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Motivation –The Irish and non Irish workers: *Using the psychological contract to understand the reasons behind perceived different performance levels from Irish and non Irish employees on the same manufacturing floor.*

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A Research Dissertation submitted in partial fulfilment for the Degree of Masters of Science in Technology Management of the National University of Ireland, Galway.

Research registered in the Faculty of Commerce, Department of management, National University of Ireland, Galway.

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Abstract

The objective of this investigation was to ascertain if a different psychological contract was in existence among shop floor employees in a small to medium

enterprise. This thesis sought to answer three research questions. A) What are the expectations of both Irish and non Irish employees. B) Are these expectations being met? C) What are the key differences if any between Irish and non Irish employees. In line with best practices according to literature a variety of investigation methods was used. A survey of employees was combined with interviews with senior management and data on overtime and absenteeism. The main findings showed that both groups reported their two most important expectations were not satisfactorily delivered. The top two expectations were traditional indicating that there is not the significant shift in the psychological contract that some literature suggests. Both Irish and non Irish employee groups have shown very similar expectations. There is some evidence to suggest that there are two distinct psychological contracts in existence. Irish employees were seen to have a slightly more relational contract than non-Irish employees. Relying on previous academic literature to explain the reason for the non-Irish employees having a more transactional contract may stem from their expectation of a short tenure with the organisation. The results also suggested that in general employees are. Irish employees possibly saw the unsatisfactory delivery of important expectations as a more serious violation of their psychological contract and withheld their performance to a greater extent than their non-Irish co-workers.

Chapter 1 Introduction

This thesis is an investigation into the area of motivation of different groups. This thesis uses the psychological contract as a framework to assess different factors that influence different cultures. This thesis specifically looks at the differences between Irish and non Irish workers in an Irish manufacturing

setting. A rationale for carrying out this investigation is that there is a gap in literature in the area of cultural differences in the psychological contract in an Irish manufacturing environment.

Another reason for carrying out this study is due to the very high levels of immigration specifically from Eastern Europe into Ireland for the first time. Recently Ireland has neared full employment and foreign workers were seen as very important to the Irish economy to fill employment vacancies and continue growth in the economy. Even though at the moment the Irish economy has slowed there are still significant numbers of non Irish workers in Ireland and there should be investigation into how to best manage diversity within an Irish organisation. These employee groupings may share common values and influences that are separate to the Irish employees. Irish companies and managers should be equipped with the acceptance and knowledge of what are the factors that are most important to these new foreign employee groups. When there was little immigration into Ireland the relatively few non Irish employees that were working within Irish organisations were to an extent assimilated into the Irish value set or culture. Today some Irish companies have enough foreign employees as a percentage of their total labour force to represent a distinct and sustaining sub culture. The organisation in which this investigation was carried out has in the last five years seen its workforce from Eastern Europe grow to 60% of total employees. This thesis attempts to be a starting point into identifying what is the best practice in managing a diverse workforce within an Irish manufacturing floor context.

This investigation is structured to ask three open ended research questions. What are the expectations of both Irish and non Irish employees? Are these expectations being met and what if any are the key differences?

This study will carry out a review of the academic literature that has already been carried out in the area of the psychological contract. This literature review will establish the academic rationale for carrying out research into this area. The literature review compares and contrasts the different definitions that exist from prominent academics in the area of the psychological contract. The academic review identifies some of the outcomes of the psychological contract and why it

is important to help understand the relationship between employees and the organisation. The literature review will look some of the range of opinion between prominent academics in the area of the psychological contract. The literature review outlines some of the factors identified by academics that are major influences on an individual's psychological contract. The review looks at the different types of psychological contracts that have been identified. The arguments on if and how and to what degree the psychological contract has changed or evolved are explained in this review. The final area of the literature review examines previous investigations into how different cultures and societies influence the psychological contract of individuals.

This thesis will describe the profile of the organisation whose employees were studied and surveyed. This will allow this study to be put into its proper context of a small to medium Irish owned manufacturing environment. It will describe the investigative methods used in this study. This study used a number of research methodologies as was prescribed by leading academics. The author collected primary data through a questionnaire which surveyed the manufacturing floor employees. Primary data was collected through interviewing the organisations senior management and data was collected on employee absenteeism and overtime rates. The method through which all the research methodologies was carried out is described in sufficient detail so as to allow comparable investigations to be carried out.

The findings of the research is presented and analysed to uncover any correlations or contradictions within the results. The main findings and any work relationships are detailed in the discussion chapter. This chapter will determine if the findings agree or disagree with previous academic research. This chapter will describe if there is any implications to the findings of the research. The conclusion will summarise the results of the study and outline where further research may be directed.

Chapter 2 Literary Review

Literary review introduction

The purpose of this investigation is to investigate the nature of the psychological contract and compare the psychological contracts of Irish and non-Irish shop floor employees at the Irish manufacturing facility of Company X Ltd. This thesis will carry out a literature review of academic literature to date

to understand the nature of the psychological contract. The literature review will start by outlining the definitions of psychological contract from some of the most important authors in this area. These definitions are then compared and contrasted to show where there is agreement and diversity in academic thinking. The literature review will then outline what are the influences on the psychological contract and explain the main types of psychological contracts. The different academic argument of how the psychological contract is believed to be evolving is then outlined.

