



Relationship between Psychological Contract and Job Satisfaction of Staff of Accra Technical University

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Abstract

The study investigated the relationship between psychological contract and job satisfaction of staff of Accra Technical University. A descriptive survey design was used with the target population being both teaching and non-teaching staff of Accra Technical University. Purposive sampling technique was used to sample a total of 300 respondents. A total of 270 responded to the questionnaires out of a target sample of 300 staff. The study revealed that, there was a relationship between perceived psychological contract and job satisfaction. Using linear regression analysis, the study showed that an increase in the overall fulfillment of obligations and promises (psychological contract) by both Teaching and Non-teaching staff would directly cause an increase in job satisfaction. Another key finding of the study was that, in general the staff perceived they fulfilled their promises and obligations to a greater extent to the university, while the university fulfilled its promises and obligations to a lesser extent, which meant there was inverse relation between what the staff offered to the university and what the university offered and this caused a breach of psychological contract which in turn bred job dissatisfaction. This study then recommends that management revised its recruitment policy and emphasize on flexibility in terms of career development opportunities and endeavor to fulfill their promises and obligations (psychological contract).

Keywords: Psychological Contract, Job Satisfaction, Employee Perception, Accra Technical University

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1.0 Introduction

During their employment with a particular organization, employees will process, integrate, interpret and derive meaning from information gained from a number of sources, such as co-workers, Heads of departments and recruiters, as well as the implied and formal employment contract. From this process employees will make their individual interpretations of their obligations and entitlements—that is, their psychological contract with the organization Rousseau, (2009).

Psychological contracts first emerged during pre-employment negotiation and are refined during the initial period of employment. Potential employees and organizational agents entered the employment relationship with a set of expectations about the potential relationship. These expectations may be transactional (monetary) and/or relational (non-monetary), and will influence the development of the psychological contract Robinson and Rousseau, (2010). Psychological contract therefore refers to the mutual expectations people have of one another in a relationship, and how these expectations change and impact behavior over time. The term is used mainly to describe the expectations an employee has of the organization and the expectations the organization has of the employee Argyris, (1960). The dynamic nature of the interaction between the parties to the contract, together with organizational goals and

environmental conditions and the orientation of the individual, influenced the development of the psychological contract Conway and Briner, (2010).

Managers, whether consciously or not, are turning to the psychological contract as a way to retain and motivate key staff. Raising motivation levels, ensuring commitment, trust, organizational citizenship behavior, job satisfaction, work-life balance etc. are key success factors when managing people at work Conway and Briner, (2010). Guest (2009) articulates the view that work places have become increasingly fragmented because of newer and more flexible forms of employment. At the same time, managers have become increasingly intolerant of time-consuming and sluggish processes of negotiation under conventional employment relations systems.

There is a wide range of views about staff performance in Africa, most of which are country-specific. Standards of professional conduct, job satisfaction and performance are low and falling in many public sector institutions, because of the influence of the psychological contract.. Staff do not perceive what is expected from them (psychological contract) as realistic given material rewards, workloads, and work and living environments.

Research done on psychological contract in Ghana include: The employees' perceptions of psychological contract Longurasia, (2014), which tested the extent of employees' perception of psychological contract at the Ghana Meat Commission. Njeru (2013) studied the effects of psychological contract on employee performance at the Airtel Ghana, which looked at the state and content of psychological contract and found that employees believed that their psychological contracts were violated. They felt that this affected their performance in this organization. These studies recommended further research in other disciplines. No such a study has been done, to the best of the researchers' knowledge, in the education sector and the current study, therefore, fills the gap by examining the perceived psychological contract and job satisfaction among Technical University staff.

This research problem leads to the following research question: What is the perceived psychological contract and job satisfaction among Staff Accra Technical University. To establish the relationship between perceived psychological contract and job satisfaction, among Accra Technical University staff.

2.0 Methodology

This study used descriptive survey design since it involves a collection of data from several departments within the university. This method presents facts concerning variables investigated as they exist at the time of study as well as trends that are emerging. It is an appropriate method for this study because it makes it possible to compare and verify information across several other technical universities Bryman, (2009). The population of the study was the teaching and non-teaching staff of Accra Technical University. Purposive sampling technique was used because the population was heterogeneous; consisting of both teaching and non-teaching staff. The total sample size was 300 which included 100 teaching and 200 non-teaching staff. A pilot study was done to enable the researcher to access the clarity of the instrument and its ease of use. Five (5) questionnaires were used for pre-testing; ideally, this test was done on the respondents who were included in the main study. The results were used to locate possible ambiguities in instrumentation requiring further attention and clarity.

