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**EMPLOYEES' PERCEPTION OF PSYCHOLOGICAL
CONTRACT: A CASE STUDY OF KENYA MEAT
COMMISSION**

BY:

CONSOLATA CHEYECHONGURASIA

A Research Project Presented in Partial Fulfillment of The Requirement of
the Degree of Masters of Business Administration, School of Business,

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Declaration

This research project is my original work and has never been presented to any university for an academic award.

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This project has been presented for examination with my approval as the university supervisor.

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Dedication

To my mother Rael Chepososir; Thank you for instilling in me the importance of education and hard work.

To my husband Mr. Longurasia; Thank You for Your Love and support.

To my lovely daughters -Gloria and Lynn; Thank you for your patience and understanding while I was not available for you when you needed me most.

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To family and friends who have given me both intellectual and emotional support I offer my up most gratitude. I wish to acknowledge them formally and thank them for their continuous support and encouragement. I have drawn strength from their interest in the project and their belief in me to complete it. I am greatly indebted to my mother Rael Chepososir who consistently reminded me of the daunting task of working hard and attaining academic excellence. My most grateful appreciation goes to my lovely husband Mr. Longurasia for consistently reminding me to complete this project. My lovely daughters Gloria and Lynn have greatly helped to energize and motivate the project.

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Abstract

Psychological contract exists to enhance employment relationship. Aspects of the employment relationship cannot be addressed in a formal, written contract; the psychological contract fills the gaps in the relationship. Furthermore, the psychological contract shapes employee attitudes and behavior. Employees weigh their obligations towards the organization against the obligations of the organization towards them and adjust their behavior accordingly on the basis of critical outcomes.

The main objective of the study therefore was to determine the extent of employees' * perception of psychological contract among KMC employees. Data was collected from sixty (60) employees of Kenya Meat Commission. The collected data was analyzed and interpreted in line with the objective of the study. The response rate was eighty-six (86%) percent.

The study has established that with the psychological contract at the Kenya Meat Commission is being fulfilled to some extent. This is mainly through the job content and the social as well as the work environment. The company is hardly two years since its revival and could be riding on the wave of the new energy it may have received from the involvement of the government in financing it. The prevailing government goodwill and support could also be contributing to this.

On the basis of the above observation, the management of the firm should look into ways of sustaining the current mood and ensure that the psychological contract is fulfilled to a

great extent. This will ensure that the satisfaction of employees is guaranteed thus the productivity of the company will be assured.

Majority of the employees have worked in KMC for more than one year, an indication that the people who participated in the study understood the issues which were being researched on, since KMC is two years old since its revival. From the findings, majority of the respondents, have Secondary Education, an indication that their contributions to KMC mainly relies on experience and on-the-job training as opposed to professional training.

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The main issues determining the psychological contract at KMC were found to be delivery of quality work, working fast and efficiently cooperating well with others, following the company policies, norms and procedures, protecting confidential information, and lastly using the organization's properties honestly. The employees to a great extent acknowledge that KMC other than being seen to oblige in meeting all the aspects of a psychological contract, it fulfils its psychological contract largely by: assigning employees jobs with responsibilities, facilitating a positive relationships between colleagues and lastly fostering a good communication among colleagues.

Further research should however be carried out touching on the management levels of organization that this study did not venture in order to obtain a full picture of the psychological contract in the organization. There should be increased involvement of the management in setting ground for a serious consideration of the psychological contract.

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CHAPTER ONE: INTRODUCTION

1.1. Background

When entering into an employment relationship, an employee realizes that he/she is accepting an obligation to supply particular services to the organization as well as following directives of the management. The employee also perceives that the organization is obligated to provide certain items in exchange for the contributions supplied by the employer such as wages, salaries, training and career opportunities. Likewise, the employer accepts and expects certain obligations when entering into an employment relationship with a new employee (Robinson and Rousseau, 1994). The employer is obligated to provide a set of inducements in exchange *for the employee contributions. These mutual obligations between an organization and an employee constitute what is termed as the psychological contract.*

Managers believe that the idea of the psychological contract offers a valid and helpful framework for thinking about the changing employment relationship against the background of a changing labour market. Robinson et al (1994) defined the psychological contract as set of individual beliefs, or perceptions regarding reciprocal obligations between the employee and the organization. Some of these obligations are recorded in the form of a written formal contract of employment but are largely implied and not openly discussed (Anderson and Schalk, 1998).

The psychological contract can be distinguished from the legal contract of employment. The latter will, in many cases, offer only a limited and uncertain representation of the reality of the

employment relationship. The employee may have contributed little to its terms beyond accepting them. The nature and content of the legal contract may only emerge clearly if and when it comes to be tested in an employment tribunal (Guest and Conway, 2002).

The psychological contract looks at the reality of the situation as perceived by the parties, and may be more influential than the formal contract in affecting how employees behave from day to day. It is the psychological contract that effectively tells employees what they are required to do in order to meet their side of the bargain, and what they can expect from their job. It may not be strictly enforceable, though courts may be influenced by a view of the underlying relationship between employer and employee, for example in interpreting the common law duty to show mutual trust and confidence (Marchington et al, 2001).

Both parties may believe that the obligations are mutually understood but, more often than not, the communication is often incomplete or inaccurate. If one party believes the other is obligated to provide a particular contribution yet the obligated party is unaware of that obligation, that party will invariably fall short of delivering it (Morrison and Robinson, 1997). These will constitute a psychological contract breach. Psychological contract breach or violations may lower employee job satisfaction and organizational commitment.

1.2 The Kenya Meat Commission (KMC)

Kenya Meat Commission was established in 1950 as a state corporation. Its main concern then was to procure, process and market high quality meat and meat products in Kenya and the East African region. In the early 1990s, the once very vibrant KMC fell victim of

mismanagement leading to financial and operational problems that led to its closure and placement under receivership (Daily Nation June 22, 2006). Since then, periodic attempts to rehabilitate it flopped until 2006 when eventually, the government undertook to repay Kshs 3 billion that KMC owed National Bank of Kenya. This led to subsequent revival of KMC and its official reopening in June 2006.

KMC was revived at a time when market conditions had changed drastically. New privately owned abattoirs have sprung up thus intensifying competition. There are increased customer expectations in terms of quality and range of products. Rapid advancement in micro-electronic technology has also revolutionized the processes by which products are made available to consumers. This has been coupled with the changing social, political, economic and legal situations in the global economy. KMC's performance like any government corporation is also being monitored by the government through performance contracts. As a result of these, the traditional features of employment in government corporations have been challenged.

Old certainties such as job security, pay levels based on fair comparisons, pay increases that can maintain living standards and career opportunities founded on clear and stable paths have all been threatened. Currently at Kenya Meat Commission, trade union representation is non-existence. At KMC, employment is on contractual basis as opposed to permanent. This means job security is no longer guaranteed since contract renewal is based on satisfactory performance. These changes have challenged the basis of exchange relationship. The effect of the changes is the demise of the old and emergence of a new psychological contract as the

basis for employer-employee exchange. In the process, Kenya Meat Commission is faced with the challenge of renegotiating and managing of transition from one exchange basis to another as it becomes unable or unwilling to continue to provide employees the same inducements.