The psychological contract is described by many academics as individual in nature. This review describes academic research in to the importance of how societies influence the development of an individual's psychological contract. It is acknowledged that the outside environment is only one of a wide range of factors that can influence an individual psychological contract. However if an individual is influenced by their culture and their society then it is plausible that people from the same culture could share similar elements of their psychological contracts. The existence and strength of a correlation between cultural background and type of psychological contract has not been examined before in an Irish manufacturing context. The academic argument for pursuing this area of research is therefore to firstly add to the body of knowledge on the psychological contract. Secondly it is important to gain a more in-depth understanding of the influences and expectations of the growing number of non-Irish employees to allow more effective management.

Definition of the Psychological Contract

Jean-Marie Hiltrop (1995) defines the Psychological contract as what employees and employers expect from each other. He goes on to suggest that the psychological contract is an individual's belief in the interpretation of a promissory act whether written or unwritten. The psychological contract has

two purposes; Firstly, to define the employee-employer relationship and secondly, to manage the mutual expectations.

The legal term of contract is useful because the employee must first carry out their obligations' and then the employer fulfils their side of the contract in return. As such there is an element of trust on the part of the employee (Guest and Conway 1998). The employees carry out their obligations on the promise of future repayment by the employer. Rousseau gives the example of this as an employers promise to a new employee of job security by being made permanent after successful completion of a trial period. The contract is therefore reciprocal and promissory. It is the reciprocal, perceptual nature of this contract that is consistently found in most definitions of the psychological contract (Robinson, Kraatz and Rousseau (1994), Guest and Conway (1998), Jean-Marie Hiltrop (1995).

What makes the psychological contract different from contract of employment is its perceptual and individual nature. Rousseau (1994) explains that the contract is an unspoken understanding about the commitments made by the employee to the employer and in return the organisations commitments to the employee. Robinson, Kraatz and Rousseau (1994) define the psychological contract as a necessary ubiquitous relationship regulating behaviour through mutual obligations allowing organisations realise their goals.

Hiltrop (1995) explains that employers want to know what will the outputs from employees be and the employees want to know what the rewards are. Hiltrop characterizes the psychological contract as voluntary, subjective dynamic and informal. He states that the psychological contract exists to fill in the blanks of the employee-employer relationship as it would be impossible to formally agree either written or verbally all the details.

Outcomes of the psychological contract

Research has focused on the important relationship between the psychological contract and individual and organisational outcomes. Although it is argued that the psychological contract in isolation does not influence these outcomes associations have been found CIPD (2007), AUA (2004). This study focuses on

the outcomes of job satisfaction, commitment, loyalty, motivation, morale, organisational performance, creativity, innovation overtime and absenteeism. Guest and Conway (2002) state when the psychological contract is positive, then there will be an equivalent positive impact on business performance. This is through higher levels of employment commitment and satisfaction. In the Chartered Institute of Personnel Development (CIPD) (2007) it is argued that if there is a sense of trust and fairness and a belief that an employer will deliver on perceived expectations or promises then a positive contract is likely to exist. According to the Atlantic University Alliance (AUA) (2004) definitions and concepts of the psychological contract in their organising for effective innovation manual when individuals become frustrated and unappreciated then creativity and innovation will be stifled. The result is that the organisation will not obtain those individuals full potential benefit to the company. The psychological contract reflects what individuals believe is due to them for services rendered, and then if there is below the expected return then the individual will feel cheated. The AUA defines the occurrence where one party perceives that the other party has failed to comply with the terms of the agreement as a violation of the psychological contract. A violation can be seen as a continuum between inconsequential to sever. If the violation is perceived as not sever and the offending party attempts to rectify the problem then there will probably be no adverse reaction. However if the violation is perceived as a serious breach of trust and there is no effort to rectify the violation this can result in negative reactions. Negative reactions can manifest as a reduction in the morale of the individual with associated reduction in productivity creativity and innovation. On the more sever end of the continuum the individual may feel compelled to seek new employment. Worrall and Copper (1998) found from the Quality of life surveys in Britain that employees had increased levels of job insecurity because of recent downsizing in their organisation. This has lead to lower levels of moral and a decline in motivation and loyalty towards their organisation. Hiltrop (1996) and Sparrow (1996) have also focused on organisational trends that caused employee job insecurity and as a result are a major contributor to increased levels of insecurity, distrust and betrayal.

Doherty and Horsted (1995) explain that job insecurity is seen as a serious violation of the psychological contract by employees and therefore the resultant consideration of loyalty and commitment is withheld.

Herriot (1997) identified from management that a key obligation on the part of employees is “working the hours contracted”. The Chartered Institute of Personnel Development (2002) links high levels of employee commitment is indicated by workers voluntarily working significantly more hours than they are contracted to. It would therefore be useful to view quantifiable data on overtime rates over a period of a year as a measurable indicator to possible differing levels of performance. It is important to make reference to Cooper (1999) suggestion that there are other influences that affect the reasons why employees will work significant amount of overtime. He’s work is primarily focused at managerial level as opposed to shop floor level. However it serves to highlight that there may be influences other than high satisfactory levels that result in high amount of overtime being worked.

The link between job satisfactions and absenteeism has been investigated for some time with Muchinsky (1977), Steers & Rhodes (1978) and Nicholson & Johns (1985) have all outlined the relationship. More recently Stephen (2005) argues that absenteeism rates provide a means of exploring employee’s perception of their psychological contract. Stephen (2005:37) states that “staff who believed the firm had not fulfilled its obligations were significantly more likely to be absent from work.” It is for this reason that this investigation will consider the data that company X has on absenteeism. It is important to note that Nicholson and Johns (1985) have recognised that there can be a number of reasons for absenteeism other than reduced levels of job satisfaction such as societal norms. They have suggested that absenteeism data cannot be used as a single indicator of lower levels of job satisfaction.