The study collected primary data through interviewer-administered questionnaires which contained both closed and open ended questions. Secondary data were collected using reviews from both empirical and theoretical literature existing. The literature was sourced from various sources such as libraries, journals, internet and other relevant databases. The process of data analysis involved several stages. Completed questionnaires were edited for completeness and consistency. The data was then coded and checked for any errors and omissions and then analyzed using procedures within Statistical Package for Social Sciences (SPSS). Descriptive statistics such as mean, standard deviations, percentages and frequency distributions was used to generate meaning from the data in relation to the research objective and data was then presented in the form of proportions, tables and graphs. Linear regression analysis was used to test the relationship between perceived psychological contract and job satisfaction.

The relationships between three variables under study are explained below. The model 1 in table 1 shows Relationship between Job Satisfaction and Perceived Staff's Obligations to the University.

$$JS = CD+JC+SA+FR+WB \text{ ----- } 1$$

Where:

JS: Job Satisfaction

CS: Career Development

JC: Job Content

SA: Social Admosphere

FR: Financial Reward

WB: Work Balance

The model 2 in Table 2 shows Relationship between Job Satisfaction and Perceived Obligations of the University to Staff.

$$JS = ERB+F+EB+L \text{ ----- } 2$$

Where

ERB: Extra Role Behaviour

F: Flexibility

EB: Ethical Balance

L: Loyalty

3.0 Results and Discussions

The study targeted a total of 300 members of staff from Accra Technical University, but managed to obtain 270 questionnaires duly filled-in which was a response rate of 92.5%. This response rate is agreeable with Fincham (2014) who asserted that a response rate of 50%-60% or greater is optimal. Perceived Psychological Contract in an institutional set up can be measured on a number of variables related to work such as, flexibility, loyalty, ethics and extra role behavior. Respondents were asked to indicate the extent to which they were obligated to provide the institute with the following: flexibility, loyalty, ethical behavior and extra role behavior. A five-Likert scale was developed of 1= not at all, 2= to a little extent, 3= to some extent, 4= to a great extent and 5= to a very great extent. The results revealed that respondents to a great extent (average mean = 3.6) perceived to be obligated to the university on the aspect of Ethical Behavior which related to: protecting confidential information, use of the university's properties honestly and following its policies and procedures. They also perceived to a great extent (average mean 3.8) to be obligated to the institute on extra role behavior which entails, cooperation with colleagues, working fast and efficient, sharing information and delivering qualitative work. To some extent (average mean = 4.2), staff perceived to be obligated on the aspect of Flexibility which included; working extra hours, volunteering to work for someone and even working during the weekends

and to some extent (average mean 3.8) on Loyalty that related to: not immediately look for a job offer elsewhere and to remain in teaching for at least some years. This revealed that Staff were more obligated to the institute on aspects related to Ethical Behavior and Extra role Behavior as part of their psychological contract compared to aspects of Flexibility and Loyalty.

The second concept in Psychological Contract was to measure the perceived obligations of the university to the staff. This related to aspects such as, work-life balance, career development, financial rewards, job content and social atmosphere. Respondents were asked to indicate the extent to which they perceived the university was obligated to provide them with the above aspects. This was a five-likert scale of 1=not at all, 2= to a little extent, 3= to some extent, 4=to a great extent and 5= to a very great extent. The results showed that staff to a some extent (average mean = 4.2) perceived that technical universities were obligated to provide opportunities for career development, involving issues

such as opportunities for promotion in and outside the university and career development opportunities. They also perceived to some extent (average mean 4.1) the institute as obligated to provide the following on Job Content: opportunity for making decision by oneself, a job with responsibilities and opportunities to use self skills and capabilities fully. Moreover they also perceived to some extent (average mean 3.8) the university's obligation to provide the following items on Social Atmosphere: a conducive atmosphere of work, good communication and good relationship with both colleagues and superiors. Nevertheless, to some extent (average mean 3.4) they expected management to provide the following on Financial Rewards: motivation based on performance, attractive pay packages and regular benefits. Lastly, the staff, to some extent (weighted mean 3.4) expected the institution to provide the following on work-life balance: opportunities for flexible working hours, respect for personal situation and opportunities to decide when to take leave. The above results indicated that staff perceived (to some extent) the university as being obligated to them on aspects of career development, finance, social atmosphere, job content and work-life balance.

