breach in the relational psychological contract results in lower employee citizenship behavior, which does not occur in the transactional psychological contract breach. This means that employees give more value to the relational contract; hence, once they feel that the employer is not fulfilling their relational obligations, they become disgusted, disappointed and frustrated and reduce both their citizenship and extra role behavior. In the relational psychological contract, employees in one way or another present an emotional attachment to the organization, and develop some sort of ownership to the organization.

Some of the highest rated contract breach items include opportunities for promotion and advancement; career guidance and mentoring; well-defined job responsibilities; pay and bonuses tied to performance; recognition of my accomplishments; a reasonable workload; competitive salary; and, participation in decision making. Some items happen to have the lowest ratings on the psychological contract breach measure, including increasing responsibilities; adequate equipment to perform job; retirement benefits; vacation benefits; health care benefits; and safe work environment. These items relate to the employer promises indicated by many of the employees (Kickul, Neuman, Parker, & Finkl, 2001).

As suggested by Morrison and Robinson (1997), there are two root causes of perceived psychological contract breach: renegeing and incongruence. Renegeing is when the employees recognize that an obligation exists but fail to meet that obligation. Renegeing occurs not only when an organization is unable to fulfill promised obligations, but also when organizational agents are unwilling to fulfill promised obligations. Incongruence, on the other hand, is when the employee and the employer have different conceptions about the existence of a given obligation or about the nature of it. Incongruence can take place when an obligation is first established, or it can develop over time as the psychological contract evolves or as perceptions become distorted in memory. Perceived contract breach via incongruence is also more likely when the promises comprising the psychological contact are complex and ambiguous in nature. Either incongruence or renegeing may lead to the perception of a contract breach by creating discrepancy between an employee's understanding of what was promised and the employee's perception of what he or she has actually experienced. The third important construct that contributes to perceived contract breach is employee vigilance, defined as the extent to which the

employee actively monitors how well the organization meets his or her psychological contract terms (Morrison & Robinson, 1997). Vigilance is related to three factors: uncertainty; the amount of trust underlying the employee - organization relationship; and the potential costs of discovering an unmet promise. Vigilance is also related to the amount of trust underlying the employee - organization relationship.

One factor that minimizes perceived contract breach via incongruence is communication between the employee and organizational agents (Morrison & Robinson, 1997). Although the psychological contract evolves over time, it begins to form during recruitment (Shore & Tetrick, 1994). This suggests that communication during this process will help reducing incongruence. The more an employee talks and interacts with representatives of the organization before joining that organization, the more likely it is that the employee and organizational agents will minimize inconsistent perceptions of the promised obligations between them (Morrison & Robinson, 1997).

Reaction of an employee to deficient or excessive inducements reception depends on the specific inducement under consideration. The breach can occur not only as a consequence of deficient inducements, but also in the case of excessive inducements (Conway & Briner, 2002; Coyle-Shapiro & Kessler, 2000; Turnley & Feldman, 2000). Breach and fulfillment do not convey the absolute levels of promised and delivered inducements. Solely focusing on breach will leave out the relative effects of delivered and promised inducements (Lambert, Edwards, & Cable, 2003).

Whether the newcomer recognizes what was promised and whether these expectations are actually met or unmet will also depend on the salience of perceived obligations and expectations (Morrison & Robinson, 1997). When employees perceive a discrepancy between what they were promised and what they actually received from the organization, they try to either eliminate or reduce the imbalance (Kickul et al., 2001). This theoretical rationale suggests a specific connection between the type of breach and the type of behavioral response. Thus, the psychological contract breach is negatively correlated with both in-role behaviors and organizational citizenship behaviors. Employees who perceive a contract breach are more likely to demonstrate deviant behaviors against the organization and its members (Kickul et al., 2001). When a relational psychological contract breach is perceived, employees will engage in abusive behavior as a means of retaliating. If the breach in this contract is experienced, employees will probably get very upset, developing a negative mood and motivated to restore balance in the exchange relationship by reducing their contribution to the organization. Nonfulfillment of the psychological contract is more likely to be associated with negative mood than with positive mood (Jafri,

2011). Moreover, these employees will become less loyal to their organization, thus withdrawing from their citizenship behavior (Coyle-Shapiro, 2002; Robinson, Kraatz, & Rousseau; 1994). Thus, the breach of the psychological contract erodes the essential element of trust (Robinson & Rousseau, 1994) in the employee-employer relationship. Trust violations have also been theoretically and empirically linked to revenge (Robinson, 1996).

Employees perceive nonconformity of the psychological contract obligations as the organization neither values their contributions nor cares about their wellbeing; as a consequence, perceived organizational support (POS) is likely to decrease (Robinson, 1995). In contrast, when the psychological contract breach is attributed to external, situational factors, the breach will not influence POS because employees will perceive such renegeing as being caused by factors beyond the organization's control. Breach attributed to situational factors, then, will be much less likely to influence employees' trust in their exchange relationship with the organization (Kiewitz, Restubog, Zagenczyk, & Hochwarter, 2009).

Psychological contract, and particularly its breach on the employer's side, plays a role in employees' experience of stress (Gakovic & Tetrick, 2003) and burnout through feeling of violation (Rehman, Haq, Jam, Ali, & Hijazi, 2010).

According to Morrison and Robinson (1997) and Rousseau (1995), the psychological contract breach can be seen as a form of distributive injustice where specific promises and outcomes have not been fulfilled. When employees perceive that their employer has failed to fulfill promised inducements, they may withhold their own designated contributions (Robinson & Morrison, 1995). Additionally, psychological contract is closely related to organizational justice perceptions, specifically individual assessments of procedural fairness (Cropanzano & Prehar, 2001). Anti-citizenship behavior significantly increases following a contract breach when both procedural and interactional justice are low (Kickul et al., 2001). The most significant impact of a perceived contract violation is change in the nature of the contract itself (Rousseau, 1990).

The severity of a contract breach gives an indication of the exploitation level; it is the manner with which the employer fulfilled their obligations will be the determining factor of how an employee responds to such exploitation (Turnley & Feldman, 2000).

2. Psychological contract violation

2.1. Definition

Violation is the emotional response to contract breach in the form of anger, betrayal and frustration. The higher the size of perceived breach the more it will result in a feeling of violation (Morrison & Robinson, 1997). In Robinson and Rousseau's research in 1994, psychological contract violation was defined as the employee's perception that the organization has failed to fulfill one or more of its obligations as previously defined by the psychological contract. Robinson and Morrison (2000) speculated that violation was a deep emotional response that was affective.

Robinson and Morrison (2000) found that perceived breach was predicted by past violation, organizational performance, formal socialization, employee performance, pre-hire interaction and employment alternatives. On the other hand, they also found that violation was predicted only by organizational performance and organizational change, but the latter was unrelated to perceived breach. These results provided strong support for the argument that perceived breach and violation are distinct constructs.

Violation is partially caused by change. Change causes conflict because it creates new relationships between the organization and people. The way the organization dealing with the change process concerns opinions about who should be involved in the change process, which information needs to be provided and support needs to be given. Some of the problems that people have with change concern dealing with ambiguity and confusion. All these factors include potential violations of psychological contract (Morrison, 1994). In addition, employees may become insecure about the future and wonder if more expectations will be violated (Morrison, 1994). As providing security is a perceived organizational obligation, this might be a violation of the psychological contract.

2.2. Effects of violation

Unmet expectations partially mediated the relationship between psychological contract violations and intent to quit. Job dissatisfaction partially mediated the relationship between psychological contract violations and intent to quit; and fully mediated the relationship between psychological contract violations and neglect of in-role job duties (Turnley & Feldman, 2000). The outcomes likely to arise from the perception of psychological contract violation include reduced job satisfaction, increased turnover, decreased feelings of obligation to one's employer, reduced willingness to participate in organizational citizenship behaviors, and decreased work performance (Rousseau, 1989; Robinson & Rousseau, 1994; Robinson, 1996). Violations decrease trust and when rules of friendship are violated, trust and

respect decline (Davis & Todd, 1985). Also, the violation of the psychological contract is related to procedural and distributive injustice (Sheppard, Lewick, & Minton, 1992). More specifically, feelings of violation will be influenced by judgments concerning the outcomes (breach of contract), the procedures implemented (procedural justice), and the quality of the interpersonal treatment received from the organization (interactional justice) (Gilliland, 1993).

More specifically, employees who place greater emphasis on the employment relationship itself will be more negatively influenced by the violation than those who do not. Individuals high on careerism perceive their current employer as an instrumental stepping-stone up the inter-organizational career ladder and are likely to adopt a more “transactional” employment relationship with their employer (Rousseau, 1990). A damaged relationship is not easily restored. Similarly, violation of a psychological contract subjects the relationship between employee and employer to a form of trauma where the factors that led to emergence of a relationship, such as trust and good faith, are undermined. Restoration of the relationship involves the reestablishment of trust, possibly through a repetition of the process that initially created the relationship. The intensity of the reaction is directly attributable not only to unmet expectations of specific rewards or benefits, but also to more general beliefs about respect for the person, codes of conduct, and other patterns of behavior associated with relationships involving trust (Rousseau, 1989).

Coyle-Shapiro and Kessler (2000) suggested that when facing contract violation, employees seek to remedy the imbalance in their relationship with their employers through the reduction of their commitment and their willingness to engage in organizational citizenship behavior (OCB). Atabay (2007) surveyed 122 employees and found that the greater the degree of psychological contract breach reported by employees, the less likely they are to engage in OCB.

Results of a recent meta-analysis by Zhao, Wayne, Glibkowski, and Bravo (2007) led to the conclusions that violation mediates the relationship between breach and such attitudes as job satisfaction, organizational commitment, and turnover intentions (Coyle-Shapiro, 2002), and that these attitudes are negatively related to such behaviors as in-role performance, and organizational citizenship behavior.

The violation may be a mediator of the relationship between the breach and employee behaviors. This important result serves to clarify the process underlying the relationship between breach and employee behaviors. The findings of the study conducted by Suazo and Stone-Romero (2011) are consistent with a model positing breach → violation → behaviors. Perceived support strengthened the negative relations between breach and in-role behavior, and between violation and OCB. Negative beliefs about

the work context can exacerbate the negative relationship between either breach or violation and workplace behaviors.

When a psychological contract is violated, employees may experience distrust, anger, reduced loyalty and commitment, and increased propensity to leave the organization (Robinson, 1996; Robinson & Morrison, 2000; Robinson & Rousseau, 1994).

Employees with different types of psychological contract respond differently to violation and to planned organizational change. Moreover, the psychological contract violation generates more intense attitudinal and emotional responses than do unmet expectations (Rousseau, 2001).

Finally, turnover intentions are higher when employees perceive a violation of the psychological contract as very frequent or when they perceive that organizational obligations are fulfilled to a lesser extent.