Issues with the psychological contract

Guest (1998) suggests that the psychological contract is the complex interaction between at least two parties without little indications of each other’s agenda.

Guest points out some of the difficulties with some of the recent academic writings. He outlines that even in the psychological contracts definitions has a wide variety of terms used. The list includes unwritten reciprocal expectations (Schein 1978), implicit contract (Kotter 1973), perceptions of obligations (Herriot and Pemberton 1995), individual belief of promises and obligations (Rousseau 1989). Guest and Conway (2004) make the distinction between expectation and obligation. An obligation is promissory and reciprocal; a breach of an obligation is seen to be a serious breach of faith. An expectation that remains unfulfilled is not deemed as serious a breach. Guest also highlights the divergence of opinion as to what constitutes a key dimension of the psychological contract. There is also differences of opinion as to which dimension's are most important.

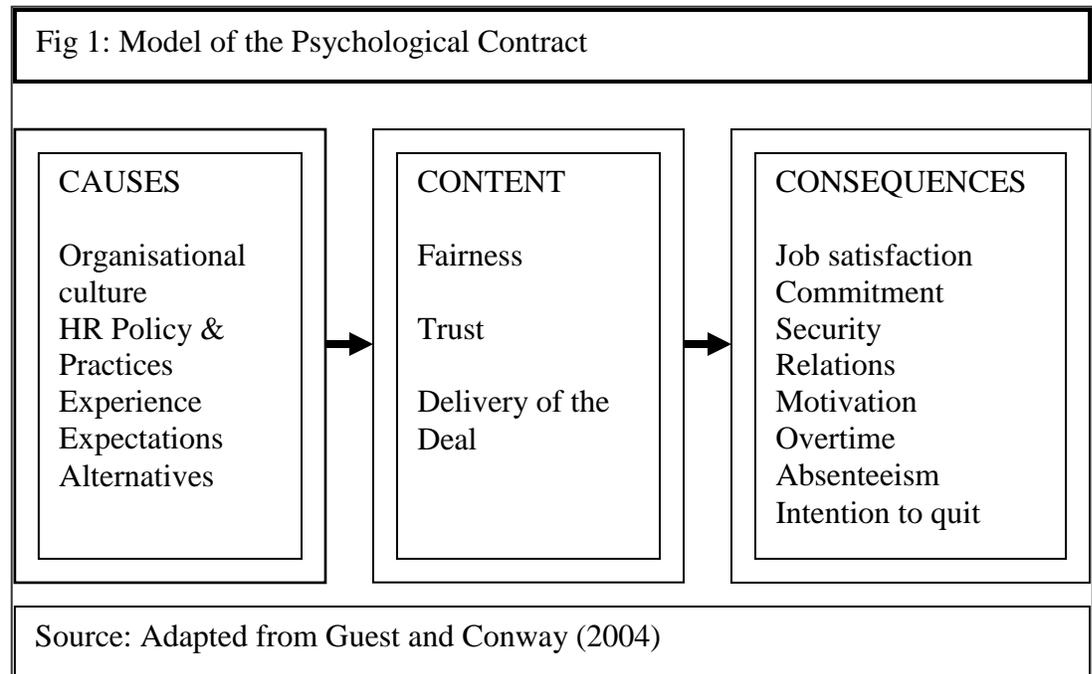
Guest (1998) points out the psychological contract is not communicated but instead implied between the two parties. If there is ingrained subjectivity then there is no basis for agreement.

The psychological contract can be changed at any time without the other parties' knowledge. Guest goes on to highlight the problem of who represents the organisation. There can be different agents that will represent an organisation to an individual at any one time. This can range to the people raising expectation and making promises for example at recruitment, to those responsible for implementing these promises for instances front line managers. These two agents of the organisation have very different agendas and therefore have different viewpoints as to their obligations to an individual. It is not hard to predict a violation in the contract.

Influences on the Psychological Contract

Guest puts forward a model (Fig 1) to firstly describe the psychological contract but also enable measurement of the state of the contract. The causes or inputs in the model are the influences that affect the makeup of the psychological contract. Guest suggests that these influences reside in the individual and the organisation. Guest also suggests these influences will reflect wider societal norms. It is at this point that an employee formulates what is reasonable to

expect from an employer based on the individual's experiences, the organisations culture and societal norms. Guest and Conway (2002) describe the psychological contract as "perceptions of mutual obligations implied within the employment relationship". Guest and Conway (1998) illustrate the makeup of the psychological contract using the model.



The content or the state of the contract is the perception of the employee of being fairly treated by the agents of the organisation. This perception dictates the level of trust towards the organisation. Atkinson and Cuthbert (2005) suggest that trust is a key component of the psychological contract. It relates to experience of how obligations, promises and or expectations were kept by both sides in an organisation. This is illustrated when an organisation has a history of industrial unrest. An important element of trust is what agent in the organisation can develop trust with an individual. An individual may be distrustful of the senior management of an organisation but trust an individual supervisor. The delivery of the deal is how the organisation is judged to have kept its obligations or upheld its part of the agreement. Atkinson and Cuthbert (2005), state that there is no agreement in academic literature on the exact list of

obligations. Rousseau (1990) suggests that depending on the type of obligations will characterise the type of psychological contract. The different types of contract can be charted on a continuum between transactional and relational. Relational being concerned with job security, training and development obligations. Transactional obligations are more concerned with shorter-term needs such as high pay, merited pay and career advancement. Coyle-Shapiro and Kessler (2000) argue that a psychological contract may contain obligations of both a relational and a transactional nature.