1.3. Statement of the Problem

Following the economic down turn in the early 1990s, increasing competition in the global markets, slow growth of domestic economy, and increasing pressure for organizations to change has prompted an end to the traditional employment that was based on life time employment and steady promotion from within (Turnley and Feldman, 2000).

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In Kenya, widespread layoffs, restructuring, reorganization and downsizing have resulted from these competitive pressures. Currently the employment relationship has considerably changed. Fewer jobs are on permanent basis while more employees are on fixed term or part-time contract. More jobs are being outsourced, tight job definitions are out and functional flexibility is in. Due to downsizing, individual employees have to carry more weight. This has been worsened by decline or absence of trade unions (Cullinane and Dundon, 2006). In addition, traditional organizational structure is becoming more fluid; teams are now the basic building blocks. This means new methods of management are required.

The psychological contract is now playing an increasing role in helping to define and understand the contemporary employment relations. For organizations to achieve desired performance goals, an understanding of psychological contract and how it affects employee behavior and attitudes becomes crucial (Heugens, 2006). Psychological contract therefore

offers a framework for monitoring employees' attitudes and priorities on those dimensions that can be shown to influence performance.

Organizations can benefit from the concept of psychological contract through priority being built on the people dimension using the organizational strategy. If people are regarded as bottom line business drivers, their capabilities, needs and expectations can be fully integrated into the business process and planning. The purpose of the business strategy then becomes how to get the best return from employees' energies, knowledge and creativity.

Most firms also do not conduct realistic jobs previews to get feedback of what employees expect of them. This has been worsened by some firms that consider employees as liabilities rather than assets. On the other hand, employee satisfaction surveys conducted are not comprehensive and only touch on few areas and neglect the most important issues that need to be addressed. High unemployment rate has left many employees to accept any job offers due to limited employment opportunities. This study critically examines employees' perception of psychological contract.

Research on psychological contract appears to have largely escaped the attention of researchers in Kenya. The only survey conducted so far was by Kagonya (2005) on the psychological contract in relation to organizational commitment and job satisfaction among selected commercial banks in Nairobi. To the best knowledge of the researcher, no study seems to have been carried out to investigate employees' perception of psychological contract. The earlier survey was conducted among some selected commercial banks in

Nairobi, Kenya while the current research is a case study which seeks to look at an in-depth analysis of the psychological contract at the Kenya Meat Commission.

Furthermore, conducting this study has been justified by a paradigm shift in employment relationships which has led to change of employee/employer expectations. This study was aimed at addressing this knowledge gap.

1.4. Objectives of the Study

The specific objectives of this study were to: -

- i) Establish the extent of employees' perception of the psychological contract at Kenya Meat Commission.
- ii) Establish the responsibilities of parties to fulfillment of psychological contract.

1.5 Significance of the Study

The findings of the study are expected to be useful to the following:-

i) Kenya Meat Commission

KMC will benefit from the findings of the study by noting the recommendations made and implementing those that are financially possible and within its mandate as an organization.

ii) Researchers

Future researchers will use the findings of this study to improve on areas which have not been explored. Researchers who are interested in the topic may find the findings opening up new avenues for further research.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

The concept of Psychological contract was first introduced by Argyris (1960) but became popular following the economic down turn in the early 1990s. Psychological contract has been defined by Conway and Briner (2005) as the perception of the two parties, employee and employer of what their mutual obligations are towards each other. These obligations will often be informal and imprecise and may be inferred from various actions or from what has happened in the past, as well as from statements made by the employer during the recruitment process and performance appraisals. Some obligations may be seen as "promises" and others as "expectations". However they are believed by the employee to be part of the relationship with the employer.

Psychological contract is dynamic. It evolves and changes over time as a result of dynamic relationship on both the employees and the employers' side. Organizations are constantly being challenged by global competition, advancing technology, the utilization of diverse work force and provision of high quality products (Karpin, 1995). In the face of such challenges, many organizations reinvent themselves through such processes as reengineering and restructuring. The implications of these transformations on employment relations have renewed interest in the concept of psychological contract.

The effects of these changes need to be addressed since employees are increasingly recognized as the key business drivers. The ability of the business to add value rests on its human capital that must be highly motivated and self driven. Organizations that wish to

succeed have to get the most out of these resources (Guest and Conway, 2002). In order to do this, employers have to know what employees expect from work by matching both individual and organizational needs. The psychological contract therefore offers a framework for monitoring employee attitudes, behavior and priorities on those dimensions that can be shown to influence employee performance (Shapiro and Kessler, 2000). This is effectively done by employer identifying what the employee expects from work and matching the same to the organizational expectations of the employees.

2.2 The Significance of Psychological Contract

.Psychological contract creates emotions and attitudes which form and control behavior. A balanced psychological contract is necessary for continuity and harmonious relationship between the employees and the organization. The psychological contract governs the continuing development of the employment relationship, which is constantly evolving over time. But sometimes how the contract is developing and how it influences employee behavior may not be fully understood by any of the parties involved (Spindler, 1994).

First, the degree to which their own expectations of what the organization will provide to them and what they owe the organization and in return match that organization's expectations of what it will give and get in return; secondly on the nature of what is actually to be exchanged-money in exchange for time at work, social satisfaction and security in exchange for hard work and loyalty; opportunities for self actualization and challenging work in exchange for high productivity, high quality work, and creative effort in the service of organizational goals.

2.3. Formation and Evaluation of Psychological Contracts

Psychological contracts are based on specific promises made by both parties and on generally accepted promises that are based on the general obligations of employers and employees. Even if an employer has not made specific promises in that regard, every employee will appreciate clarity, fairness and good communication. Every employer will appreciate employees dealing properly with confidential information and doing good work. In addition to general obligations, the psychological contract is further augmented with written agreements, such as employment contracts (Hiltrop, J.M. (1995).

According to Rousseau (1995) a series of organizational and individual processes affect the creation and evaluation of the psychological contract.

2.3.1. Individual Level Factors

Existing empirical research provides indications of an influence of the employee experience and initial level of trust in an employer. Such individual factors include past experiences, expectations, personality and careerism which may have been formed about the employment relationship prior to employment, during recruitment, during early organization socialization or from experiences in the course of employment (Rousseau, 2001). These experiences and expectations may vary according to individual factors such as age, gender, level of education, membership or non membership to trade union and non-work commitment (Guest and Conway, 1998).

2.3.2. Organizational Factors

Psychological contracts develop in interactions between individuals and organizations (Herriot, 1992). Organizational structure and Human Resource Management are important sources of interactions with employees and therefore, influences psychological contract formation and evaluation. Organizational factors influencing the development of the psychological contract include human resources policies and practices which may indicate certain promises or obligations on the part of the employer and expectation of employees. However, many organizations are operating in a cultural lag of the old psychological contract; they want the flexibility of new contracts but retain the artifacts of a traditional contract. This indicates a need for employers to be clearer, more explicit on mutual obligations and to communicate them unambiguously.

Human resource departments of organizations through their policies, practices and actions, are in front line of employment relations and are therefore considered to be particularly instrumental in the determination of psychological contracts (Rousseau, 1995). Human resources management practices convey promises of future intent in exchange for contributions of employees, thus influencing the formation and evaluation of the psychological contract. The policies and operating procedures are seen as communicating the nature of effectiveness the organization expects from its employees.