CHAPTER 2 – UNIVERSITY GRADUATES WITH EXPERIENCE AS TEMPORARY EMPLOYEES

The previous chapter has outlined principal literature review on psychological contract, perceived breach and violation. This chapter describes the characteristics of the subjects in this study: temporary employees with an education background of university or higher. We discuss the motivations for choosing a short term employment contract, the characteristics of temporary employees and their psychological contract. At the end of this chapter, hypotheses are also proposed based on the literature review.

1. Motivation to choose a short-term employment

Ho Chi Minh City currently presents an unbalanced structure in education, training and job supply – demand needs. The balance ratio of the number of university, college and educational school is 1:4:10, while that of Ho Chi Minh City is 2:1:2. The supply of employees with bachelor degree and higher count for 86.45 percent in the labor pool, whereas the demand is 21.08 percent, only one fourth (dubaonhanluchcmc.gov.vn, 2012). The hypothesis to consider is that the occupation of a temporary job on employment contract is regarded by highly educated people as an instrument on a mean to get a permanent job. In this case, temporary employment would work as a first step into the permanent labor market (Gallagher & McLean Parks, 2001). This is an interesting point to consider, since the unemployed group does not just see temporary jobs as a way to get out of unemployment.

Looking at each of the “pull” items individually, temporary employees are most likely to suggest that temporary work suits their present needs and gives them more freedom. Employees on leave are most likely to indicate that gaining an experience with different tasks and jobs is a motive for working on their respective contracts. Those who work temporarily as substitutes are most likely to indicate that it was difficult to find a permanent job (PSYCONES, 2005).

To sum up, voluntary temporary employees accept temporary work for a diverse set of motives, including the idea that temporary work presents the opportunity to learn from different jobs and organizations, or to explore the labor market and future career opportunities (De Cuyper & De Witte, 2007); all motives that ultimately lead to employability-development.

Specifically, finding a job suitable with one's interest and abilities is considered as the most important reason to get a job by graduates after finishing their degree. Therefore, they are so eager to send resumes and cover letters to employers. However, not everyone is successful in getting a job in which they can put their knowledge into practice. Instead of applying and waiting without other actions, it

seems to be wise that fresh graduates choose a temporary job, which may bring them necessary experience and skills (Sinhvientainang, 2010).

Motives for having a temporary job include working on a temporary basis to obtain permanent employment or to be able to balance work and private life, or because there are no permanent jobs available (Von Hippel, Greenberger, Heneman, Mangum, & Skoglund, 2000). All these motives have a predominantly extrinsic character, that is to say, the motive for working on a temporary basis is to attain a specific outcome or goal, contrary to the intrinsic motivation to work because it provides pleasure (Ryan & Deci, 2000). Lifetime careers with a single employer are rare; the notion of life-long employment with an employer is being replaced by life-long employability, whereby employees assume responsibility for developing knowledge and skills that will enable them to market themselves to other employers. By working as temps, they also may be able to extend and enlarge their knowledge and skills, thereby enhancing their employability. They enjoy making a career out of working “on assignment.” They prefer to work as temps because they gain a sense of freedom (Allan, 1999).

II. Characteristics associated with the temporary employees with a university degree

1. Highly educated

Regarding qualification levels, employees who have at least a university degree may feel confident in themselves and what they can offer or may overestimate their contribution (Netz & Raviv, 2004), and may thus ask for more. Hiring employees who have at least a college degree presupposes that the organization is willing to offer more in order to enhance job satisfaction for them (Smulders & Nijhuis, 1999).

2. The experience of being a temporary employee

Short-term employment is a workforce category that varies across countries and industries (Burgess & Connell, 2006). For employers, the benefits of using temporary work force are immediate and fall directly to the bottom line. Short-term employees are brought in when workloads are high and let go when they are not. For many firms, it is a way to replace permanent employees who have a full range of benefits, with similarly skilled employees who have a much less generous package (Gusan & Kleiner, 2000).

A short-term contract employee is defined in this survey as a temporary employee who is hired until a fixed date or until a project has been completed. This includes replacement employees who are employees hired to temporarily replace another employee who is absent on leave (Dixon, 2009). Most

short-term contracts include a termination date, after which the employer is legally obliged either to convert a temporary contract into a permanent one or put an end to the employment relationship (Polavieja, 2005).

In most organizations, there was a clear distinction between permanent and temporary staff. Many of the contract and short-term project employees were able to justify their employment uncertainty (Freedman, 1996), at least in the short-term, because of the variety, development, learning, and other opportunities that their various experiences provided (Burgess & Connell, 2006). Gusan and Kleiner (2000) concluded that the following characteristics were present in most of the cases when companies were using temporary employees. Usually, temporary work was paid at a lower rate (OECD, 2000) than permanent work and temporary employees were not included in the package of benefits that a company was offering for its permanent employees, which included health benefits, retirement plans, paid holidays, profit sharing, and other forms of incentives. Besides, they are likely to experience difficulties in getting their voice heard or raising criticism (Bernhard-Oettel & Isaksson, 2005). Temporary employees were usually excluded from company events and felt mistreated. The notion of temporary work is related to short-term, unstable employment (Freedman, 1996). Beard and Edwards (1995) literature review suggests that temporary employees are more likely to experience job insecurity and unpredictability, to have low control over their work and transactional psychological contracts, and to perceive themselves as disadvantaged relative to non-temporary employees. Moreover, temporary employees may anticipate job security, and the anticipation of job security appears to be a sufficient condition for more effective daily functioning (Bradley, Greeny, & Leeves, 2007; De Cuyper, De Witte, & Emmerik, 2011).

In addition, some studies conclude that short-term employees feel that they have little ability to control or influence the length of their contract and, as a result, have little control in other aspects of their lives: career goals, opportunities for training and development, and chances for promotion (Beard & Edwards, 1995; Ho, Ang, & Straub, 2003)

Additionally, temporary employees differ from the directly employees considering the tripartite employment relationship where they are involved (e.g. Feldman, 2005; Chambel & Castanheira, 2007), meaning that they are hired by the employment agency to perform work for a third party: another firm (De Cuyper, et al., 2008). However, the temporary work agency is only a funnel to the transfer of payments; hence, in the “pay rolling” model, the single reason for the use of the agency is to avoid the “employer” status by creating the rather superficial impression that another entity is the employer.

Usually this is done in order to avoid employer responsibilities and reduce the wage and the rights enjoyed by the employee. When all the agency does is to handle the payroll, there is no reason to consider it the employer (Davidov, 2004).

Moreover, some companies, such as Kimberly-Clark Vietnam, have some specific ways to differentiate the two kinds of employees (i.e. permanent and temporary). For example, permanent employees have to wear uniforms at the workplace, use e-mail starting with letter “e”; whereas temporary employees have no uniforms and their e-mail begins with letter “r”. In this situation, it is apparent that temporary employees are likely to experience a giant difference between the two kinds of employment relationship. Additionally, a limitation in getting access to companies’ network or system information is also a significant aspect that generates concern. Those for whom temporary status is a core part of their self-definition will be more likely to perceive stigmatization than those who do not feel strongly or positively about their temporary status (Arthur, 1994).

Most employees with a temporary or short-term contract would prefer a permanent one (Brewster, Tregaskis, Mayne, & Hegewis, 1997). The majority of the sample in a study conducted by Redpath, Hurst and Devine (2009) said that they would prefer to be employed in regular ongoing positions and that they did not intend to work in short-term jobs for their entire careers. Temporary employees who are motivated to achieve a permanent position may excel at work, so as to show their potential as organizational citizens. Just as it was pointed out by Engellandta and Riphahn (2005), more employee effort is observed among temporary employees who are willing to obtain a permanent job in the company where they are working. In contrast, Sias, Kramer and Jenkins (1997) showed that temporary employees who do not think nor expect to stay in the organization for much longer have little concern regarding impression management behaviors.

It seems to exist lower affective organizational commitment among temporary versus permanent employees (Coyle-Shapiro & Kessler, 2000). Particularly, the best option to transition to permanent employment is to attract the interest of the client organization (De Cuyper et al., 2011)

Temporary employees are more prone to suffer work related strain (De Cuyper et al., 2008). There are three relevant variables. Firstly, temporary employees are peripheral to the organization, meaning that they are not the main concern of the employers regarding certain aspects such as benefits, wages, promotion or further training. The resulting adverse working conditions for the temporary employees can cause, as a consequence, a decrease in the employee’s well-being and deteriorate performance at the workplace (Rousseau & Libuser, 1997). Secondly, since temporary employees are new members of

the organization, they have to assimilate procedures and aspects of the organization, becoming another potential source of stress (see De Cuyper et al., 2008). Thirdly, the lack of support from co-employees, supervisors or even the union can also be a source of stress and detrimental to well-being (De Witte & Näswall, 2003). Employability has the potential to reduce strain, particularly among voluntary temporary employees as compared with involuntary and permanent employees (Kirves, De Cuyper, Kinnunen, & Nätti, 2011). Study by Coyle Shapiro and Kessler (2002) has demonstrated that temporary employees are more responsive to employers' contributions than permanent employees.

Temporary employees can indeed maintain a social exchange with each of the organizations with which they are involved. The findings of Lapalme, Simard, and Tremblay (2011) suggested that, like permanent employees, temporary employees could develop an exchange relationship based on trust with the employer, and thus, temporary employees who feel their employer client has failed to fulfill its part of the psychological contract would tend to have limited trust in the organization in question and a lower level of commitment to it. These results were complementary to past empirical research conducted with permanent and temporary employees, which has shown the mediating effect of trust in the relationship between contract breach and employees' attitudes and behaviors, such as job satisfaction, intention to quit, and performance (Robinson, 1996).

III. Types of psychological contract held by temporary employees

Rousseau (1995; Rousseau & Schalk, 2000) argues that the psychological contract is based to a substantial extent on agreements stipulated in the legal employment contract. In this respect, the employment contract may affect the psychological contract in at least two ways.

i. First, socio-economic research has provided convincing evidence that the employment conditions of temporary employees are less satisfactory than those of permanent employees: temporary employees earn less (OECD, 2002), they have less access to fringe benefits (OECD, 2002), and they experience difficulties in getting their voice heard or raising criticism (Bernhard-Oettel & Isaksson, 2005).

ii. Second, the employment contract defines contract duration, which, in turn, has been found to shape psychological contract content (Rousseau, 1995; Rousseau & McLean Parks, 1993). A short-term contract may be more transactional in nature, while employees on long-term or open-ended employment contract may be more likely to develop a relational psychological contract.