Consequences of the psychological contract

Guest and Conway (2004) listed in their model a number of consequences to the psychological contract. The probability that these consequences will have a positive or negative effect on the organisation depends on the causes and especially the content of the psychological contract. For example if the organisational human resources policies are seen as fair and just then trust will develop between the organisation and the employee. This should result in positive consequences such as increased levels of motivation and commitment. However Coyle-Shapiro and Kessler (2000) argue that employees will respond to contract breach through reducing their organizational commitment and their willingness to engage in organizational citizenship behaviour (OCB). OCB is defined by Organ (1988, p.2) 'readiness to contribute beyond literal contractual obligations'. Since this type of behaviour is outside the formal agreement with the organization it is up to the discretion of the employee whether or not to partake in this activity. The main feature of the theory is that employees will engage in OCB to reciprocate the organization for fair treatment. An employee may choose not to participate in OCB if they feel unfairly treated by the organization. There are a number of relationships found in literature that link positive association in OCB with a job satisfaction (Bateman and Organ 1983) and organisational commitment (O'Reilly and Chatman, 1986). Robinson and Morrison (1995) link satisfactory delivery of psychological contract and OCB by arguing that violation leads to diminished trust leading to a negative effect on OCB. They also argue using Adams (1965) equity theory

that employees will strive to balance their contribution to the organisation against what they receive from the organisation. Therefore if an employee perceives they are contributing more than what they are getting in return then they will reduce the discretionary activity back until balance is restored.

The reasons for violation on the part of the employer are broken in to two categories: renegeing and incongruence (Coyle-Shapiro and Kessler 2000).

Reneging is where the employer is unwilling or unable to fulfil their obligations to the employee. Incongruence is where an employee perceives an obligation has not been delivered whereas the employer has never seen this factor as being an obligation in the first place.

Coyle-Shapiro and Kessler argue an employee will feel an obligation to increased levels of OCB and organisational commitment where they perceive that the organisation values and supports them.

Types of Psychological Contracts

McNeil (1985) suggests that there are two types of psychological contracts, transactional and relational. The characteristics of transactional contracts are usually over a specified short-term period such as a temporary employment, competitive wage rates without long-term commitments or job security. These contracts are the purchasing of specific skill sets for only as long as they are required. Relational contracts are open-ended and are designed to develop employees to meet future needs. Relational contracts are characterized by establishing and developing a relationship between the organisation and the employee. These contracts expect commitment, effort and loyalty in return for remuneration development and security. Rousseau (1990) suggests that there is a prevailing shift from relational to transactional contracts due to pressure for a more competitive flexible workforce. Rousseau (1995) continues to explain that the psychological contract is entirely in the eye of the beholder and is at an individual level. Rousseau also develops this argument to identify four levels to the nature of the psychological contract.

They are at (1) Individual level,

(2) Contracts implied by third parties external to the employee employer relationship.

(3) Contract shared across work groupings and organisations.

(4) Contracts reflecting broad beliefs across a society culture

The changing Psychological Contract

Malach Pines (2002) describes the historical context of the changing psychological contract going through four stages. The first stage is the “Command and obey or Unbridled authority contract”. This is prevalent of nineteenth century. The second stage is termed “Loyalty Contract” where continuous employment is given only to the very loyal employees where measurement is on the level of complicity, reliability and docility. The third contract is continuous employment is given to managers and supervisors. This is due to a shortage of executives because of world war two. The fourth stage is what Pines term is the continuous employability contract. Because of competitive pressures organisations can no longer guarantee anyone continuous employment or a job for life. Hiltrop (1996) argues that the psychological contract is going through significant change. Previously there had been stability and permanence within organisations. Organisational structures were clear and an individual could predict their career path within that organisation over a significant part of their working life. This predictability, security and clarity fostered loyalty, commitment and motivation towards the organisation from the individual. In return for loyalty and commitment, employers provided employees with a suitable challenging work, good pay with annual increments and advancement opportunities. Organisations were also seen to especially rewarded individuals with outstanding contribution and loyalty. Employees could link their long-term interest with the long-term interest of the company. If the organisation continued to be successful then the individual would continue up the corporate ladder. This encouraged employees to invest time and effort in the company to ensure it continued to be successful. Sparrow and Hiltrop (1994) argued that a shift in the psychological contract is occurring. They attribute this to a shift in employee attitudes and values on the issues of career management,

leadership style and motivation. Cooper (1999) described the situation of the late 1980s being dominated by recession. Organisations were now becoming more flat and downsized. There was continuing redundancies leading to feeling of insecurity. Cooper suggests that work is not as important to employees as it used to be. Cooper goes on to state that the psychological contract agreeing reasonable permanent employment for satisfactory work levels is being undermined. He states in an ISR (1995) survey of 400 companies employing eight million European workers shows a decline in levels of perceived security, from 80% to 40%. He links increased levels on insecurity with lower moral and reduction of motivation and loyalty.