Guzzo and Noonan (1994) consider human resource management practices as communications mechanisms and are interested in how these messages translate to attitudinal and behavioral outcomes. Rousseau (1995) sees human resource management practices as an

important mechanism for implementing the organizational strategy. They suggest organizations to align their human resource management practices with their business strategy to avoid sending mixed messages to employees. The human resource management plays central role in determining employees' perception of the psychological contracts.

2.4. Types of Psychological Contracts

Although psychological contracts share certain features, they can also take many forms depending upon the nature of the work, the human resource policies in place and employee motives (Rousseau, 2004).

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2.4.1. Transactional Contracts

Transactional contracts are oriented towards economic and performance based considerations, with finite time frames and clearly defined work roles and responsibilities. Under transactional contracts, an individual's identity is derived from his/her skills and competencies, rather than being closely tied to the organization. As such, the individual is likely to display lower levels of citizenship behavior, lower levels of collaboration and team work. Under transactional contracts, employers are freer to 'Hire and Fire' (Davidson, 2001). This increases feeling of job insecurity among employees.

The transactional contract employees include careerists (lawyers), short term outsiders (key specialists), long term outsiders (nurses and cleaners) and network /guest employees. Although transactional contracts provide for flexibility and minimum training, they do not solve critical organizational problems.

2.4.2. Relational Contracts

Relational contracts are more open-ended, long term arrangements with a wider range of obligations on the part of both the organization and its employees. The exchange between the employer and the employee involve monetary and non monetary benefits (mutual loyalty, support, training, career development). Under such arrangements employers expect greater flexibility and loyalty from employees, including a commitment to the community and purpose of the organization. Employees also come to identify with the organization through promotion, mentoring and socialization. There is a higher degree of mutual interdependence and barriers to exit (Davidson, 2001).

Core employees are more likely to have relational contracts, given their importance to the organization and are likely to have greater opportunities, autonomy and benefits than their peripheral counterparts. In fact, management's best chance of retaining core knowledge employees lies with their attainment of business and offering these employees job challenges and opportunities for their growth and development (Davidson, 2001).

2.4.3. Hybrid (Balanced) Contracts

Recently, organizations are opting for a balanced contract, which incorporates a blending of elements of both transactional and relational contracts. The hybrid contract incorporates shared values and commitments, as well as specified results and time frames (Armstrong, 2001).

Psychological contracts versatility suggest that it, along with related constructs such as violation and change has a central role to play in organizational behavior by better specifying the dynamics of the employment relationship. The psychological contract is an important ingredient in the business relationship between employers and employees and can be powerful determinant of workplace behavior and attitudes which in turn affects employee performance. It provides a potentially fruitful construct with which to make sense of and explore employment relationship (Rousseau, 1989).

Such contracts are subject to change and develop throughout the duration of an employment. However, due to their subjective nature, they are prone to violation by both sides. Organizations trying to improve on quality or effectiveness of employees by the use of occupational psychology can gain a lot when taking into consideration the psychological contract. This will enhance employee motivation to work.

Modern economic changes have resulted in both the organizations and the employee having a changed psychological contract. Today, the contract formed is more transactional and about self actualization. Firms and their managers need to be aware of this change, and invest time and effort in forming and managing the right kind of psychological contract with their employees and prospective employees (Armstrong, 2001).

2.5. Fulfillment, Breach and Violation of Psychological Contract

Evaluation of psychological contract includes assessments of contract fulfillment, breach and violation. There exists psychological contract breach when the employer or organization has

failed to fulfill one or more of the perceived obligations of the psychological contract. If the breach is significant, it constitutes a violation. According to Morrison and Robinson, 1997:30, "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. Violation is the emotional and affective state that may under certain conditions, follow from the belief that one's organization has failed to adequately maintain the psychological contract."

According to these authors, breach does not necessarily have to lead to violation, but this depends on the value of the perceived breach item, the context surrounding the breach and the reasons for the breach.

Insight into the degree of fulfillment, breach and violation of the contract and their causes is important in light of their different consequences for employee behavior. Research indicates a relationship between psychological contract violation and neglect, intention to quit, satisfaction, organizational citizenship behavior, turnover, intention to remain, loyalty and voice (Robinson and Rousseau, 1994). Fulfillment and violation are negatively related but are not by definition opposite each other. Employees can experience some sense of violation while giving the employer high marks on contract fulfillment in overall. According to Rousseau (1989), Psychological contracts are best understood when they are violated. Job satisfaction and organizational commitment are indicators of psychological contract fulfillment, breach or violation.

2.6 Psychological Contract, Values, Attitudes and Behavior.

A driving concern behind interest in psychological contract is its consequences on the values, attitudes and behavior of the organizational members. Attitudes, values and behavior will determine job satisfaction as well as organizational commitment.

2.6.1 Psychological Contract and Values

Values represent basic convictions that a specific mode of conduct or end state of existence is personally or socially preferable to an opposite or converse mode of conduct or end state of existence (Kagonya, 2005).

Individuals have a hierarchy of values that form their value systems. This system is identified by the relative importance people assign to such values as freedom, pleasure, self respect, honesty, obedience and equity. Values are crucial to the study of employee behavior since they lay the foundation for understanding attitudes and motivation which influence perceptions (Robinson, 1998) hence the type of psychological contract.

2.6.2 Psychological Contract and Attitudes

An attitude is a set of settled mode of thinking. Attitudes are evaluative, either favorable or unfavorable concerning people or events. They reflect how one feels about something. Attitudes are not the same as values but the two are interrelated. Attitudes and values are acquired from parents, teachers and peer group. Values are more stable than attitudes (Robinson, 1998).

Organization behavior concerns are on job related attitudes. The attitudes tap positive or negative evaluation that employees hold about work environment. Job satisfaction is one of the job related attitudes. Firms that do satisfy employees desire for good managerial relations, respect, fair and adequate compensation and opportunities for training and development are reaping the benefits in terms of high employee performance and reduced operational costs.

2.6.3 Psychological Contract and Behavior

Behavior at workplace is dependent on both personal characteristics of individuals (personality and attitudes) and the situation in which they are working. These factors interact. Because of these interactions, many variables in personal characteristics and situations make behavior very difficult to analyze and predict (Armstrong, 2001). It is generally assumed that attitudes determine behavior, but there is not such direct link as most people suppose.

Psychological contract therefore provides ways of understanding behavior at workplace. Employee behavior is influenced by the perceptions of individuals about the situations they are in. Environmental variables that influence behavior include; role characteristics, job characteristics (autonomy and challenge), leader behavior (goal emphasis and work facilitation), work group characteristics (cooperation and friendliness) and organizational policies that directly affect individuals such as reward systems.

2.7 Psychological Contract and Job satisfaction

Job satisfaction reflects how people feel about their jobs. It emphasizes the specific task environment where an employee performs his/her duties and reflects the more immediate reasons to specific tangible aspects of the work environment (Mowday et al, 1982). There are many facets of job satisfactions, with common classifications being pay, promotion, benefits, supervisions, co workers, job conditions, and the nature of the work itself, communication and job security. When an employee experiences discrepancy between what was expected and what was received in one or more of these facets, the employee may experience a decrease in job satisfaction especially if these facets were viewed as important by the employee (Robinson & Rousseau, 1994).