Following Rousseau rationale (1995; Rousseau & Schalk, 2000) that the employment contract may affect the psychological contract, De Cuyper, Rigotti, De Witte and Mohr (2008) also identified the employment contract as an important antecedent of psychological contract types: temporary employees were more likely to have psychological contracts describing employee over-obligation, whereas they were less likely to have psychological contracts with employee under-obligation. Furthermore, temporary employees were somewhat less likely to perceive mutual high obligations and somewhat more likely to engage in mutual low obligation psychological contracts. These findings replicated earlier evidence on the transactional nature of employers' obligations towards temporary employees, and on the possible heightened responsiveness of temporary employees towards employer's obligations as compared to permanent employees. A potential explanation for these results could be temporary employees' increased prospects of permanent employment if they show high willingness to invest in the employment relationship.

Empirical studies have supported this link between psychological contracts and type of employment contract. For example, a number of studies have found narrower psychological contracts among temporary employees than among permanent employees (Van Dyne & Ang, 1998; Claes, 2005; Coyle-Shapiro & Kessler, 2002). Furthermore, unlike permanent employees, the psychological contracts of temporary employees are more likely to be transactional than relational (Millward & Hopkins, 1998; Millward & Brewerton, 1999). These studies have however focused upon employers' obligations, and have not included the issue of balance.

Short-term contract are perceived as militating against the potential of equal opportunities legislation. Findings suggest that employers may be able to compensate to some extent for removing job security from their side of the psychological contract. Thus, young employees can attribute to the job insecurity to the needs of the wider economic context rather than as a means of avoiding the provision of statutory entitlements by the employer; and, other benefits are added by the employer into work, such as opportunities for training, self-development, a degree of autonomy and respect, and reasonable pay (Smithson & Lewis, 2000).

Firms employing temporary employees are likely to have pure transactional contract (with limited commitments on both sides) (Rousseau, 1995). However, the temporary employees in McDonald and Makin's study (2000) do not, contrary to the suggestion of Rousseau, hold a predominantly transactional psychological contract, but have a relational element at least as strong as that of permanent staff. It was found that the extent of perceived contract violation was considerably lower in

the non-permanent than the permanent staff. On the positive side of the equation in this study, it is realistic for organizations to assume that their temporary employees are committed to the organization, with all the potential benefits in work-related attitudes and behavior. The quid pro quo of this, however, is that it is a mistake for organizations to treat their non-permanent staff as if they only have a transactional, economic, contract with the organization. Organizations will have to give consideration to the relational aspects of the contract, such as fairness, and adequacy of communication, if the benefits of staff commitment are to be retained.

The psychological contract of temporary employees tends to have more transactional entitlements, involving a specific or short-term period relationship and focusing on monetary exchange (McLean Parks, Kidder, & Gallagher, 1998; De Cuyper & De Witte, 2007).

According to Chang and Hsu (2009), the ideal psychological contract of the temporary employee is very similar to that of a permanent employee. Unlike employees in many private enterprises, temporary employees generally do not receive benefits such as year-end bonuses and annual vacations; such disparities further increase the distance between the permanent and the temporary employee. The psychological contract has its direct influence on the performance of the temporary employee.

Temporary employees who prefer to be permanent employees might aim at a psychological contract with relational entitlements (Beard & Edwards, 1995), and they may actively seek information on relational job and career aspects (Freese & Schalk, 1996). With the same point of view, Rousseau (1990) also noticed that temporary employees seeking a long-term relationship with their organizations, even when maintaining a transactional psychological contract, showed a more “relational” interaction with their employers, resulting in more commitment to the organization and OCB (Martínez, De Cuyper, & De Witte, 2010). It might be that temporary employees initially invest a lot in their employment relationship in order to express their willingness to be loyal, and to show their potential performance, hoping to be reciprocated by the offer of long-term employment. This suggests that temporary employees are unlikely to give back less than they receive, as in the case of psychological contracts with employee over-obligation (Guest, 2004).

In the same way, those who are not forced into temporary employment may seek out transactional exchanges (Millward & Brewerton, 2000; Van Dyne & Ang, 1998). This is demonstrated in the study by Chambel and Castanheira (2007): employees who are directly hired by the company present a transactional and less relational relationship. Altogether, relational entitlements are likely in the psychological contract of temporary employees with long contract duration, those with favorable

prospects and “involuntary” temporary employees. Similarly, transactional psychological contract entitlements may be foremost for those on short-term contract, for those having no prospects on a renewed or permanent contract and for voluntary temporary employees. In other words, the small minority of temporary employees, who prefer their temporary arrangement, may actively seek out psychological contracts with low involvement, as in the case of mutual low obligations. In contrast, permanent employees feel entitled to a broad set of employer’s obligations: this fits the mutual high obligations psychological contract, or the employee under-obligation psychological contract (Guest, 2004).

To sum up, the literature review indicates that short-term contract is more transactional and less relational than permanent contract. McLean Parks et al. (1998) suggests that this can be explained by assessing various contractual dimensions, such as:

- Stability (the openness of contract to constant review): the contract of permanent employees is more dynamic compared to the relative stability of temporary work contract;
- Scope (the degree to which work influences non-work life); temporary work is generally more demarcated from the employee’s personal life, which suggests a more transactional orientation, and possibly even lower commitment; and
- Tangibility (the extent to which the obligations inherent in the contract have been explicitly stated and/or made obvious): a short-term contract may have greater tangibility because, for example, it involves positions that are easily monitored or observed.

For the reason that temporary employees are hired for economic motives, e.g., reducing labor costs, coping with peaks in production, it’s commonly assumed that the psychological contract of temporary employees is more economic or transactional, and that the psychological contract of temporary employees includes fewer promises than those of permanent employees. However, little is known about promises made to temporary employees compared with permanent employees. The differences with regard to employee obligations may also be grounded in future employment prospects. On the one hand, temporary employees are likely to invest significantly in the employment relationship with a view toward increasing their chance to transition to permanent employment or in anticipation of a balanced exchange. Given few employer promises, this would indicate a situation of employer under-obligation towards temporary employees. On the other hand, temporary employees are likely to invest when they do not expect future employment and the organization does not invest in them by providing opportunities for further development (De Jong, Schalk, and De Cuyper, 2009).

In this last situation, temporary employees may not consider employers' failure to fulfill the psychological contract as a breach because they assume that the psychological contract will be terminated in the future. In a research in 2009, De Jong et al. indicated that temporary employees would be less likely to perceive the promised psychological contract as high mutual obligation or employer over-obligation, compared to permanent employees. In this regard, the authors established that temporary employees report a fairly narrow exchange of promises. One explanation could be that some temporary employees seek out a psychological contract with few but specific promises; for instance, temporary employees may prefer a relationship with few responsibilities or with little commitment. Alternately, they may want to combine work with responsibilities at home, or they may enjoy the variety of working in many various employment settings (Tan & Tan, 2002). Temporary employees, however, may stress the fulfillment of their promises to improve their chances of permanent employment.

There is no research tradition linking contract type to exchange balance. Beard and Edwards (1995) do however suggest that the psychological contract of temporary employees be likely to be asymmetrical, with the employer being the most powerful party. In other words, temporary employees are likely to contribute more to the employment relationship than the employer. These findings may be related to issues of contract preference or volition. A developed body of research has illustrated that the large majority of temporary employees prefer permanent to temporary employment (Feldman, Doeringhaus & Turnley, 1995; Polivka, 1996), and that most temporary employees engage in temporary employment to increase their possibilities of being offered a permanent contract within the current organization (Tan & Tan, 2002).

Millward and Hopkins (1998) established that, unlike permanent employees, "temporary" employees were likely to perceive their contracts as more transactional than relational. There have been very few studies comparing the commitment of permanent and temporary employees. In her study of aircraft industry employees, Pearce (1993) found no difference between permanent and temporary employees. In contrast, Eberhardt and Moser (1995), comparing temporary and permanent part-time employees in a single firm, found that the temporary employees were less committed. In a study of Swedish hospital employees, Sverke, Gallagher and Hellgren (2000) obtained similar results. Van Dyne and Ang (1998) in their Singapore study, and Coyle-Shapiro and Kessler (2000) in their UK local government study, found that temporary employees displayed lower levels of commitment to the organization (Guest, 2004).

IV. Hypotheses

Based on previous literature in the field of psychological contract, the following hypotheses were formulated:

H1. The psychological contract of temporary employees presents an important relational component and it is not only transactional. The psychological contract of temporary employees includes both a transactional and a relational component.

H1a: There is an association between the relational and transactional component of the psychological contract of temporary employees.

H2. Temporary employees will also experience, as happens with permanent employees, a psychological contract breach whenever they perceive that their employment expectations are not fulfilled.

H3. Temporary employees will also experience, as happens with permanent employees, a psychological contract violation whenever the breach is significant.

PART II: STUDY DESIGN, METHOD AND FINDINGS

Part I has presented the literature on the field of psychological contract and temporary or short-term employees. Also, hypotheses have been proposed based on the reviewed literature. As a next stage, part II is going to address the methodology and the study design with a description of the sample used and the instrument for data collection and measurement. The findings related to the hypotheses are also presented and discussed in chapter 4.

CHAPTER 3 – METHODOLOGY

The previous chapter reviewed the literature studied by other authors relative to the objective of this study. This chapter is going to present the following issues: Research design, Sampling, Data collection method, and the Data analysis method used to test the hypotheses proposed.

I. Research design

This study was conducted through two main steps: (1) preliminary literature review and (2) empirical research.

(1) Preliminary research was based in the literature. This step was fundamental to explore the variables measuring research concepts.

(2) Empirical research was conducted with a quantitative approach, in which questionnaires were available online for respondents to fill in. The data collected were used to test the hypotheses derived from the literature.

The research procedure is presented in Figure 5. This procedure included three parts: measurement construction, measurement assessment, and hypotheses testing.

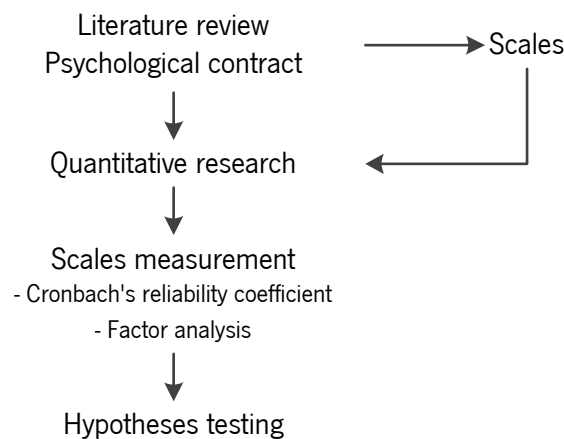


Figure 5 – Research procedure

II. Instruments of data collection and method

The survey design was cross-sectional, a kind of design which entails the collection of data on more than one case and at a single point in time to collect a body of quantitative data in connection with two or more variables, which were then examined to detect patterns of association (Bryman & Bell, 2007). Data was collected through web-based self-administered questionnaires, specifically by online social surveys on Kwiksurvey.com. The questionnaire was published in two versions that were in English and

Vietnamese. The aim of this was to offer respondents convenience, time saving, confidence and comfort to have the questionnaires completed. Additionally, filling in the survey with the proper language would prevent misunderstandings.