Hammett (1984) builds on Coopers ideas of decreasing work importance's and suggests the reasons is a new generation of highly educated employees. This new employee now wants more of a role and opportunity in their own career, skills and training and educational development. These employees require more autonomy, flexibility and a high degree of participation in their work environment. Hammett describes the aversion new employees have towards rigid hierarchy and lack of involvement in decisions affecting their daily work environments.

Hiltrop (1996) argues that the reasons for a shift in the psychological contract are rooted in the changing career expectations of employees. Several factors have lead to this, the first being today's competitive environment has lead to the continual drive for increased productivity. This has lead to down sizing of not only the lower hierarchical levels of an organisation but also the higher levels of management. This is the first time these levels have been part of a down sizing effort and were previously offered long-term careers. Additional pressure for rapid changes has come from the new initiatives of business process engineering to increase agility and flexibility. Individuals are now no longer rewarded for long service but on contribution to organisational goals. Hiltrop suggests all these pressures have combined to cause increased feeling of insecurity and distrust.

Hiltrop goes on to highlight that the responsibility for career management is now shifted to each individual employee. This means that an employee is now

responsible for to ensure that their own skills, training, experiences and their range of competencies are up-to-date. The purpose is to always remain in a position of being able to offer their skills and competencies that are in demand within their own organisation or in the externally marketplace with a new employer. This is termed the *employability* of a person. Cooper (1999) argues that as organisations go through re-engineering to position them to be more flexible and capable of reacting to a more dynamic competitive environment. This requires employees to be continually exposed to change and being retraining. Individuals are expected to critically evaluate their own abilities, know where to get training in their areas of their weakness, to network and to positively portray themselves to organisations in an environment of ambiguity and lessened security.

Hiltrop describes the emerging employment environment as a system where employees are hired to utilise their competencies to perform a specific task. When this task is complete and their skills are no longer required, they are let go. This theory would seem to dovetail with theories on the emerging paradigm of the virtual enterprise Szegheo (1999). This is where an organisation would only have very few full time employees. The majority of work would be outsourced to external specialist's organisations with only the specialist's tasks that give the organisation has a sustainable competitive advantage being performed internally. Cooper (1999) states that increased use of outsourcing by organisation will lead to more individuals selling their skills on a contract or freelance basis. Cooper backs this up with the statistics showing a doubling of the men in part time contracts in a decade. He predicts that in the future that most organisations will have a small core of full time employees bring in all additional expertise on a contractual basis. This is similar to the theory of a virtual enterprise.

The Chartered Institute of Personnel Development (CIPD) Surveys (2005) reported a changing in the nature of work among UK employees. This extensive CIPD surveys suggested that

- More employees are on temporary contracts

- Organisations are downsizing causing increased workload on remaining employees
- Markets, products and technology are rapidly changing.
- Human capital is becoming the most important sources of competitive advantage
- Organisational structures are changing and becoming more fluid

The CIPD surveys provided evidence that the changes are not as radical a shift as suggest by Rousseau and others. The survey conclusions are that there are changes taking place but these are more gradual and continuous in nature. There is evidence shown that the relational psychological contract still exists. One of the main aspects of a relational contract is the relatively long length of time in one job or position. The survey results show little change in career tenure. Employees were found to be still satisfied and loyal but feel less committed and trusting of the organisation. Guest and Conway (1997) survey of 1000 people found 55% had satisfaction with their organisations keeping their promises about careers and 70% were secure in their jobs. Guest (1989) has show's evidence that each post war generation has become disillusioned with traditional organisational rewards and is not indicative of a significant shift in the psychological contract but merely history repeating itself.

The CIPD Studies suggest that because workers work significantly more hours that they are contracted to work on a voluntary basis seems to indicate that employee commitment is stable and therefore a relational psychological contract exists. Cooper (1999) however states that because of organisational changes such as downsizing, there is now increased workload on fewer employees. Product life cycles have reduce reflecting increased competition, the race to gain first to market advantages and customer demands for tighter completion deadlines has lead to the same workload having to be completed in shorter duration. The recent trends towards a virtual enterprise by outsourcing all activities except core activities with sustainable advantages has lead to increased network and supplier management effort and time. There is a

perception that the organisation rewards employees that are getting the job done by “putting in the hours”. An employee that only works what they are contracted to is seen to not be as committed. Cooper (1999) states that managers must demonstrate commitment by working longer hours to protect themselves from the next round of redundancies he terms this “presenteeism”. Cooper points to surveys carried out in 1997 and 1998 in the UK showing a 56% of respondents felt working long hours had a negative on their morale, 55% their productivity, 59% their health, 72% relationship with spouse and 73% relationship with children. This data may suggest a changing of expectations on the part of employers and therefore changing of the psychological contract. This voluntary overtime obviously applies to white-collar employees as factory floor employees are usually governed by rigid clock in and out times. Factory floor employee’s hours are tightly controlled to ensure the lowest amount of overtime rate paid.

Atkinson and Cuthbert (2005) point out that there are contradictions in the academic literature as to degree of change from transactional to relational. They also highlight the relative little evidence of how these changes are affecting the shop floor employee.

Atkinson and Cuthbert use Herzbergs (1959) motivational theory on hygiene factors as a framework to fit the continuum in to. They suggest that the transactional factors (pay and safe working hours and conditions) must be fulfilled first before relational factors are considered. Sels (2000) also uses motivation theory to associate relational factors with managers and office (white-collar) employees and transactional factors with shop floor employees. Atkinson and Cuthbert accept that this opposes accepted theory that all employees are motivated by relational factors such as responsibility and challenging work.