Theoretical model of psychological contract violation (Morrison and Robinson, 1997) proposes that when an employee perceives a discrepancy in the reciprocal promises made between the employee and the organization, their response may manifest as job dissatisfaction, with resultant increase in absenteeism and turnover (Griffeth et al, 2000). If dissatisfied employees remain in the organization, they may engage in counter productive behaviors such as poor service, destructive rumors, theft and sabotage of equipment, absenteeism and turnover. These counter productive behaviors result in financial costs to the organization in terms of lost productivity and replacement costs.

Dissatisfied employees have also been found to report such symptoms as tension, anxiety, disturbed sleep patterns, tiredness, depression and stiffness in muscles and joints (Frese, 1985; Spector, 1997). These represents a very significant cost to the psychological and physical well

being of the employee, and an indirect financial cost to the organization in terms of sub optimal performance and sick leave.

2.8 Psychological Contract and Organizational Commitment

Organizational commitment is defined as a strong identification with and involvement in the organization. Commitment is reflected in the employees' acceptance of the organizational goals, willingness to work hard for the organization and the desire to stay with the organization (Mowday et al, 1982). Commitments develop slowly and consistently over time.

When employees perceive the outcomes of their interpretations of events as fair, or perceive

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the process by which outcomes are allocated as fair, they are more likely to engage in a relationship of social exchange that exceeds normal expectations of their performance.

However when an employee perceives the outcome as unfair as in the case of psychological contract violations they are likely to engage in behaviors such as voice, compliance and resistance-behaviors that are unproductive and costly to the organization. Low levels of commitment have been associated with increased incidents of absenteeism, tardiness and turnover which elevate expenses and lower productivity. Lower commitment is also linked to decreased motivation, low level of morale, decreased measures of altruism and compliance (Mowday et al, 1992), impoverished feeling of belonging, security, efficiency, goals and purpose in life, and negative self image. Non committed employees may describe the organization in negative terms to outsiders thus inhibiting the organization's ability to recruit high quality employees.

2.9 Conclusions

Psychological contracts are the beliefs individuals hold regarding terms and conditions of the exchange agreement between themselves and their organizations. By filling the gaps between the formal contract and all that applies to the working relationship it reduces uncertainty, shapes behavior and gives people a feeling about what happens to them in the organization. It can be seen as the foundation of the relationship originating during the recruitment phase and further developing the first few months after entry. If the organization succeeds to meet the beliefs the employees hold regarding the working relationship, the psychological contract is in a good state which in turn leads to job satisfaction, higher levels of commitment and more intentions to remain. If on the other hand employees perceive that the organization has failed to fulfill one or more obligations comprising the psychological contract, breaches occur. A variety of studies reveal the relationships between breaches and lower job satisfaction, trust, commitment, and organizational citizenship behavior, more emotional exhaustion, higher turnover intentions.

The psychological contract has shown its contribution in civil settings especially in respect to retention of personnel. Implementing the concept into military settings could be of help in explaining why recruits leave during initial training, satisfaction and commitment levels drop, and (intentions to) turnover rise. Additional research could help attracting (diverse) personnel and in preventing withdrawal during the recruitment phase.

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Job satisfaction reflects immediate affective reactions to the job and job facets and forms soon after organizational entry. On the other hand, organization's commitment develops more slowly after the individual possesses a firm understanding of not only the job and job facets,

but also the organizational goals and values, performance expectations and their consequences and the implications of maintaining organization's membership.

The type of understanding, underpinning organization's commitments is not immediate; it requires exposure to a variety of organizational components outside of the job itself. Consequently, organizational commitment is seen as forming and stabilizing sometime after organizational entry, with the more immediate formation of job satisfaction acting as one of its many determinants. Job satisfaction and organizational commitment relate to different aspects of workplace justice, with satisfaction being associated with distributive justice while commitment is more strongly associated with procedural justice. Turnover intentions are more strongly related to organizational commitment than to job satisfaction.

Violation of the transactional obligation of the psychological contract (Pay, benefits and promotion) result in a decrease in job satisfaction while violation of relational obligations (Loyalty and support) results in lowering of organizational commitment (Anderson and Schalk, 1998). Because of the similarity of the consequences of job dissatisfaction, organizational commitment and psychological contract violations, Turnley and Feldman (2000) suggest that satisfaction partially mediates the relationship between violation and commitment.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Research Design

The research was a case study. This was the appropriate design since an in depth investigation was necessary to fully appreciate the employee perception of psychological contract at the Kenya Meat Commission.

3.2 Population

Since the organization's workforce is large and owing to the nature of the study, the targeted population for this study included lower cadre employees of Kenya Meat Commission (KMC). These were lower cadre employees and excluded departmental heads.

3.3 Sample Design

The study picked a sample made up of 20% of the 285 employees of Kenya Meat Commission which translated to a sample size of 72 see table 3.1 below. The sampling method used was stratified random sampling. This involved dividing the population into homogeneous subgroup, such as grade levels across departments, and then a simple random sample was taken from each subgroup. The sample was selected in such a way as to ensure that certain subgroups in the population were represented in the sample in proportion to their number in the population.

Table 3.1: Sampling procedure

Job Grade	No. of Employees	Sample
4	6	1
5	8	2
6	23	5
7	14	5
8	29	6
9	200	25
10	80	16
Total	360	72

3.4 Data Collection

The study used a self administered questionnaire to collect the required data. The items in the questionnaire were both open and close ended.

3.5 Data Analysis and Presentation

Completed questionnaires were edited for completeness and consistency. The data was then coded and cleaned for any errors and omissions. The data was analyzed using the Statistical Package for Social Scientists (SPSS). The data was analyzed by use of descriptive statistics such as means, frequency distribution and percentages. The data was presented in form of tables, pie charts and bar graphs.

CHAPTER FOUR: DATA ANALYSIS AND FINDINGS

4.1. Factors Determining the Type of Psychological Contract

4.1.1. Psychological Contract and Age

Age influences peoples' ability to make decisions, experience and their performance. It is also a factor in job security, pay levels based on fair comparisons, pay increases that can maintain living standards and career opportunities. According to the study, the following was the age distribution of the respondents.

Table 4.1 Age Distribution

Age	Distribution	
	Frequency	Percentage
30 years and Below	23	38.3
31 years - 40 years	18	30.0
41 years - 50 years	10	16.7
51 years - 60 years	8	13.3
61 years and above	1	1.7
Total	60	100.0

Source: Research Data (2008)

From the results in table 4.2, 68 % are below forty years of age, 38% are below thirty and 14% above fifty years. Age influences formation and evaluation of psychological contract by employees.

4.1.2. Educational levels

The employment job groups depends on ones level of education, which will enable him/her to deal with specialized duties and matters ranging from marketing, information technology, restructuring, and culture change effectively. According to the study findings, 36.7% of the employees have acquired secondary school education while only 8% of the employees have

attained a university degree. Majority of the workers (55%) have acquired either a college certificate or diploma. This means KMC relies mainly on employees who are trained on the job as opposed to highly professional workforce.