Due to difficulties and shortage in time and costs, the sampling procedure employed was nonprobability sampling – convenience sampling; therefore, the procedure was called a quasi-experiment (Bryman & Bell, 2007).

The first screen in the survey was the consent form, detailing the research, screening criteria (respondents had to have both working experience as temporary employee and educational level at least as bachelor), the available language, and the fact that there were no foreseeable risks or benefits in responding to the survey. The participation was completely voluntary, and by clicking the preferable language (“English”/”Tiếng Việt”) at the bottom of the screen, the participant was offering his or her consent to participate in the study. This message also guaranteed anonymity and confidentiality for participants in the study. A total of 144 questionnaires of short-term contract employees were received during March 2012. The participants were currently working as short-term contract employee or worked as temporary employee in the near past. After deleting incomplete questionnaires, a total of 106 questionnaires remained and constitutes the sample for the current study.

The questionnaire is divided into 6 main parts, which relate to (1) general information; (2) employer obligations and how well they were fulfilled; (3) employee obligations and how well they were fulfilled; (4) breach; (5) violation; and (6) socio-demographic.

III. Psychological contract measures

1. Psychological contract perspectives

There are two approaches in viewing a psychological contract: a unilateral view and a bilateral view.

1.1. In the unilateral view, the psychological contract is an individual notion of the mutual expectations and obligations in the context of a relationship which further shapes the relationship, and governs behavior. This view mainly refers to the employee perspective on employee and organizational expectations and obligations, limiting the psychological contract to an intra-individual perception and neglecting the employers’ perception of the employment relationship (Rousseau, 1990).

1.2. The bilateral view on the psychological contract considers that the contract encompasses both the employer as well as the employee’s perceptions on exchanged obligations (Herriot & Pemberton, 1997).

When measuring the psychological contract, according to Freese and Schalk (2007), a unilateral view is preferable because of the following reasons. First, a psychological contract is by definition an individual perception. Furthermore, methodologically, a bilateral view of psychological contract is problematic, because the organization is represented by many actors (top management, supervisors, HR officers, colleagues) who do not necessarily communicate a uniform set of expectations (Freese & Schalk, 1996). Second, the definition of psychological contract implies that the psychological contract influences behavior. Because of these reasons, the present study focuses on the unilateral perspective, which is the employee's perspective.

2. Measurement

Standardized quantitative assessments of the content of psychological contract are typically used in research focusing on theory testing and generalizability (Rousseau & Tijoriwala, 1998). Questionnaire surveys are the most commonly used method to examine the psychological contract (Conway & Briner, 2005). The preferred way of measuring psychological contract fulfillment or violation is to measure on the subscale or item level (Robinson & Rousseau, 1994; Robinson & Morrison, 2000; Rousseau, 2000). In the evaluation of the psychological contract it should be assessed whether a certain item is important. In addition, the evaluation should be direct to assure the construct validity of the evaluation measures. In the direct measure the respondent assesses the extent to which the perceived obligations are met (Freese & Schalk, 2007).

The data collected were then screened, cleaned, entered, and coded. Scales were assessed with five main tools: (1) descriptive statistics; (2) Cronbach's alpha reliability coefficient; (3) factor analysis; (4) Pearson correlation coefficient; and (5) hierarchical multiple regression. All of them were conducted with the support of SPSS version 18.0.

- Descriptive statistics was used to summarize information of respondents.
- Cronbach's alpha was used to exclude variables with item-total correlation less than 0.30. Furthermore, scales were used when the alpha was greater than 0.60 (Nunnally & Burnstein, 1994).
- Then, variables with factor loading less than 0.40 in Factor Analysis were excluded. Because the transactional and relational components of the psychological contract are not independent (Guzzo & Noonan, 1994), the extraction method was Principal Component Analysis (PCA) and oblimin (oblique) rotation. Scales were accepted when total extracted variance was equal or greater than 50 percent (Pallant, 2007).

- Relationship analysis:
 - *Pearson correlation coefficient*, r , was used to analyze the relationship of relational and transactional components of psychological contract. r can range from -1.00 to 1.00. A correlation of 0 indicates no relationship at all; a correlation of 1.0 indicates a perfect correlation. The negative sign refers only to the direction of the relationship, positive and negative, not the strength (Pallant, 2007).
 - Hierarchical multiple regression was used to explore the causal relationship between fulfillment and breach, and breach and violation.

IV. Scales analysis and adjustment

According to the definition of psychological contract, a set of items that measure the individuals' expectations concerning their entitlements as well as expectations concerning their obligations will be presented based on studies of Rousseau (1990), Robinson and Morrison (1995); De Vos, Buyens, and Schalk (2003). The psychological contract will be operationalized with two sets of terms: employee-focused obligations (i.e. to be fulfilled by the employee) and employer-focused obligations (i.e. to be fulfilled by the organization). It must be underlined that each set of obligations is from the *employee's* perspective (Rousseau, 1990).

Besides, other variables will also be employed such as the experience of being temps ("How many times have you worked as a temporary employee?" – one or more than one); the number of their contract renewals ("Have you ever renewed your short-term contract?" dichotomous scale with "Yes" or "No"). (See the questionnaire survey used in the Appendix: Table A1)

1. Psychological contract fulfillment

A psychological contract measurement has to involve items for both types of perceptions, and, of course, the results on both types of perceptions need to be reported. In general, a psychological contract measurement should assess mutual obligations/promises to ensure construct validity of content and evaluation measures (Freese & Schalk, 2007).

The psychological contract fulfillment is measured tapping the typical dimensions of the employment relationship studied in previous research (e.g., Rousseau, 1990; Robinson & Morrison, 1995; De Vos et al., 2003). The evaluation of the psychological contract has to be assessed for separate items. Global measures of fulfillment or violation have to consist of multiple items, once again to ensure the reliability of the measure and assure the content validity of evaluation measurements (Freese & Schalk, 2007).

2. Types of psychological contract hold by respondents

2.1. *Employer obligations* were assessed by asking respondents “To what extent do you expect X from the organization?” to indicate the extent to which they felt it was important for the organization to make promises about the provision of 14 employer inducements, as listed below (Rousseau, 1990; Robinson & Morrison, 1995; De Vos et al., 2003; McDonald & Makin, 2000):

1. High pay;
2. Pay based on current level of performance;
3. Fringe benefits;
4. Promotion;
5. Training;
6. Job security;
7. Career development;
8. Support with personal problems;
9. Decision-making input;
10. Job challenge;
11. Feedback on job performance;
12. Supervisory support;
13. Fairness and justice in personnel procedures;
14. Organizational support

The scales used range from

- (1) “Not at all”
- (2) “Slightly”
- (3) “Moderately”
- (4) “Greatly” to
- (5) “Completely”

Cronbach's reliability coefficient in the current study is 0.905, suggesting good internal consistency reliability for the scales used in the study. Values above 0.7 are considered acceptable; however, values above 0.8 are preferable. None of the values in column Alpha if Item Deleted is higher than the final alpha value, then no item was deleted (Pallant, 2007).

Respondents evaluate the extent to which their employer is currently fulfilling the promises that are made about these inducements with the question "How well has the organization fulfilled to provide X?". The scales used range from

- (1) "Not fulfilled at all."
- (2) "Slightly fulfilled."
- (3) "Moderately fulfilled."
- (4) "Greatly fulfilled." to
- (5) "Completely fulfilled."

The scales used in the study which were adopted from Rousseau (2000).

Hence, the response to the questions reveals to what extent the promised has been perceived as kept. Items were randomly ordered throughout the questionnaire. Cronbach's reliability coefficient for this scale is 0.925, suggesting good internal consistency reliability for this scale. None of the values in column Alpha if Item Deleted is higher than the final alpha value, then no item was deleted (Pallant, 2007).

2.2. Employee obligations are assessed using the same 5 point Likert scale. Respondents indicated the extent to which their obligations to that employer included:

1. Working extra hours;
2. Loyalty;
3. Volunteering to do non-required tasks on the job;
4. Advance notice if taking a job elsewhere;
5. Willingness to accept a transfer;
6. Refusal to support the employer's competitors;
7. Protection of proprietary information;
8. Spending a minimum of one contract length in the organization.

The items used in this scale were also adopted from Rousseau's study (1990).

The question applied for these obligations is "How well have you fulfilled your promises to organization to provide X?" (Rousseau, 2000). Cronbach's reliability coefficient is currently 0.890, suggesting a good internal consistency reliability for the scale with this sample. None of the values in column Alpha if Item Deleted is higher than the final alpha value, then no item was deleted (Pallant, 2007).

3. Overall psychological contract breach

Measuring perceived contract breach as a global perception is consistent with existing conceptualizations of psychological contract breach as an overall evaluation of how well one's contract has been fulfilled by one's employer (Robinson, 1996; Rousseau, 1989). Arguably, if employees *perceive* there has been a breach of their psychological contract, this might well be a case of false expectations rather than evidence of management overtly renegeing on promises that are "believed" to have been made (Cullinane & Dundon, 2006). The measure contained five items, with responses on a 5 point scale ranging from "strongly disagree" to "strongly agree", and respondents to indicate the extent that they agree with the following statements:

(i) Almost all of the promises made by my employer during recruitment have been kept so far.
(Reversed)

(ii) I feel that my employer has come through in fulfilling the promises mad to me when I was hired. (Reversed)

(iii) So far my employer has done an excellent job of fulfilling its promises to me. (Reversed)

(iv) I have not received everything promised to me in exchange for my contributions.

(v) My employer has broken many of its promises to me even though I've upheld my side of the deal.

The higher the score, the greater the magnitude of psychological contract breach (Spies, Wilkin, Bentley, Bouldin, Wilson, & Holmes, 2010). The items of the scale were adopted from Robinson and Morrison (2000).

These items yield an alpha reliability of 0.827, suggesting good internal consistency reliability for this scale. None of the values in column Alpha if Item Deleted is higher than the final alpha value, then no item was deleted (Pallant, 2007).

4. Overall psychological contract violation

Due to the distinction between breach and violation of the psychological contract (Robinson & Morrison, 2000), violation of the psychological contract has to be distinguished from fulfillment and from contract breach to ensure construct validity of evaluation measures (Freese & Schalk, 2007). Respondents were asked to indicate, on a 5 point scale, ranging from (1) “strongly disagree” to (5) “strongly agree”, how much they agreed or disagreed with four statements below. A high score indicated a high level of felt violation (Robinson & Morrison, 2000).

(i) I feel a great deal of anger toward my organization.

(ii) I feel betrayed by my organization.

(iii) I feel that my organization has violated the contract between us.

(iv) I feel extremely frustrated by how I have been treated by my organization.

Items adopted from Robinson and Morrison (2000).