Atkinson and Cuthbert (2005) using Guest and Conway (1998) model argue that shop floor employees would tend to have “less expectation of being fairly treated within a transactional contract”. This stems from shop floor employees perception of being in a poor position of power relative to managers and would not expect justice in a transactional contract.

Cross cultural and societal influences

Sparrow (1996) defines the psychological contract as a set of reciprocal expectations that is driven by societal norms. He identifies the need to study the cross-cultural aspects of the psychological contract using Guest and Conway (2004) model of content, process and context. He sets out two factors that influence the makeup of an individual's psychological contract. A) Internal individual predispositions. These are deep-rooted cognitive biases. B) External social prompts from the organisation and national cultures.

Sparrow suggests that these social prompts influence individuals to conform to group understandings. Sparrow goes on to illustrate key social messages sent by organisations particular to a specific nationality that would influence the makeup of an individual's psychological contract. Sparrow identifies some of factors that determine the differing influences a culture will have on an individual's psychological contract.

"The extent to which members of a society feel threatened by ambiguous situations and the preferences to avoid unstructured situations by providing greater career stability and more formal roles." (Sparrow, 1996 P.490)

Rousseau and Sparrow have therefore demonstrated that individuals from different nationalities are influenced to have different psychological contracts. It is therefore credible that individuals from significantly different cultures working in the same organisation will have different psychological contracts. This point is also backed up by Guest (1989) model's importance of societal norms in influencing the determination of the inputs into the making of the psychological contract.

There is an assumption that a significant amount of the non-Irish employees expect to return to their home countries at some stage in the near to medium future. This assumption is based on the significant number of non-EU nationals that have left their wife's and children back in their home countries. These employees send a substantial percentage of their wages directly home to support their families and in some cases are building new homes. Rousseau (1990) found some evidence that an expected short organisational tenure is associated

with a transactional psychological contract. If the evidence points to the fact that some individuals do not see themselves with their present employer for the medium to long term then it is the assumption that their psychological contract would be similar to that of a temporary contract employee. De Cuyper and De Witte (2006) suggest that the contract duration is a significant factor in determining whether an employee has a transactional or relational contract. They suggest that a temporary employee will be more probable to have a transactional contract and a permanent employee is more likely to have a relational contract. They argue that job insecurity has a more negative effect on permanent employees than on temporary employees. This is because temporary employees have no expectation of long employment tenure and is therefore not a serious violation. It is therefore considered in the context of the present study that Irish shop floor employees would have more tendencies towards relational obligations than non-Irish and non-EU employees.

Rousseau (1990) identifies economic and extrinsic factors as an indication of the transactional psychological contract. MacNeils (1985) identifies the characteristics of a transactional contract by the absence of a long-term commitment and a focus on wage rates.

Weick (1981) suggests that since psychological contracts are usually not even spoken but entirely implied, then it must follow that the parties to the contract are predicting the future rewards based on past actions. Whitner (1997) argues that employee expectations develop incrementally over the time of employment relationship. Therefore based on past experiences employees try to predict what their future reward will be. This argument serves to underline the reason why there would be a different psychological contract between Irish and Eastern European employees. It can be accepted that the Irish economy up until recently has performed at a high level of growth. This has resulted in almost full employment in recent years and has left the Irish worker in a position of power. This can be seen from Central Statistics Offices quarter two of the “Quarterly national household survey” (2007) showing that Irish unemployment in the last 5 years has been consistently below 5.1%. This is termed by economists as close to full employment. There were more job vacancies than employees to fill them.

This would mean more competition between employers to attract and retain high calibre employees. Therefore the Irish worker for a number of years has been in a position of power, confident of being able to make the transition from one employer to another without fear of an extended period of unemployment or reduction in terms and conditions.

This investigation assumes that in general the Eastern European employees would not have the same level of confidence experienced by Irish employees. This assumption is based on Eastern European employees not having the level of legislation protection and economic performance afforded to the Irish workforce in recent years. Also the difference in previous employment experience may lead to the suggestion that foreign employees will be more appreciative about having employment coming from economies in recession and high levels of unemployment. Non European Union member employees also have employment permit restrictions on moving employers. These factors would prove to be powerful incentives to be as productive as possible to ensure as long tenure of employment as possible.

Literature review summary

This literature review has begun by seeking out the definition's of the psychological contract by some of the most important contributors' to this theory. It has been shown where there is agreement and divergent viewpoints on the precise definition of the psychological contract. This review as not listed the actual expectations or obligations that employees or employers have because of the diversity of opinion as to what should actually be contained in the list. This review has outlined why the psychological contract is seen to be important contribution towards understanding the relationship between employee and employer. This is described as how this relationship affects moral and motivation and therefore a have a major impact on the organisations bottom line profits. It is important to show how the psychological is an imperfect tool to fully describe the relationship between organisation and employee. This is so as to avoid the pitfalls of using the theory as a prescriptive remedy to the exclusion of all other considerations or explanations. The psychological contract should be

used as one item in an arsenal of tools available to management. The review describes through Guest and Conway's modelling what are the factors that influencing the character of an individual's psychological contract. The different types of psychological contract that have been identified are explained. There is extensive academic debate as to the rate of change of the psychological contract and this is reflected in this literature review. It has been described how early research shows a profound shift in the type of psychological contract while more recent research has show a much less dramatic and more incremental. The final issues that has been touched upon in this review is how cross cultural influences can have an effect on the psychological contract. This examines the theory on how social prompts and cultural past experiences can affect a group of individuals of similar backgrounds. It is suggest that culture would have a significant impact on the psychological contract of an entire group of employees This therefore is an important consideration when trying to manage and fulfil the potential and return of a potential sizable portion of an organization's employees.