Table 4.2. Educational Qualifications

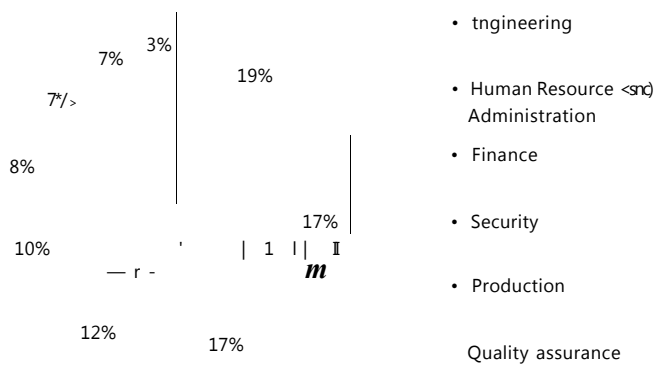
Highest Level of Education	Distribution	
	Frequency	Percentage
Secondary Education	22	36.7
Certificate	17	28.3
Diploma	16	26.7
Bachelors Degree	4	6.7
Masters	1	1.7
Total	59	100.0

Source: Research Data (2008)

4.1.3. Departmental Representation

The study was supposed to cover all employees in proportionate levels, so as to allow generalization. The following pie chart shows the distribution of employees across departments at the Kenya Meat Commission.

Figure 4.1: Departmental Representation



Source: Research Data (2008)

From pie chart above, 19% of the respondents were from the Engineering department, 17% were from the Human Resource and Administration with a similar percentage being from the Finance department. The chart further reveals that 12% of the respondents were from the Security department, while 10% were drawn from the Production departments. Generally, all departments were well represented; hence the data can be relied upon to make generalization on the whole population.

4.1.4. Length of service at KMC

The number of years one has worked in an institution influences his experience and mastery of the processes and practices in an organization. It also helps in the formation of and evaluation of psychological contract. According to the study findings, majority of the employees (66%) have been in the organization for at least one year. The remaining 33% have been with the organization for less than one year.

Table 4.3 Number of Years in KMC

Number of Years in KMC	Distribution	
	Frequency	Percentage
1year and above	40	66.7
6-12 months	14	23.3
0-5 months	6	10.0
Total	60	100.0

Source: Research Data (2008)

This is a clear indication that majority of the respondents understood the issues which were being researched on, since KMC is two years old since its revival.

4.2. Measure of Psychological Contract

4.2.1 Perceived Employee Obligations to KMC on extra-role behavior

One of the measures to the level of Psychological Contract in an organization is on the basis of the obligation the employees have to the organization. The respondents were asked to indicate the extent to which they believe they are obligated to provide the organization on some key aspects. According to the findings the delivery of quality work is the highest perceived obligation of employees to the organization. Other issues such as speed and efficiency in work, team work and information sharing are equally rated as demonstrated in the table 4.4

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4.2.2 Perceived Employee Obligations to KMC on flexibility

According to the study findings, working extra hours and days is highly rated aspect in as far as employee flexibility is concerned. 36% of the respondents indicated that they would offer to work extra hours in order to meet their obligations to the employer. Similarly, 35% would offer to work during the weekends in order to meet such obligations. If asked to carry out duties allocated to others, employees would do so 29% of the times. This indicates a highly flexible workforce in terms of carrying out their duties in order to meet their obligations to the employer. This is demonstrated in table 4.4

4.3.3 Perceived Employee Obligations to KMC on ethical behavior

The upholding of ethical behavior and standards ranks highly in any organization in order for both parties to be able to honour their obligations to each other. According to the study, employees would 34% of the times follow the organizations rules and regulations in order to

meet their obligations. Protection of company's confidential information and the prudent use of the organization's resources rank equally at 33% each. This is demonstrated in table 4.4

4.3.4 Perceived Employee Obligations on loyalty and commitment to work

According to the study findings, 55% of the employees indicated that they would remain with the organization for long duration in order to be able to meet their obligations to the organization. 45% of the respondents would not seek a job elsewhere in order to achieve those obligations. In terms of their commitment to work, 52% of the respondents indicated they would seek for opportunities for personal development in order to meet their obligations to the company while 48% would participate in training outside the normal working hours.

Table 4.4 gives a summary of the issues that employees would consider in order to meet their obligations to the company.

Table 4.4: Perceived Employee Obligation to KMC

Perceived Employee Obligations to the KMC		Mean	Percentage
o JS D	Deliver qualitative work	4.2069	18
	Work fast and efficiently	4.1000	17
	Cooperate well with others	4.0333	17
	Assist colleagues in their work	3.8000	16
	Get along with others	3.8000	16
	Share information with colleagues	3.6500	16
>> 'x E Uh	Work extra hours to get your job done	3.7333	36
	Work during the weekend if necessary	3.6207	35
	Volunteer to earn out duties that are not yours.	3.0833	29
o 1 > S "3 UJPO	Follow the company policies, norms & procedures	4.4833	34
	Protect confidential information	4.4333	
	Use the organization's properties honestly	4.4333	33
a o J	Remain with the organization for at least some years	3.6167	55
	Not immediately look for job offers elsewhere	2.9667	45
>> ci "H S I w	Take personal initiative to attend additional training courses	3.9833	52
	Participate in training outside your work hour	3.6667	48

Source: Research Data (2008)

4.4. Perceived Obligation of KMC to its Employees

The second measure to the level of Psychological Contract in an organization is based on the obligation the organization have to the employees. The respondents were asked to indicate the extent to which the KMC was obligated to provide to the employees.

According to the findings, 53% of the respondents felt that the employer should provide for career development opportunities in order to be able to fulfill the psychological contract while 47% felt that this would be possible through the employer being able to provide opportunities

for promotion. 31% of the employees indicated that the employer is expected to meet obligations through the provision of job content with responsibilities. At a lesser lower percentage of 47%, the perceived company's obligation to the employees is that the job content provides them with opportunities to use their skills and capabilities. In terms of social atmosphere, 22% of the respondents felt that the employer should provide job autonomy in order to be able to meet its end of the psychological contract.

The employer is also expected to provide a positive social atmosphere for the employees. 52% of the respondents indicated that KMC should provide a positive relationship and communication environment in order to meet its expectations in as far as the psychological contract is concerned. Only 48% of the respondents felt that it was necessary for the company to provide an environment that is conducive for mutual cooperation and work in the organization in order to fulfill the psychological contract.

The respondents also indicated that an attractive pay and benefits package should be provided by the employer. This was by 35% of the respondents while 33% of the respondents felt that this can be done by providing a performance based pay package. 32% indicated that regular benefits and extras are expected to contribute a fulfillment of the psychological contract by the employer.

Regarding work life balance, respect for an employee's personal situation is an important obligation expected of the employer. 48% indicated that the employer should provide opportunities for flexible working hours including when to take leave. Only 23% of the

respondents felt that there should be a flexible attitude regarding the correspondence between one's work and private life.