After measuring the perceived obligations of the staff to the university and the perceived obligations of the university to the staff it is important to measure the overall fulfillment of obligations by both Staff and the university to give complete results of variables which might not have been captured. Respondents were asked to indicate in general how well the university fulfilled its promises and obligations to them and how well they fulfilled theirs to the university. This was a five-likert scale of 1= not at all, 2 = to a little extent, 3= to some extent, 4=to a great extent and 5= to a very great extent. The results showed that Staff to a great extent (mean 4.08) perceived they fulfilled their psychological contract by keeping their promises and obligations. On the other hand they perceived the university had fulfilled its part of psychological contract on the promises and obligations made to staff only to a little extent (mean 2.72).

Fulfillment of psychological contract or its violation had some relationship with job satisfaction. When both the staff and the institution, fulfilled or violated their part of the psychological contract on aspects of promises and obligations, it determined the staff's level of job satisfaction. This then called for the informants to indicate how satisfied they were with some aspects of their work. This was a five-likert scale of 1= not at all, 2= to a less extent, 3= to moderate extent, 4=to a great extent and 5= to a very great extent. The results indicated Staff to a moderate extent (weighted mean 3.7) felt satisfied with their job on the facets of their job providing steady employment, doing things that did not go against their conscience, being able to keep busy all the time, their Head of department displaying competence in decision making, a chance to work alone on the job and a chance to be somebody. Respondents were not so satisfied (weighted mean 2.4) with aspects such as the freedom to make judgment on their job, the praise they got from doing a good job, the chance to advance in their job, the feeling of accomplishment they got from their job, getting along with each other, excellent working conditions and a strong link between their pay and amount of work.

The results in table 1, show that when the components of perceived Staff's obligation to the university were each entered in the model, social satisfaction ($\beta=.541$, $\rho=.055$) (of the perceived Staff's obligation to the university) was significant and predicted job satisfaction which accounted for 8.9% of the variables in the model. The findings indicated that a good social atmosphere predicted more job satisfaction. However, career development ($\beta=-.288$, $\rho=.067$), job content ($\beta=.659$, $\rho=.066$), financial reward ($\beta=-.246$, $\rho=.164$) and work balance ($\beta=.247$, $\rho=.363$) were not statistically significant in predicting job satisfaction.

Table 1:
Relationship between Job Satisfaction and Perceived Staff's Obligations to the Univ.

	R	R2	β	P
Step 1	.360	.086		
Career development			-.288	.067

Job content			.659	.066
Social Atmosphere			.541	.055
Financial Reward			-.246	.164
Work balance			.247	.363
Step2	.121	.006		
Perceived Staff obligation to the institute			.121	0.566

The results in table 2, show that Flexibility ($\beta=.536$, $\rho= .063$) (of the perceived obligations to the Staff) was significant and predicted job satisfaction which accounted for 32% of the variables in the model. The findings indicated that the more the Staff's flexibility the more the Staff is satisfied by the job. The findings further indicated that Extra Role Behavior ($\beta=-.029$, $\rho= .369$), Ethical Behavior ($\beta=-.074$, $\rho= .455$) and Loyalty ($\beta=-.206$, $\rho= .316$) were not statistically significant in the prediction.

Table 2:
Relationship between Job Satisfaction and Perceived Obligations of the Univ. to the Staff

	R	ΔR^2	β	P
Step 1	.270	.032		
Extra role behaviour			-.029	.369
Flexibility			.536	.063
Ethical Behaviour			-.074	.455
Loyalty			-.206	.316
Step2	.687	.146		
Perceived institute's obligation to the staff			-.006	.767

The study findings in table 3 shows that overall assessment of fulfillment of obligations by both staff and institute ($\beta=.432$, $\rho= .026$), significantly predicted job satisfaction and accounted for 6.4% of the variance in the prediction model. The findings indicated that an increase in the overall fulfillment of obligations and promises by both the staff and university would directly cause an increase in job satisfaction.

Table 3:

Relationship between Job Satisfaction and overall assessment of fulfillment of obligations by both Staff and University

	R	ΔR^2	β	Sig
	.432	.064		
Overall assessment fulfillment of obligation both staff and institute			.432	0.26

4.0 Conclusion

The study sought to determine the relationship between perceived psychological contract and job satisfaction of staff of Accra Technical University. The study found that perceived psychological contract had some relationship with job satisfaction. Most of the staff in the university admitted that violations of psychological contract items between them and the university led to job dissatisfaction.

Based on the findings above, the study recommends that, management of Accra Technical University in consultation with government should revise their recruitment policy and emphasize on flexibility in terms of staff career development opportunities. The management of Accra Technical University should also endeavor to fulfill their promises and obligations (psychological contract) to the staff; this will go a long way to motivate and encourage the staff to give their best.

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