Chapter 3 Company Background

This study will be undertaken at the manufacturing facility of company X limited located south of Dublin. Company X is a hygienic door manufacture supplying the global pharmaceutical, hospital and retail markets. Company X has been manufacturing hygienic doors in Wicklow town for over thirty years where they employ thirty people. Company X would be classed as a Small to Medium Enterprise (SME) by enterprise Ireland. Over the past five years, Company X has found it increasing difficult to attract and retain employees from its traditional sources within the area around Wicklow town. It has

therefore perused a policy of employing foreign nationals from Eastern Europe. The workforce now has individuals from Poland, Lithuania, Russia and Ukraine. The percentage of foreign nationals in the workforce has grown to about 60% at present.

Company X's services a niche market requiring a very high rate of customization. This has led to low volumes rates of individual door types being produced at any one time. The type of work processes that Company X uses is unique and there is wide variety of different door types and different fixtures and fittings that can be attached to the doors. This has led to a craft system of employees. Each employee learns their craft from a more experienced employee, who has been exposed to a wider diversity of work. This has developed into an apprentice, craftsman and master craftsman hierarchy. Each experienced employee represents a critical investment by the company in time and training that is impossible to replace to a similar standard at short notice. When an experienced employee leaves the organization, this will have a negative impact on quality and lead time. It is therefore critical important to the long term viability of the organisation that labour turnover rates remain at a low threshold. Due to Company X's low rate of automation and high reliance on manual work systems any increase or decrease in employee morale and motivation has an immediate and dramatic affect on quality and lead times.

Chapter 4 Research Methodology

Rousseau and Tijoriwala (1998) outline some of the factors that need to be considered when assessing the psychological contract in a particular setting. They firstly make the point that the psychological contract is an individual perception of the existence of reciprocal obligations. Therefore there will be a wide diversity of viewpoints. Rousseau and Tijoriwala state that the psychological contract is made up of both idiosyncratic (individual) and general

(group) aspects. This study will endeavour to assess the general aspects that are in common with a significant subset of the population being studied.

The type of investigation undertaken in this study is characterized by Morey and Luthans (1984) as an “emic” study. That is the information is generated by the respondents themselves without bias of the research and also it is a study of a single organisation.

The second factor that Rousseau and Tijoriwala suggest as significant is whether the contract is stable or in transition. They argue that an emic or idiosyncratic methods of investigation are most suited to a dynamic employment relationship. This thesis will attempt to conclude if there are two different employment relationship types in existence on the shop floor. For the purposes of comparison it is necessary to have one consistent method of investigation. Rousseau and Tijoriwala suggest that over reliance on standard investigating techniques such as sampling may result in missing emergent elements. Rousseau and Tijoriwala firmly suggest that there should be a combination of qualitative and quantitative investigation measures. This would enable an investigation to be in a better position to capture elements of what the psychological contract is at a moment in time and also any movements and transitions

Taking into consideration Rousseau and Tijoriwala suggestions the method of investigation is by employee survey of the general shop floor employees. There are to be interviews carried out with management and supervisors who have witnessed before and after the influx of employees from Eastern Europe into the organisation.

It is acknowledge that the sample size is not big enough to represent categorical evidence as to the state of the psychological contract of both Irish and non-Irish employees in the Irish economy. It is however designed to aid the understanding of the different psychological contracts of Irish and non-Irish employees and serve to highlight the area for more comprehensive study in the future.

Investigation Questions

There has been little research found on the affect of society on an individual's psychological contract in an Irish manufacturing context. Due to this lack of research this investigation is therefore not suited to proving or disproving a hypothesis that should be based in academic literature. This thesis is therefore designed to ascertain the following open research questions:

- 1) What are the expectations of Irish and non-Irish employees?
- 2) Are these expectations fulfilled?
- 3) Establish if there are differences in expectation and delivery perceptions between the two employee groups what these differences are?

The investigation to determine the above questions had three strands. First a survey of employees was carried out. Data was collected from human resources on exact absenteeism rates and hours of overtime worked for the previous full year. Interviews were carried out with the managing director, plant manager and the production manager.

Survey

The questionnaire was carried out on the production floor employees. The questionnaire used in the survey was adopted from the "Managing Today Survey" carried out in conjunction with the Irish Management Institute and University of Limerick. This survey was written by Professor Patrick Flood, Thomas Turner and Conor Hannaway for to be carried out in February 1999. Accompanying the questionnaire was a cover page that explained that this survey was completely confidential with no distinguishing marks or signatures to be left on the sheets. The questionnaires would only be directly handled and read by the author and examiners at the Atlantic University Alliance and not given to management of Company X. This was to encourage employees to be truthful with out fear of negative management reaction and to discourage employees using the questionnaire as a platform to send a message to management. With the permission of Company X senior management the questionnaire was handed to all production floor employees at 3.30pm and

collected from all staff at 4.30pm the same day. There was 25 questionnaire's individually handed out to employees at their work stations. 23 questionnaires were collected back from the employees. The questionnaire was translated into Russian and Polish and made available to all employees but everyone filled out the English version. The author was also present and available on the factory floor for any clarifications that was required by employees.