Table 4.5: Perceived KMC Obligation to its Employees:

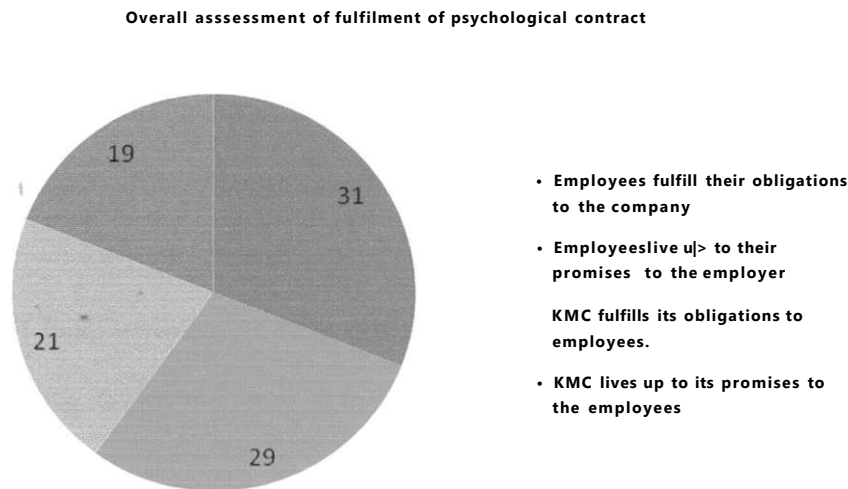
Perceived KMC Obligation to its Employees		Mean	Percentage
Career Development	Career development Opportunities in the company	2.5593	53
	Opportunities for promotion	2.2833	47
Job content	A job with responsibilities	4.1500	31
	Opportunities to use your skills and capabilities	3.3500	25
	A job in which you can make decision by yourself	2.9167	22
	Opportunities to show what you can do	2.9167	22
Social Atmosphere	Positive relationships between colleagues	3.5593	26
	A good communication among colleagues	3.5500	26
	A good mutual cooperation	3.4000	25
	A conducive atmosphere at work	3.3167	23
Financial rewards	An attractive pay and benefits package	2.3000	35
	Wage increases based on performance	2.2333	33
	Regular benefits and extras	2.1333	32
Work -Life balance	Respect for your personal situation	3.7167	29
	Opportunities to decide when to take your vacation	3.1186	25
	Opportunities for flexible working hours depending on your personal needs	2.9500	23
	A flexible attitude concerning the correspondence between your work and private life	2.9000	23

Source: Research Data (2008)

Table 4.6: Overall Assessment of Fulfillment of Psychological contract

Overall Assessment of Fulfillment of Obligations by both Employee and the KMC	Mean	Percentage
In overall, employees in KMC fulfill their obligations to the company	4.1333	31%
In general employees in KMC live up to their promises very well to the employer.	3.8833	29%
In overall, my employer - KMC fulfills its obligations to employees.	2.8000	21%
In general, KMC lives up to its promises very well to the employees.	2.5667	19%

Figure 4.2: Overall Assessment of Fulfillment of Psychological Contract



Source: Research Data (2008)

From figure 4.2 above, 31% of the employees acknowledged that they had fulfilled all their obligations to the company while 29% of the employees believe that they live up to their promises to the employer. On the other hand, only 21% acknowledged that the employer has fulfilled the expected obligations with 19% indicating that KMC has lived up to its promises to the employees. This provides the basis for which psychological contract is a reciprocal relationship in which there is give and take from both parties in terms of obligations.

4.5 Responsibility for Fulfillment of Obligations

The respondents were further asked to indicate responsibility for fulfillment of obligations. From the results in the table below, 27% of the respondents indicated that immediate managers are responsible for the fulfillment of obligations. This is because the immediate manager is directly responsible to the employee and he/she is the one the employee reports to. The Human Resource Manager and the organization are generally responsible for 25% of the fulfillment respectively. This is because the human resource department formulates corporate values and policies on rewards, training, promotions among other benefits and operating procedures. Co-workers are to a little extent responsible for the fulfillment of the obligations at 23%. The coworkers determine whether there shall be team spirit within the workforce and conducive working environment. This is as in the table 4.7 below.

Table 4.7: Responsibility for the fulfillment of Obligations

Responsibility for Fulfillment of Obligations	Mean	Percentage
The Immediate manager	3.2034	27
Human resource manager	3.0678	25
The organization	3.0339	25
Co-workers	2.7759	23

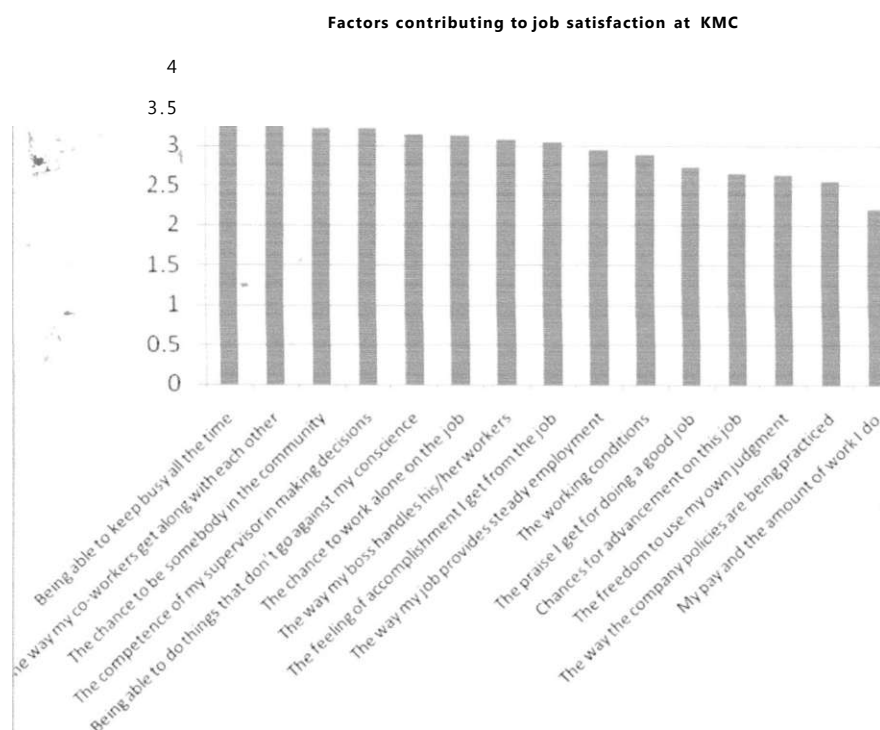
Source: Research Data (2008)

4.6. The Fulfillment of a Psychological Contract and Job Satisfaction in KMC.

There is always some relationship between job satisfaction and the fulfillment of a psychological contract. While fulfilling psychological contract, employees in an organization are in essence fulfilling their obligations to the company. The end result is how satisfied they

are in their job. The respondents were therefore asked to indicate how satisfied they are with some aspects of their job. From the findings, it is indicative that being able to be kept busy at all times is the most important contributor to job satisfaction among employees at KMC with the least being the amount of pay vis-a-vis the amount of work done. This aspect falls squarely with immediate manager to whom the employee reports to. These aspects were plotted on bar chart as follows:

Figure 4.3: Factors Contributing to Job Satisfaction at KMC



Source: Research Data (2008)

From the chart above, the respondents were asked to indicate the extent to which they are satisfied with their jobs. The employees expressed that they are satisfied with their jobs to some extent by being able to keep busy all the time, the way the co-workers get along with each other, the chance to be somebody in the community, the competence of the supervisor in

making decisions, being able to do things that don't go against their conscience, the chance to work alone on the job, the way their boss handles his/her workers and finally the feeling of accomplishment they get from the job.

On the other hand the respondents indicated that they are satisfied to a little extent by the way their job provides steady employment, the working conditions, the praise they get for doing a good job, the chances for advancement on their job, the freedom to use their own judgments, the way the company policies are being practiced and finally their pay in relation to the amount of work they do.