These items yield an alpha reliability of 0.904, suggesting good internal consistency reliability for the scale with this sample. None of the values in column Alpha if Item Deleted is higher than the final alpha value, then no item would be deleted (Pallant, 2007).

V. Sample description

The sample of 106 eligible questionnaires collected includes 44 males (41.5 percent) and 62 females (58.5 percent). The percentage of participants who fell into the different age categories includes: 86.8 percent in the 20- 25 age group; 10.4 percent in the 26-30 age group; and 2.8 percent in the over 30 age group. Concerning marital status and children, 12 respondents, approximately 11.3 percent, are married, and only 4 of them (3.8 percent) have children. The statistics about respondents' qualifications and educational level show that the bachelor degree accounts for 83 percent of respondents, the rest is occupied by those with master degree (17 percent), and none of them has a qualification level higher than master. This fact can be explained with respondents' age, most of them are in the group of 20-25; therefore, it was unlikely for them to hold a doctorate degree.

Considering information relating to working as temporary employee, 52.8 percent has worked as temp once and the rest has worked more than one time. Moreover, 55.7 percent of respondents do not get their contracts renewed, 23.6 percent have renewed once, 17.0 percent renewed for twice and the rest 3.8 percent have renewed more than two times. Concerning the contract length, 53.8 percent of the

respondents hold a three month contract, 41.5 percent hold a six month contract and the remaining 4.7 percent hold a contract with other length.

Participants work in different sectors such as commerce (33.0 percent); services (32.1 percent); industry (18.9 percent); education (14.2 percent) and other sectors (1.9 percent). Regarding job rank and position, considered at the time of employment under short-term contract, 28.3 percent as intern, 49.1 percent are executives, 15.1 percent are manager assistants, 6.6 percent are managers and 0.9 percent fall in other category. Most of the respondents remain in their position for 3-6 months (41.5 percent), for less than 3 months (20.8 percent), for 7-12 months (19.8 percent), for 1-2 years (12.3 percent) and a small part of them stays for more than 2 years (5.7 percent).

Table A2 summarizes the socio-demographic information for the sample of employees (see Appendix).

Summary

This chapter presented the method used in scale assessment. A questionnaire survey was applied to a sample of 106 respondents. This chapter also presented the information relating to the sample employed.

CHAPTER 4 – HYPOTHESES AND DISCUSSION OF FINDINGS

This chapter discusses the findings obtained with the sample of Vietnamese short-term contract employees. The hypotheses will be discussed according to the findings in the empirical data.

1. Hypothesis 1

“The psychological contract of temporary employees presents an important relational component and it is not only transactional. Hence, the psychological contract of temporary employees includes both a transactional and a relational component”

As previously discussed, the psychological contract has to be assessed by two approaches: employer obligations and employee obligations; moreover, it is highly suggested that both approaches be judged from the employee’s view. Then, in order to assess the content of the psychological contract of temporary employees with an educational level no less than bachelor degree and to test H1, factor analysis was used. Applying this method of analysis enables to identify the main content of psychological contract, which is considered to have two components: transactional and relational.

1. Employer obligations scale measurement

Employer obligations scale was measured by 14 observations and after checking reliability with Cronbach’s alpha. The two components were analyzed using principal factor analysis. In order to firstly determine the appropriateness of conducting factor analysis, the Kaiser – Meyer – Olkin measure of sampling adequacy (KMO-MSA), which tests whether the partial correlations among the variables are small, was analyzed. The closer the KMO-MSA is to 1 the more appropriate it is to conduct factor analysis (Pallant, 2007).

In the initial analyses, a factor loading criterion of 0.40 was taken as confirming a significant loading. Given that this was a new measure being developed, a conservative approach was adopted to ensure that less significant items were not included. Loadings above 0.40 were suggested to be regarded as meeting the minimum level (Hair, Tatham, & Black, (1998), and were adopted. The KMO-MSA for the original 14 items in the employee obligations measure, as displayed at Table 2, was 0.861, confirming that it was very appropriate to conduct factor analysis for this measure (Hair et al., 1998).

Table 2 – KMO-MSA's test – employer obligations

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.861
	Approx. Chi-Square	779.849
Bartlett's Test of Sphericity	df	91
	Sig.	.000

In the initial analysis, and based on the factor loading criterion of 0.40, all of the items had a factor significantly load onto, all of them therefore retained for the measure for all subsequent processing and the factor analysis was rerun with the remaining 14 items using the same criteria as in the initial analysis. The final rotated solution (Table 3) yielded two interpretable factors. The first factor accounted for 46.02 percent of the item variance, and the second factor accounted for 9.78 percent of the item variance. The correlation between the two factors was $r = .461$, $p < .05$, which inferred that there was a quite strong positive correlation between the two factors.

Table 3 – Factor loadings of items assessing employer obligations

	Factor	
	1	2
Promotion	-.143	.943
High pay	.024	.715
Pay based on performance	.236	.589
Training	.558	.238
Fringe benefits	.401	.441
Career development	.364	.504
Support with personal problems	.455	.342

Table 3 (continue)

Job security	.510	.241
Decision-making input	.630	.170
Job challenge	.740	-.050
Feedback on performance	.809	.023
Supervisory support	.838	-.292
Fairness and justice in personnel procedures	.747	.020
Organizational support	.765	.092

Extraction Method: Principal Component Analysis.

Rotation Method: Oblimin with Kaiser Normalization.

Rotation converged in 9 iterations.

Factor one items (Table 3) suggest that loyalty and continued membership are exchanged for job security, which can be considered as relational components of the psychological contract. In contrast, factor two items reflect essentially an empirical relationship between hard work on the part of the employee in exchange for high extrinsic returns (e.g. pay and career development) consistent with the terms of a transactional contract (Rousseau, 1990). These patterns are consistent with the notion that employment can be characterized not only by transactions or discrete exchanges of extrinsic factors, but also by relational issues involving the creation and maintenance of a relationship between employee and employer, in other words, a relational contract.

Based on this analysis, two variables were constructed for use in subsequent analyses. The first variable contains the nine items termed Employer Relational Obligations ($\alpha = 0.883$), and the second variable contains the five items termed Employer Transactional Obligations ($\alpha = 0.803$). Item analysis confirmed that deleting any further items from these measures would not improve their alpha reliability.

2. Employee obligations scale measurement

Employee obligations scale was measured by eight observations and after checking reliability with Cronbach's alpha. The KMO-MSA for the original 16 items in the Employee Obligations measure (as displayed at Table 4) was 0.916, confirming that it was very appropriate to conduct factor analysis for this measure (Hair et al., 1998).

Table 4 – KMO-MSA's test – employee obligations

KMO and Bartlett's Test		
<hr/>		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.916
<hr/>		
	Approx. Chi-Square	391.913
<hr/>		
Bartlett's Test of Sphericity	df	28
<hr/>		
	Sig.	.000

In the initial analysis, and based on the factor loading criterion of 0.40, all of the items had a factor significantly load onto, all of them therefore retained for the measure for all subsequent processing and the factor analysis was rerun with the remaining eight items using the same criteria as in the initial analysis. The final rotated solution (Table 5) yielded two interpretable factors. The first factor accounted for 57.33 percent of the item variance, and the second factor accounted for 9.84 percent of the item variance.

Table 5 – Factor loadings of items assessing Employer Obligations

	Factor	
	1	2
Working extra hours	.859	-.040
Advanced notice if taking job elsewhere	.806	.068
Volunteering to do non-required tasks on the job	.810	.096
Loyalty	.405	.449
Willingness to accept a transfer	.825	-.062
Refusal to support the employer's competitors	.044	.772
Protection of proprietary information	.281	.581
Spending a minimum of one contract length in the organization	-.114	.915

Extraction Method: Principal Component Analysis.

Rotation Method: Oblimin with Kaiser Normalization.

Rotation converged in 6 iterations.

Factor one items (Table 5) appear to relate to obligations that more directly affect the organization itself, for example, “Working extra hours”. These obligations may be interpreted as expressing the way employees believe they should behave toward the organization to gain extrinsic exchange, which is linked to the transactional component of the psychological contract. On the other hand, factor two items compose of items such as “Loyalty”, which infers a focus on open-ended relationships involving considerable investments by employees and employers. This feature may not be easily monetizable, and broadly concern the relationship between the individual employee and the organization, which characterizes the relational psychological contract (Guzzo & Noonan, 1994). Therefore, the employee obligations also describe the psychological contract with both two contractual terms: transactional and relational.

Based on this analysis, two variables were constructed for use in subsequent analyses. The first variable contains the four items termed Employee transactional obligations ($\alpha = 0.860$), and the second variable contains the other four items termed Employer relational obligations ($\alpha = 0.794$). Item analysis confirmed that deleting any further items from these measures would not improve their alpha reliability.

As a conclusion, from the employee's view, employer obligations and employee obligations contain two contractual parts of the psychological contract, which are transactional and relational. Therefore, Hypothesis 1 is supported. Any particular psychological contract would contain both transactional and relational elements but in differing amounts (Rousseau, 1995). This finding concurs with McDonald and Makin's study (2000) which proved that beside a predominantly transactional psychological contract, temporary employees also hold a relational element.

To test the relationship between relational and transactional components of the psychological contract, in terms of both the strength and the direction, Pearson correlation is applied.

Before performing this correlation analysis, it is better to generate a scatterplot. This scatterplot enables checking for violation of the assumptions of linearity and homoscedasticity (Pallant, 2007). Figure 6 and Figure 7 are the result of this performance.

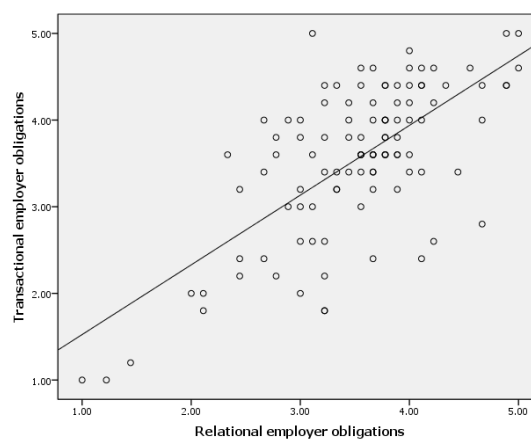


Figure 6 – Scatterplot of employer obligations components

The fact that the straight line can be drawn through the main cluster of points infers that this relationship is linear. The shape of the cluster is quite even from one end to the other, then, the assumption of homoscedasticity is guaranteed. Therefore, the Pearson correlation can be used (Pallant, 2007). An upward trend indicates a positive relationship; high score on Relational employer obligations associated with high scores on Transactional employer obligations.