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4.7 Psychological Contract and Organizational commitment

The respondents were asked to indicate their level of commitment to KMC. Among the parameters provided, there was a great deal of commitment from the employees towards the organizations. The reasons for these were because they felt that they owe a great deal to KMC, a great sense of obligation, emotional attachment to KMC, KMC has a great deal of personal meaning for them, they feel a sense of personal belonging to KMC, too much of their life would be disrupted if they decided to leave KMC and therefore they would be happy to spend the rest of their career at KMC.

Table 4.8: Psychological contract and Organizational Commitment

Organizational Commitment	Mean	percentage
KMC deserves my loyalty	4.0	7%
I owe a great deal to KMC	3.741	7%
I would not leave KMC now because I have a sense of obligation to it	3.694	6%
I feel emotionally attached to KMC	3.672	6%
KMC has a great deal of personal meaning for me	3.6667	6%
I feel a sense of belonging at KMC	3.661	6%
Too much of my life would be disrupted if I decided to leave KMC now	3.4576	6%
I would be happy to spend the rest of my career at KMC	3.4237	6%
I feel an obligation to remain at KMC	3.3818	6%
Staying at KMC is a matter of necessity as much as I desire	3.3051	6%
I really feel KMC's problems are my own	3.2712	6%
I would feel guilty if I left KMC now	3.2712	6%
I have few options to consider leaving KMC now	3.2241	6%
One of the negative consequences of leaving KMC would be the scarcity of available alternatives	3.0847	5%
Even if it were to my advantage , I do not feel it would be right to leave KMC	3.0508	5%
It would be very hard for me to leave KMC now, even if I wanted to	2.9831	5%
If I had not put so much of my self to KMC I might consider working elsewhere	2.9153	5%

Source: Research Data (2008)

The respondents indicated that to a little extent it would be very hard for them to leave KMC even if they wanted. They also indicated that to a little extent if they had not put so much of themselves to KMC they might consider working else where.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Summary

Age influences peoples' ability to make decisions, experience and their performance. It is also a factor in job security, pay levels based on fair comparisons, pay increases that can maintain living standards and career opportunities. It was found that most employees are below forty years of age. This is a clear indication of satisfactory performance, from youthful population which is active and not threatened by layoffs.

The employment job groups depends on ones level of education, which will enable him/her to deal with specialized duties and matters ranging from marketing, information technology, supervisory, restructuring, and culture change effectively. It was found that majority of the respondents, have Secondary Education, an indication that their contributions to KMC depends on experience and the institution looking at its nature of productions does not need a strong academic background, unless it is for management.

The number of years one has worked in an institution influences his experience and mastery of the processes and practices in an organization. It also determines one's ability to evaluate an old practice and policy, when changing to a new management and strategic arena. It was found that majority of the employees have worked in KMC for more than one year, an indication that the people who participated in the study understood the issues which were being researched on, since KMC is two years old since its revival.

From the study findings, it is noted that the organization is hardly two years since its revival. This has contributed to the high levels of expectations from employees regarding the psychological contract. This is especially so because of the political goodwill that existed at the time of the company's revival. Apart from this, the existing vibrancy of the economy existing then at the time of the study may have contributed to the high level of expectation.

In as far as the aspects used to measure the perception of employees regarding the psychological contract are majorly on quality of work life and job content. The social work environment was also considered to be a major factor. Financial rewards such as an attractive pay and benefits package, regular benefits and extras, alongside wage increases based on performance, are what employees felt that KMC was not obligated to provide although they are key aspects which are obligations of any organization to its employees.

The biggest challenge for most organizations is the fulfillment of psychological contract. This is because it is unwritten and employee expectations can vary from time to time depending on the prevailing environment especially in regard to the key issues affecting employees work life. Employees to a great extent acknowledge that KMC other than being seen to oblige in meeting all the aspects of a psychological contract, it fulfils its psychological contract largely by assigning employees jobs with responsibilities, facilitating a positive relationships between colleagues and lastly fostering a good communication among colleagues.

It was also established that the KMC have fulfilled its psychological contract since employees in KMC fulfill their obligations to the company. To some extent, it was expressed that

employees in KMC live up to their promises very well to the employer, KMC fulfills its obligations to the employees and lastly, KMC lives up to its promises very well to the employees. It was found that employees to some extent, are satisfied and can express satisfaction with being able to keep busy all the time, the way co-workers get along with each other, the chance to be somebody in the community, the competence of supervisors in making decisions, doing things that don't go against one's conscience, the chance to work alone on the job, the way the immediate managers handles his/her workers, accomplishment got from the job, the steady employment from the job, the working conditions, the praise got for doing a good job, chances for advancement on the job, the freedom to use one's own judgment and the way the company policies are being practiced.

5.2 Conclusions

It was established that KMC favors male employees as opposed to female ones, thus KMC is not gender sensitive in its recruitment policy. As age influences peoples' ability to make decisions, experience and their performance, it was found that most employees are below forty years of age. This is a clear indication of satisfactory performance, from youthful population which is active and not threatened by layoffs. Majority of the employees have worked in KMC for more than one year, an indication that the people who participated in the study understood the issues which were been in researched on.

Employment at KMC is skewed towards skilled workers. This is from the fact that majority of the employees (55%) have attained a certificate or a diploma in a relevant course. The possession of such skills and qualifications enhances the level of employee expectations in as

far as the psychological contract is concerned. With a sizeable percentage possessing only secondary school qualifications, the expectations can sometimes be extreme especially when parties ride on perceptions and not on real issues.

Employees to a great extent acknowledge that KMC other than being seen to oblige in meeting all the aspects of a psychological contract, it fulfils its psychological contract largely by assigning employees jobs with responsibilities, facilitating a positive relationships between colleagues and lastly fostering a good communication among colleagues.

Other than the particular acknowledgement that KMC fulfils its psychological contract, it was also important to assess the overall fulfillment of obligations by both employee and the KMC. It was found that employees to a great extent, based on both the employees and KMC, that KMC has fulfilled its psychological contract since employees in KMC fulfill their obligations to the company.

5.3 Recommendations

The findings of the study indicate that there are a number of issues/challenges that need to be addressed within the KMC. Training is necessary in order to perform work effectively and efficiently. This therefore needs to be taken as a matter of priority by the management. The company is still young since its revival and therefore it should ride on this wave by introducing changes that will benefit the employees as well as management in the long run.

Jobs need to be redesigned in such a way as to ensure that employees are effectively utilized and given challenging responsibilities. The management should be receptive to new ideas

from employees as this will enhance creativity and innovation This way the firm will be able to keep abreast with the challenges of a dynamic business environment through faster decision making and problem solving.

There is need to come up with policies on promotion and reward management schemes in order to make the company an employer of choice and be able to attract and retain competent workforce.

Employment contracts should be made in a way as to enhance job security such that they should be for a fixed term of at least five years with guarantee of renewal. This will ensure that both individual and organizational objectives are met and as such job satisfaction and organizational commitment are enhanced. This will significantly reduce feeling of job insecurity among employees.

There is need for a paradigm shift in terms of regarding employees as liabilities as opposed to being assets to the organization. The organization should consider the involvement of its staff in decision making in order to ensure ownership and full support of any changes. This will in effect improve the fulfillment of each party's obligations to the psychological contract.