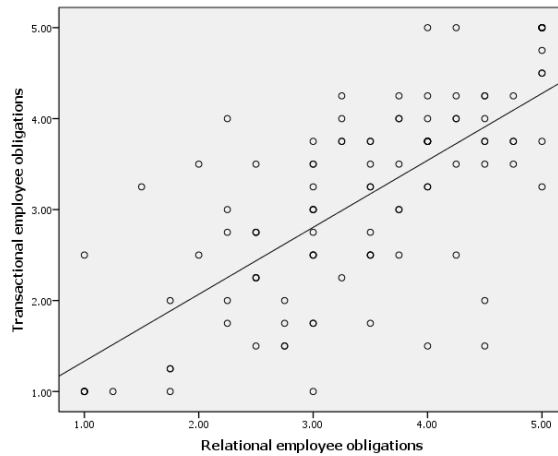


Figure 7 – Scatterplot of employee obligations

In Figure 7, the straight line can also be drawn through the main cluster of points, which infers that this relationship is linear. The shape of the cluster is quite even from one end to other, then, the assumption of homoscedasticity is guaranteed. Therefore, the Pearson correlation can be used. An upward trend indicates a positive relationship; high score on Relational employer obligations associated with high scores on Transactional employer obligations.

Next, Table 6 and Table 7 display the Pearson correlations between two pairs of components.

Table 6 – Correlations between Transactional and Relational employer obligations

		Transactional obligations	employerRelational obligations	employer
Transactional obligations	Pearson Correlation	1	.677**	
	Sig. (2-tailed)		.000	
	N	106	106	
Relational obligations	Pearson Correlation	.677**	1	
	Sig. (2-tailed)	.000		
	N	106	106	

** . Correlation is significant at the 0.01 level (2-tailed).

As given, the Pearson correlation coefficient (0.677) is positive, indicating a positive correlation between relational and transactional employer obligations. There is a strong correlation between the two variables (above 0.5), suggesting a quite strong relationship between them (Pallant, 2007). Additionally, the Pearson correlation is 0.667, which when squared indicates a 45.9 percent shared variance. Relational employer obligations help to explain nearly 46 percent of the variance in respondents' scores on the Transactional employer obligations scale.

Table 7 – Correlations between Transactional and Relational employee obligations

		Transactional obligations	employee Relational obligations	employee
Transactional employee obligations	Pearson Correlation	1		.715**
	Sig. (2-tailed)			.000
	N	106		106
Relational employee obligations	Pearson Correlation	.715**	1	
	Sig. (2-tailed)	.000		
	N	106		106

** . Correlation is significant at the 0.01 level (2-tailed).

According to the result in Table 7, the Pearson correlation coefficient (0.715) is positive, indicating a positive correlation between relational and transactional employer obligations. There is a large correlation between the two variables (above 0.5), suggesting a quite strong relationship between them (Pallant, 2007). Additionally, the Pearson correlation is 0.667, which when squared indicates a 51.1 percent shared variance. Relational employer obligations help to explain nearly 51 percent of the variance in respondents' scores on the Transactional employer obligations scale.

Based on the two Pearson correlations, it is logical to state that there is a quite strong relationship between the relational and transactional components of the psychological contract in both of employer and employee obligations. Consequently, H1a which stated that "There is a correlation between the relational and transactional component of the psychological contract held by temporary employees." is

supported. This is consistent with the findings of Guzzo and Noonan (1994), which revealed that the two components of the psychological contract, transactional and relational, are not independent.

Alternatively, Rousseau and Tijoriwala (1998) developed a method on how to assess the content of the psychological contract, shown at Figure 8. Therefore, in this study framework, descriptive statistics by Mean were also conducted to create a measure of contract type, as a comparison.

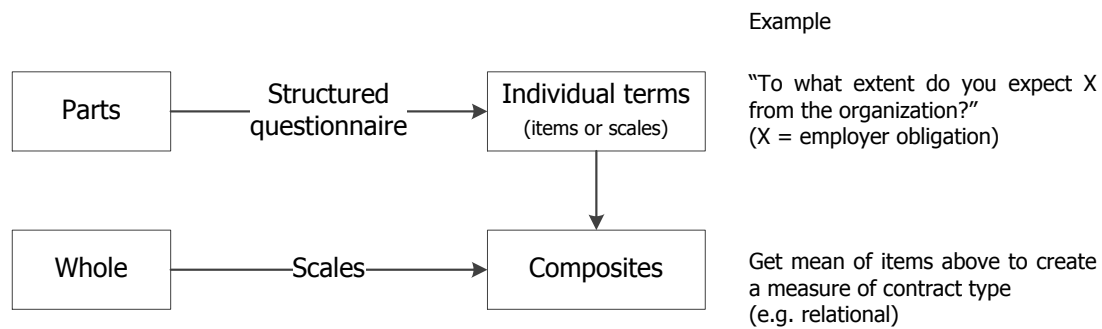


Figure 8 – Psychological contract content assessments

Source: Rousseau and Tijoriwala (1998)

Mathematically, with this five point Likert scales, 3 is likely to be considered as the considerable value to get significance. Table 8 shows the summary of mean of employer obligations and employee obligations, generally; and their relational and transactional components, specifically.

Table 8 – Summary of descriptive statistics of psychological contract components

	Min	Max	Mean	Std. Deviation
Relational employer obligations	1.00	5.00	3.5136	.74614
Transactional employer obligations	1.00	5.00	3.5472	.88643
Overall employer obligations	1.00	5.00	3.5256	.73210
Relational employee obligations	1.00	5.00	3.3962	1.08390
Transactional employee obligations	1.00	5.00	3.0967	1.11674
Overall employee obligations	1.00	5.00	3.2465	1.01879

Valid N (listwise)

All the means are greater than 3, which implies that the significance of each component and that using an alternative assessment like this also comes to the same conclusion that the psychological contract of temporary employees has two components: relational and transactional.

II. Hypothesis 2

“Temporary employees will also experience, as happens with permanent employees, a psychological contract breach whenever they perceive that their employment expectations are not fulfilled.”

There is a tendency to measure the content of psychological contract on the single item level; however we should evaluate the psychological contract in a global way (Robinson & Rousseau, 1994, Rousseau, 2000, Robinson & Morrison, 2000). In line with this approach, perceived breach and violation will be evaluated in a global scale.

To test hypotheses 2 and 3, a model of hierarchical multiple regression analysis was applied. Because demographic diversity is said to cause effects on psychological contracts (Morrison, 1994), this kind of variables is considered as control variables. Therefore, the first step is to convert categorical variables (such as Sector and Position of temporary employees) into dummy variables so that they can be entered in SPSS as predictors of dependent variables. The next step is to check the intercorrelation among the variables, including both independent and dependent. The correlations between the variables in model used to check the causal relationship between Fulfilled and Breach and between Breach and Violation are provided in Table A3 (see Appendix).

The independent variables utilizable have to show at least some relationship with the dependent variables (Pallant, 2007). Also, the correlation between each of the independent variables should not be too high, that is two variables with a bivariate correlation of 0.7 or more in the same analysis is not acceptable (Pallant, 2007). These two criteria have to be obeyed in order to avoid the occurrence of multicollinearity, which can cause an incline in standardized coefficient beta (β) and a decline in statistics meaning t.

The variables are entered in steps in a predetermined order. In the first block, socio-demographic variables are forced to be entered as independent variables. This has the effect of statistically controlling for these variables (Pallant, 2007).

With this hypothesis, what can be inferred is that the level of fulfillment will cause a negative effect on breach. Checking the correlations in Table A3, only “Number of times working as temporary employees” correlates substantially with Perceived breach ($r=0.223$, $p<0.05$). Then, this variable is

entered as independent variable in block 1, while variable Fulfilled is entered as independent one in block 2 and Beach is entered as dependent variable. The result of this regression is presented in Table 9.

Table 9 – Results of Hierarchical Regression Analyses – Fulfilled and Breach

		Step 1	Step 2
Step 1	Number of times working as temps	0.223 [*]	0.160
Step 2	Overall employer fulfilled		-0.358 ^{**}
	F	5.467 [*]	10.832 ^{**}
	df1	1 [*]	1 [*]
	df2	104 [*]	103 ^{**}
	Change in F	5.467 [*]	15.438 ^{**}
	R ²	0.050 [*]	0.174 ^{**}
	Change in R ²	0.050 [*]	0.124 ^{**}
	Adjusted R ²	0.041 [*]	0.158 ^{**}
	N	106	106

*p<.05

** p<.001

Number of times working as temps was entered at Step 1, explaining 5 percent of the variance in perceived breach. After entry of Fulfilled scale at Step 2, the one control measure explained an additional 12.4 percent of the variance in breach, after controlling for number of times working as temps, R square change = .124, F change (1, 103) = 15.438, p<0.001. The total variance explained by the model as a whole was 17.4 percent, F (2, 103) = 10.83, p<.001. That is, the demographics plus Fulfilled measure did predict scores on the dependent variable to a statistically significant degree. This result can be interpreted as that under the control of socio-demographic variables, the level of fulfillment in psychological contract will cause a negative effect on perceived breach. In other words, applying to the respondents, the psychological contract will be perceived as breached when the employees assess that the promised obligations from their employers were not fulfilled. Consequently, hypothesis 2 is supported.

In the coefficients model (Table 9), the Fulfilled measure was statistically significant ($\beta = -.358$, p<.001) to the equation but the Number of times working of temps was not.

Hypothesis is also supported by the literature, that is, as predicted and proved by Robinson and Morrison (2000); employees were more likely to perceive that their psychological contract had been breached when their employer had been performing poorly in fulfilling their promises.

As can be seen from Table 10, there is a comparison among mean scores of employer obligations between how important the employees consider they are and how well the employer has fulfilled those obligations.

Table 10 – Comparison between expectation and real fulfillment of employer obligations

N = 106	Expectation		Receive	
	Mean	Std. Deviation	Mean	Std. Deviation
Promotion	3.16	1.402	2.27	1.246
High pay	3.70	1.088	2.35	1.060
Pay based on performance	3.60	.983	2.58	1.218
Training	3.37	1.045	2.51	1.311
Fringe benefits	3.43	1.258	2.58	1.308
Career development	3.84	1.156	2.61	1.151
Support with personal problems	3.15	1.111	2.46	1.140
Job security	3.35	1.147	2.44	1.139
Decision-making input	3.26	1.081	2.51	1.106
Job challenge	3.50	1.017	2.78	1.171
Feedback on performance	3.66	1.032	2.62	1.150
Supervisory support	3.66	.985	2.90	1.137
Fairness and justice in personnel procedures	3.97	1.009	2.76	1.167
Organizational support	3.70	.907	2.63	1.081

Examination of the items comprising each of the scales revealed, in general, that the employer failed to fulfill what he is obliged to offer to its employees, especially regarding Promotion expectations. This result can be explained as following. From the employer's view, they find a great range of benefits by using a temporary work force. This kind of employment contract is useful when workloads are high and

easily comes to an end when they are not (Gusan & Kleiner, 2000). Thus, employers have little intention of giving any promotion to those employees who will leave the organization when the problem of head count is solved. Similarly, owing to the short length of the contract, to instability and unofficial job entitlement, it seems that temps have less time to adapt to their job description. An illustration of this type of measuring is drawn from the practical example happening at Kimberly – Clark Vietnam. In the packaging department there were three members working as a team, two of them are permanent and the other one was temporary and contract duration is dependent on the peaks in production. One of the two permanent employees stated that it took her at least six months to get along well with the general job procedures. But due to the short length of the contract, the temporary employee did not have time to spend learning the organizational procedures or adapting to the organization. Obviously, Kimberly – Clark Vietnam did not pay her to learn the organizational procedures but it only wanted her to do the work on a temporary basis. Fixing this issue, she was in control and received great support from both of her colleagues.