5.4. Suggestions for Further Research

A similar study should be conducted to include senior management staff at the Kenya Meat Commission. This will give a complete picture of the type of psychological contract in

existence at KMC. This study was conducted a few months before KMC restructured its operations. A similar study after restructuring may give an interesting finding.

Besides this, other sectors of the Kenyan economy, both in the public and private sector could benefit from a similar study. This is owing to the fact that the success of an organization depends on its people and therefore understanding the psychological contract in existence may help in getting to appreciate the importance of people to an organization. Crucially further research should be done to determine how the psychological contract affects an organization's performance or financial performance and to what extent can the benefits if any be quantified by the organizations probably through a cost benefit analysis.

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5.5 Limitations of the Study

Some of the respondents were not conversant with the subject matter of the research and instead of seeking clarification shied away from ^{or **} feeling the questionnaire or failed to return

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the questionnaire. It was equally difficult receive all the questionnaires from all the KMC branches due to distance and lack of cooperation from some employees. It took long when collecting the questionnaires because some of the respondents kept them and never bothered to answer.

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APPENDICES

APPENDIX 1: LETTER OF INTRODUCTION

Dear Sir/Madam,

RE: REQUEST FOR RESEARCH PROPOSAL DATA

I am a student undertaking a degree in masters of Business Administration at the University of Nairobi. Currently, I am carrying out a research project proposal in partial fulfillment of the degree requirements.

The research proposal topic is: ***EMPLOYEES' PERCEPTION OF PSYCHOLOGICAL CONTRACT: A CASE STUDY OF KENYA MEAT COMMISSION***

I kindly request you to fill the attached questionnaire. The information you will provide will be treated with utmost confidentiality and will be used purely for academic purposes.

I will pick the questionnaire from your office after you have completed filling it.

Thank you for your cooperation.

Yours faithfully,

Consolata Cheyech Longurasia

APPENDIX11: QUESTIONNAIRE

This questionnaire seeks to collect information on: Employees' perception of Psychological Contract: A case of Kenya Meat Commission.

INSTRUCTIONS: Kindly answer all the questions in order. The accuracy of your description depends on your being straight forward in answering this questionnaire. You will not be identified by your answer.

1: Respondents Profile.

1. Name (optional):

2. Gender: Male [] Female []

3. Age Group

- 30 years and Below []
- 31 years - 40 years []
- 41 years - 50 years []
- 51 years - 60 years []
- 61 years and above []

1. Education Level

- Secondary Education []
- Certificate []
- Diploma []
- Bachelors Degree []
- Masters []

2. Designation / Job title

3. Job Grade

4. Please tick the department you belong to:

- Production []
- Human Resource and Administration []
- Quality assurance []
- Company Secretary Office []

- Finance []
- Engineering []
- Security []
- Information and Communication []
- Sales and Marketing []
- Livestock []

5. How long have you worked for Kenya Meat Commission?

- 0-5 months []
- 6-12 months []
- 1 year and above []

2: Measure of psychological contract contents,

a) Perceived employee obligations to the organization

To what extent do you believe you are obligated to provide the organization with the following?

Scale: 1=not at all 2= to a little extent 3= to some extent 4=to a great extent

5= to a greater extent

		1	2	3	4	5
Extra role behavior	Cooperate well with others					
	Work fast and efficiently					
	Assist colleagues in their work					
	Share information with colleagues					
	Deliver qualitative work					
	Get along with others					
Flexibility	Work extra hours to get your job done					
	Volunteer to carry out duties that are not yours.					
	Work during the weekend if necessary					
Ethical Behavior	Protect confidential information					
	Use the organization's properties honestly					
	Follow the company policies, norms & procedures					
Loyalty	Not immediately look for job offers elsewhere					
	Remain with the organization for at least some years					
Employability	Participate in training outside your work hour					
	Take personal initiative to attend additional training courses					

b) Perceived Organization obligation to the employee

To what extent is the company obligated to provide each of the following to you? Scale:

1 = Not at all 2 = a little extent 3 = some extent 4 = a great extent 5 = a greater extent

		1	2	3	4	5
Career Development	Opportunities for promotion					
	Career development Opportunities in the company					
Job content	A job in which you can make decision by yourself					
	Opportunities to show what you can do					
	A job with responsibilities					
	Opportunities to use your skills and capabilities					
Social Atmosphere	A conducive atmosphere at work					
	Positive relationships between colleagues					
	A good mutual cooperation					
	A good communication among colleagues					
Financial rewards *	Wage increases based on performance					
	An attractive pay and benefits package					
	Regular benefits and extras					
Work -Life balance	Respect for your personal situation					
	Opportunities for flexible working hours depending on your personal needs					
	Opportunities to decide when to take your vacation					

3. Overall assessment of fulfillment of obligations by both employee and the employer.

Please answer the following questions using this scale: 1 = not at all 2 = to a little extent

3 = to some extent 4 = to a great extent 5 = to a greater extent

	1	2	3	4	5
In overall, how well does your employer fulfill its obligations to you?					
In overall, how well do you fulfill your obligations to your employer?					
In general, how well does your employer live up to its promises?					
In general how well do you live up to your promises to your employer?					

4. Responsibility for fulfillment of obligations

To what extent do you believe the commitments your employer has made to you are the responsibilities of the following: - Please use the following scale: 1 = not at all 2 = to a little extent 3 = to some extent 4 = to a great extent 5 = to a greater extent

	1	2	3	4
Immediate Manager				
The Human Resource Manager				
The Organization				
Co-Workers				

5: Measure of Job Satisfaction

Please indicate how satisfied you are with each aspect of your job listed below. Use the following scale: - 1= not satisfied 2= some what satisfied 3= satisfied 4= very satisfied5 extremely satisfied

	1	2	3	4	5
Being able to keep busy all the time					
The chance to work alone on the job					
The chance to be somebody in the community					
The way my boss handles his/her workers					
The competence of my supervisor in making decisions					
Being able to do tilings that don't go against my conscience					
The way my job provides steady employment					
The way the company policies are being practiced					
My pay and the amount of work I do					
Chances for advancement on this job					
tThe freedom to use my own judgment					
The working conditions					
The way my co-workers get along with each other					
The praise I get for doing a good job					
The feeling of accomplishment I get from the job					

6. Measure of Organizational Commitment

Please indicate your own personal feelings about the organization

Kindly use the following scale; -1= strongly disagree 2= disagree 3= neutral 4= agree 5= strongly agree

		1	2	3	4	5
Affective commitment	I would be happy to spend the rest of my career at KMC					
	I really feel KMC's problems are my own					
	I feel a sense of belonging at KMC					
	I feel emotionally attached to KMC					
Continuance Commitment	KMC has a great deal of personal meaning for me					
	Staying at KMC is a matter of necessity as much as I desire					
	It would be very hard for me to leave KMC now, even if I wanted to					
	Too much of my life would be disrupted if I decided to leave KMC now					
	I have few options to consider leaving KMC now					
	If I had not put so much of myself into KMC I might consider working elsewhere					
	One of the negative consequences of leaving KMC would be the scarcity of available alternatives					
Normative commitment	I feel an obligation to remain at KMC					
	Even if it were to my advantage, I do not feel it would be right to leave KMC					
	I would feel guilty if I left KMC now					
	KMC deserves my loyalty					
	I would not leave KMC now because I have a sense of obligation to it					
	I owe a great deal to KMC					