The sample of this study significantly expected to be treated with fairness and justice in personnel procedures as happens with permanent employees. Moreover, temporary employees seemed to least expect any support with personal problems. The psychological contract is closely related to organizational justice perceptions, specifically individual assessment of procedural fairness (Cropanzano & Prehar, 2001). Organizations, especially those undergoing change, should consider employee perceptions of procedural justice because of their important role in employee evaluations of psychological contract breach.

Reckoning the difference between what employees expect and receive and the definition of psychological contract as mutual implicit/explicit obligations (Rousseau, 1995), what can be implied is that it is difficult and somehow impossible to achieve these mutual obligations. One possible interpretation is there are many hidden perceptions, expectations and beliefs. To solve this problem or to create a healthy psychological contract, where both sides agree that a fair balance of give and take exists, one solution would be to encourage greater openness and mutual awareness. Given crucial awareness, people have a tendency to take a more positive approach to compromise and working agreements. One among a various range of reference models that help with this process is the Johari window (Businessballs.com, 2010).

III. Hypothesis 3

“Temporary employees will also experience, as happens with permanent employees, a psychological contract violation whenever the breach is significant.”

With this hypothesis, what can be inferred is that the level of perceived breach will cause a positive effect on violation. Checking the correlations in Table A3, among those socio-demographic variables, only Gender, Number of times working as temporary employees, and Sector (specifically Commerce) correlate substantially with Violation ($r=.266$, $p<0.01$; $r=.235$, $p<0.05$; and $r=0.247$, $p<0.05$). Hence, these variables are entered as independent variables in block 1 while variable Breach is entered as independent one in block 2 and Violation is entered as dependent variable. The result of this regression is presented in Table 11:

Table 11 – Results of Hierarchical Regression Analyses – Breach and Violation

		Step 1	Step 2
Step 1	Number of times working as temps	.186	.077
	Gender	.239 [*]	.196 [*]
	Sector (Industry)	.127	-.021
	Sector (Commerce)	.355	.096
	Sector (Service)	.069	-.113
	Sector (Education)	.046	-.039
Step 2	Breach		.506 ^{**}
	F	3.631 [*]	9.654 ^{**}
	df1	6 [*]	1 [*]
	df2	99 [*]	98 ^{**}
	Change in F	3.631 [*]	37.713 ^{**}
	R ²	.180 [*]	.408 ^{**}
	Change in R ²	.180 [*]	.228 ^{**}
	Adjusted R ²	.131 [*]	.366 ^{**}
	N	106	106

* $p<0.05$

** $p<.001$

Showing in Table 11, selected socio-demographic variables (Gender, Number of times working as temporary employees, and Sector) were entered at Step 1, explaining 18 percent of the variance in violation. After entry of the Breach scale at step 2, the one control measure explained an additional 22.8 percent of the variance in breach, after controlling for selected socio-demographic variables, R square change = .228, F change (1, 98) = 37.713, $p < 0.001$. The total variance explained by the model as a whole was 40.8 percent, F (7, 98) = 9.654, $p < 0.001$. Therefore, the combination of variables to predict Violation from socio-demographic data and perceived breach was statistically significant. Consequently, hypothesis 3 is supported.

In the coefficients model (Table 11), the Breach scale and Gender were statistically significant, with the Breach scale recording a higher beta value ($\beta = .506$, $p < 0.001$) than the Gender scale ($\beta = .196$, $p < .05$). This result can be interpreted as that under the control of socio-demographic variables, the level of perceived breach in psychological contract and gender will cause a positive effect on violation.

In other words, applying to the respondents of this study, the employees will experience an emotional violation when their psychological contract is perceived to be breached. This finding concurs with the study of Robinson and Morrison (2000). In their study, they were successful in arguing that perceived breach and violation are distinct constructs and that breach is the indicator to the occurrence of violation.

Besides, the predicted value of violation for male (which was coded as 1) is .196 standard deviation unit higher than female. This result is consistent with the idea that gender would appear to be important to the study of the psychological contract (Tallman & Bruning, 2008). The relationship between breach and violation has been recently said to be under the influence of age (Bal, De Lange, Jansen, & Van Der Velde, 2008), but age was excluded from the analysis due to the issue of multicollinearity. The reason could be that large part of sample was in the same age bracket: 20-25 (86.8 percent).

Furthermore, the level of employer obligations fulfillment has a negative causal relationship with perceived breach (H2), and perceived breach has a positive causal relationship with violation (H3). Thus it is worth considering if the level of fulfillment has any moderate effect on the relationship between breach and violation. Similar to the process to test H2 and H3, a hierarchical multiple regression was performed.

Socio-demographic variables Gender, Number of times working as temps and Sector are used as control variables and entered as independent variables in block 1. The variable Fulfilled is entered as independent one in block 2 as a moderator, the variable Breach is entered in block 3 as direct causal

independent variable. Finally, the variable Violation is entered as dependent variable. The result of this regression is presented in Table 12:

Table 12 – Results of Hierarchical Regression Analyses – Breach and Violation with Overall employer obligations fulfilled as moderator

		Step 1	Step 2	Step 3
Step 1	Number of times working as temps	.186	.146	.082
	Gender	.239 [·]	.247 [·]	.193 [·]
	Sector (Industry)	.127	.196	-.038
	Sector (Commerce)	.355	.415	.077
	Sector (Service)	.069	.103	-.125
	Sector (Education)	.046	.055	-.043
Step 2	Overall employer fulfilled		-.191 [*]	.036
Step 3	Breach			.521 ^{***}
	F	3.631 ^{**}	3.787 ^{**}	8.393 ^{***}
	Change in F	3.631 ^{**}	4.05 [·]	32.199 ^{***}
	df1	6 [·]	1 [·]	1 ^{***}
	df2	99 [·]	98 [·]	97 ^{***}
	R ²	0.18 [·]	0.213 [·]	0.409 ^{***}
	Change in R ²	0.18 [·]	0.033 [·]	0.196 ^{***}
	Adjusted R ²	0.131 [·]	0.157 [·]	0.36 ^{***}
	N	106	106	106

^{*}p<.05

^{**} p<.005

^{***} p<.001

Showing in Table 12, selected socio-demographic variables were entered at Step 1, explaining 18 percent of the variance in violation. After entry of the Fulfilled scale at Step 2, the total variance explained by the model as a whole was 21.3 percent, $F(7, 98) = 3.787$, $p < .005$. The one control

measure explained an additional 3.3 percent of the variance in breach, after controlling for selected socio-demographic variables, R square change = .033, F change (1, 98) = 4.05, $p < 0.05$. After entry of the Breach scale at Step 3, the one control measure explained an additional 19.6 percent of the variance in breach, after controlling for selected socio-demographic variables, R square change = .196, F change (1, 97) = 32.199, $p < 0.001$. The total variance explained by the model as a whole was 40.9 percent, F (8, 97) = 8.393, $p < 0.001$. Therefore, the combination of variables to predict Violation from socio-demographic data, level of fulfillment and perceived breach was statistically significant.

In the coefficients model (Table 12), the Breach scale and Gender were statistically significant, with the Breach scale recording a higher beta value ($\beta = .521$, $p < 0.001$) than the Gender scale ($\beta = .193$, $p < 0.05$). Level of fulfillment is not significantly contributing to the equation ($\beta = .36$, $p > 0.05$). However, all of the variables need to be included to obtain this result, because the overall F value was computed with all the variables.

Overall, the level of employer obligations fulfillment cause effect on the relationship between perceived breach and violation.

Summary

This chapter presented the data analysis procedures and the discussion of the main results. To summarize, the hypotheses were all supported. They included (1) psychological contract of temporary employee is composed of two components: relational and transactional, and (1a) there is a relationship between them; (2) the level of fulfillment of employer obligations had a negative causal relationship in perceived breach; and (3) the breach had a positive causal relationship in perceived violation. The next chapter will focus in the main conclusions and the study contributions as well as its limitations.

CHAPTER 5 – STUDY CONTRIBUTIONS AND LIMITATIONS

The present study was designed to characterize what kind of psychological contract was held by temporary employees with a university degree. Returning to the hypotheses posed at the beginning of this study, it is now possible to state that the main components that form the psychological contract are relational and transactional, and that both components relate to each other. It was also shown that there is a causal relationship between fulfilled promises and perceived breach, and another between breach and violation.

The procedures used to measure scales validity and research hypotheses included two main steps (1) the construction of scales based on previous literature and research and (2) the empirical research to test scales and hypotheses.

The empirical data collection was conducted with a quantitative approach through carrying out an online web-based questionnaire with a sample of 106 Vietnamese employees. The data collected in this study were analyzed using SPSS version 18, a software program used for statistical analysis. Scales were evaluated by applying Cronbach's alpha coefficients. Hypothesis 1 was tested by factor analysis method. Hypothesis 1a was tested by scatter plot and Pearson correlations. Finally, hypothesis 2 and 3 were tested by hierarchical multiple regression.

1. Main results and contributions

All of the measurement scales achieved the significant reliability. According to the literature and the results from this empirical study, the findings prove that the psychological contract of temporary employees in this study consists of two contractual components: relational and transactional and that there is a relationship between them. Similar to permanent employees, short-term contract employees, specifically those who have graduated from university, do perceive breach when they acknowledge that their employer fails to fulfill their promises. Furthermore, they also experience an emotional violation due to perceived breach.

Respondents' perceptions concerning how they felt about the relational and transactional components of the psychological contract were clearly understood. Understanding employee perceptions and reality offers a valid support in understanding their attitudes and behaviors (McLean Parks et al., 1998). In the same context, Herriot and Pemberton (1997) claimed that psychological contracts are likely to vary across groups of individuals within organizations, across organizations, across sectors, across culture and over time. Psychological contract breach and violation are dependent not only upon the divergence

between organizational obligations and contributions (Robinson, 1996) but also upon the importance that individuals place on each item as well (Coyle-Shapiro, 2002). As a result, acknowledging employees' priorities, i.e., how important they evaluate a single item, helps avoid both breach and violation and their negative consequences, such as limited job satisfaction and commitment (Bellou, 2009).

Likewise, previous researchers have examined psychological contract in different groups of employees, including fixed-term and permanent employees (Millward & Brewerton 1999), full-time and part-time employees (Dick, 2006), and managers and subordinates (Winter & Jackson, 2006). Nevertheless, these studies all emphasized the factors that cause psychological contract breach perceptions and/or subsequent reactions rather than the content of the contract itself. For these reasons, the current findings add up to a growing body of literature on psychological contract features, contents, and evaluation of a specific group of employees in a specific context: temporary employees with bachelor background in Ho Chi Minh City, Vietnam.

As far as the level of education is concerned, Bellou's previous findings (2009) suggest that employees exposed to more years of education are more likely to expect more from their employment relationship. Particularly, employees who have at least a university degree may feel confident in themselves and their ability to contribute to the organization or may overestimate their contribution (Netz & Raviv, 2004) and may ask for more in exchange. Hence, hiring this type of employees presupposes that the organization is willing to offer more in order to enhance job satisfaction for them (Smulders & Nijhuis, 1999).

Psychological contract is a quite new concept to Vietnamese. This is my own experience when conducting online survey. A large number of friends, colleagues, even those who are working in the human resource area have no or little idea about what the psychological contract is. Taking this in consideration and the benefits of understanding the psychological contract for dealing with mutual employment obligations, this study gives a considerable contribution to the human resource management policies and procedures. For instance, in the recruitment interview, the clarification of mutual obligations between the employer and the employee will avoid any misunderstandings or false expectations regarding the employment relationship. Hence, the occurrence of breach and violation will hopefully not exist, resulting in a lower rate of negative effects such as deviant behaviors, absenteeism and intention to leave (Coyle-Shapiro, 2002; Sparrow, 1996).

II. Limitations and recommendations for further research

This study focused solely on temporary employees graduated from university therefore care must be taken when generalizing these results to other employee populations. A limitation of the study was the self-volunteer of participants which might mitigate the study's generalizability. The cross-sectional nature of the study also limits the ability to infer causality (Tallman & Bruning, 2008).

Although the psychological contract of temporary employees in this study has been carefully observed and assessed, it is advisable to make a comparison between permanent and temporary employees with a similar educational background to have a more general view.

Gender played the role of control variable in the relationship of breach and violation. The existing literature has mostly examined gender as a control variable, in an attempt to rule out potential influence on employee perceptions. Consequently, in some cases, gender influence on psychological contract breach, its antecedents and consequences has come to light (Turnley & Feldman, 2000). An interesting line of research in the future would be to find out whether different psychological contract patterns exist among female and male employees or not.

Last but not least, the general positive relationship between breach and violation have already been proposed elsewhere and confirmed by this study. Nevertheless, whether different types of psychological contract breach relate differently to violation is still unknown (Han, Song, & Chen, 2011). Therefore, future research addressing this issue is worth being pursued.

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APPENDIX

I. Table A1 – Questionnaire

Dear friends and colleagues,

I am currently doing a project as a step to complete my master course in *Human Resource Management*. The main purpose of this research is to find out which kind of Psychological Contract characterizes employees holding short-term contracts (in the past or currently as well). Therefore, your willingness to complete this questionnaire would be greatly appreciated. The data will be used only for academic purposes, and the anonymity of the respondents is strictly assured. Please choose the answer that fits you the most.

General questions					
1. How many times have you worked as a temporary employee?			1	>1	
2. How many times have you renewed your short-term contract?		1	2	>2	
3. The length of the short-term contract		3 months	6 months	Other. Please specify	
Employer obligations					
4. To what extent do you expect ... from the organization?					
	(1) Not at all	(2) Slightly	(3) Moderately	(4) Greatly	(5) Completely
4.1. Promotion					
4.2. High pay					
4.3. Pay based on performance					
4.4. Training					
4.5. Fringe benefits					
4.6. Career development					
4.7. Support with personal problems					
4.8. Job security					
4.9. Decision-making input					
4.10. Job challenge					
4.11. Feedback on performance					
4.12. Supervisory support					
4.13. Fairness and justice in personnel procedures					
4.14. Organizational support					

Table A1 (continue)

5. How well has the organization fulfilled to provide ...?					
	(1) Not fulfilled at all	(2) Slightly fulfilled	(3) Moderately fulfilled	(4) Very fulfilled	(5) Completely fulfilled
5.1. Promotion					
5.2. High pay					
5.3. Pay based on performance					
5.4. Training					
5.5. Fringe benefits					
5.6. Career development					
5.7. Support with personal problems					
5.8. Job security					
5.9. Decision-making input					
5.10. Job challenge					
5.11. Feedback on performance					
5.12. Supervisory support					
5.13. Fairness and justice in personnel procedures					
5.14. Organizational support					
Employee obligations					
6. How well have you fulfilled your promises to the organization?					
	(1) Not fulfilled at all	(2) Slightly fulfilled	(3) Moderately fulfilled	(4) Very fulfilled	(5) Completely fulfilled
6.1. Working extra hours					
6.2. Loyalty					
6.3. Volunteering to do non-required tasks on the job					
6.4. Advance notice if taking a job elsewhere					
6.5. Willingness to accept a transfer					
6.6. Refusal to support the employer's competitors					
6.7. Protection of proprietary information					
6.8. Spending a minimum of one contract length in the organization					
Overall psychological contract breach					
7. To what extent do you agree with the following statements?					
	(1) Strongly disagree	(2) Disagree	(3) Neither agree nor disagree	(4) Agree	(5) Strongly agree

Table A1 (continue)

7.1. Almost all of the promises made by my employer during recruitment have been kept so far.					
7.2. I feel that my employer has come through in fulfilling the promises mad to me when I was hired.					
7.3. So far my employer has done an excellent job of fulfilling its promises to me.					
7.4. I have not received anything promised to me in exchange for my contributions.					
7.5. My employer has broken many of its promises to me even though I've upheld my side of the deal.					
<i>Overall psychological contract violation</i>					
8. To what extent do you agree with the following statements?					
	(1) Strongly disagree	(2) Disagree	(3) Neither agree nor disagree	(4) Agree	(5) Strongly agree
8.1. I feel a great deal of anger toward my organization.					
8.2. I feel betrayed by my organization.					
8.3. I feel that my organization has violated the contract between us.					
8.4. I feel extremely frustrated by how I have been treated by my organization.					
<i>Socio-demographic information</i>					
Age brackets			20-25	26-30	>30
Gender				Male	Female
Level of academic qualifications/degree		Bachelor	Master	Higher than master	No degree
Marital status			Single	Married	Other: ...
Children			No	Yes: number: ...	
Job rank /position	Intern	Executive	Manager assistant	Manager	Other. Please specify
Sector	Industry	Services	Commerce	Education	Other. Please specify
Length of time in that rank/position	<3 months	3-6 months	7-12 months	1-2 years	> 2 years

This is the end of the study. If you'd like to make any comments or suggestions on the study, please feel free to leave them here. Thank you so much for your cooperation.

II. Table A2 – Socio-demographic information

Items	Content	Frequency	Percent
Number of times working as temp	1 time	56	52.8
	>1 time	50	47.2
Number of renewal	0 time	59	55.7
	1 time	25	23.6
	2 times	18	17.0
	>2 times	4	3.8
Contract length	3 months	44	41.5
	6 months	57	53.8
	Other	5	4.7
Age brackets	<20	0	0
	20-25	92	86.8
	26-30	11	10.4
	>30	3	2.8
Gender	Female	62	58.5
	Male	44	41.5
Qualification	Bachelor	88	83.0
	Master	18	17.0
	No degree	0	0
	Higher than master	0	0
Marital status	Single	94	88.7
	Married	12	11.3
Children	No	102	96.2
	Yes	4	3.8
Job rank/position	Intern	30	28.3
	Executive	52	49.1
	Manager assistant	16	15.1
	Manager	7	6.6
	Other	1	0.9

Table A2 (continue)

	Industry	20	18.9
	Commerce	35	33.0
Sector	Services	34	32.1
	Education	15	14.2
	Other	2	1.9
	<3 months	22	20.8
	3-6 months	44	41.5
Length in that position	7-12 months	21	19.8
	1-2 years	13	12.3
	>2 years	6	5.7
	Total	106	100.0

III. Table A3 – Intercorrelations between variables

	Gender	Marital	Children	Once	Times of working as temps			Contract length		Age	
					1	>2	2	3m	6m	20-25	26-30
Gender	1										
Marital	-.059	1									
Children	-.066	.554	1								
Once	.182	.039	-.011	1							
1	-.062	.012	.007	-.009	1						
>2	-.066	-.071	-.039	-.210	-.110	1					
2	-.075	.076	-.090	-.328	-.251	-.090	1				
3m	-.127	-.120	.034	-.086	-.062	-.066	-.024	1			
6m	.128	.152	-.015	-.004	.069	.084	.067	-.909	1		
20-25	-.237	-.124	-.215	-.090	.020	.077	.028	.102	-.138	1	
26-30	.153	.074	.095	.074	.030	-.067	.011	-.098	.129	-.872	1
Bachelor	-.078	-.314	-.306	-.025	-.163	-.042	.071	.126	-.167	.269	-.176
Master	.078	.314	.306	.025	.163	.042	-.071	-.126	.167	-.269	.176
> master	.a	.a	.a	.a	.a	.a	.a	.a	.a	.a	.a
Intern	.066	-.224	-.124	-.120	-.053	-.124	.051	.321	-.342	.121	-.145
Executive	.016	-.112	-.095	.171	.122	.004	-.042	-.099	.115	-.007	.099
Assistant	-.088	.182	.055	-.129	-.048	.055	.020	-.248	.285	-.069	.029
Manager	.007	.385	.346	.023	-.148	.147	-.019	.007	.018	-.121	.034
Industry	.181	.208	-.095	.118	-.041	-.095	.039	-.162	.205	-.026	-.006
Commerce	-.062	-.061	-.034	-.020	-.059	.072	.003	.141	-.073	.037	-.042
Service	-.046	.010	.182	-.039	-.001	-.030	-.095	-.046	-.052	-.090	.098
Education	-.122	-.145	-.080	-.104	.157	.062	.105	.042	-.058	.078	-.049
<3m	.088	-.183	-.101	.111	-.065	-.101	-.108	.419	-.459	.131	-.174
3-6m	.029	.182	.135	.067	-.062	-.066	-.075	-.127	.167	.046	.027
7-12m	-.082	-.028	-.098	-.147	.058	-.098	.153	-.179	.129	.054	-.014
1-2years	-.081	.048	.077	.008	.063	.228	.061	-.023	.058	-.024	-.033
Breach	.109	.029	-.101	.223*	-.082	-.150	-.003	-.107	.089	.097	-.053
Violation	.266**	-.066	-.143	.230*	-.162	-.090	-.016	-.073	.060	.042	-.005
Overall employer fulfilled	.033	-.029	.034	-.177	.024	.191*	-.005	-.049	.132	-.188	.138