Since the questionnaire was a generic questionnaire it was not tailored to the target audience so as to allow for cross referencing with other groups. The target audience were the employees that were on the manufacturing shop floor. Some of the employees would not have been familiar with the terminology that was used. This issue was compounded by difficulty with translation into the Russian and Polish. The employees got over this issue by cross referencing with each other in groups no bigger than four. This may have lead to influence and therefore increased consensus. The actual text of the questionnaire is seen below

Interviews

The three interviews were carried out with three senior managers of Company X. All three were asked questions in an informal manner. The questions were closely aligned to answer the three questions posed by the thesis. The same questions were asked to the managers in the same order. First is there a difference between the performance of the Irish and non-Irish employees. Second if there is a difference which employee grouping is more productive and in what areas do these particular employees excel. Thirdly were there any other consequences that arisen either positive or negative by having such a high proportion of non-Irish employees employed in the organisation. The final question posed to each manager was if there are any special arrangements or inducements that were put in place for the benefit of the non-Irish employees.

Absenteeism rates

The absenteeism rates were investigated by looking back through the previous year records. Each employee must clock in and out every time they enter and

leave the factory. This information is recorded and stored for the purpose of calculating wages and holidays. Permission was granted by Company X to access this information for the purposes of this thesis. To allow for comparison each employees record was analysed to discover the number of instances of absenteeism. The criteria used was ever day an employee was sick, late or left early was considered an instance of absenteeism. Only employees that had a full year's service was considered for the investigation. That meant that if an employee either started employment in Company X after before January 1st 2006 or left Company X before December 31st they were not considered for the investigation. This left twenty employees records being analysed. To allow for comparison the total number of absenteeism occasions for Irish employees were added up and divided by the number of employees to give an average number. The same technique was then used to calculate the average number absenteeism occasions for non-Irish employees.

Overtime Rates

The overtime rates were calculated in a similar method to how absenteeism rates were calculated. The Company X accounts department uses a software package to calculate the wages of the employees. This software allows a report to be produced that shows the number of hours that each employee worked over a specified period. These report further breaks down the hours worked in to normal and overtime hours. By adding up the number of hours overtime worked by Irish workers and dividing by the number of Irish workers an average number of overtime hours worked was calculated. The exact same method was carried out for non-Irish employees.

CHAPTER 5 FINDINGS

Questionnaire Response Breakdown

This chapter presents the research findings from the survey that was carried out. The findings are presented in a format that follows the research questions. Firstly this chapter will look at what are the expectations that employees have. Are these expectations being delivered and what are the similarities and differences between the two employee groups?

The most important expectations and their delivery

The table below shows how the most important expectations as stated by the respondents within their own employee group and then the perception of delivery of these expectations. The most important factors were determined by only selecting the expectations where more than 60% of respondents selected a factor as either “strongly agrees” or “agree”. The percentage of delivery for this table is calculated from respondents selecting “strongly agree” or “agree” with satisfaction of delivery of these expectations.

Table 1 Irish Respondents of delivery of important expectations

Expectation	% of Irish respondents who selected “agree” or “strongly agree” with this expectation	% of Irish respondents selecting “agree” or “strongly agree” with delivery of this expectation	% difference
Competitive Salary	81%	27%	-54%
Reasonable job security	81%	72%	-9%
Benefits Package	72%	18%	-54%
Honest Treatment	72%	63%	-9%
Healthy work Environment	72%	9%	-63%

Table 2 Non-Irish Respondents of delivery of important expectations

Expectation	% of Non-Irish respondents selecting “agree” or “strongly agree” with this expectation	% of Non-Irish respondents selecting “agree” or “strongly agree” with delivery of this expectation	% difference
Competitive Salary	100%	41%	-59%
Healthy work Environment	100%	8%	-92%
A job that has high responsibility	91%	42%	-49%
Cooperative work relationship(s)	91%	75%	-16%
The opportunity to learn	83%	25%	-58%

As can be seen from the above tables both the Irish and Non-national employees show strong consensus that a competitive salary is their most important expectation. Both employee groups also show strong consensus that a competitive salary is perceived not to be satisfactorily delivered. This is demonstrated by 81% of Irish employees selecting competitive salary as an important expectation with only 27% of employees selecting satisfactory delivery of this expectation. There is also strong agreement between the two employee groups on the unsuccessful delivery of the expectation of a healthy work environment. The non national are very unsatisfied with a negative 92% gap and Irish employees also selecting a negative 63% gap.

Agreement between the two employee groups is limited to the two expectations of competitive salary and healthy work environment. After competitive salary the Irish respondents collectively select reasonable job security as their next most important expectation. This expectation shows a relatively high satisfaction level compared to other expectations.

The third most important expectation for Irish respondents is the expectation of an attractive benefits package at 72%. Only 18% of respondents selected successful delivery of this expectation resulting in a negative gap of 54%. This

would suggest a perception of failure to deliver on this expectation. The fourth most important expectation at 72% for Irish respondents was honest treatment. 63% of employees showed a successful delivery of this expectation with only a 9% negative gap.

100% of non-Irish respondents selected competitive salary and healthy work environment as their most important expectations. Both showing perceived failure to successfully deliver

The third most important expectation for non-Irish respondents at 91% was “a job that has high responsibility”. Less than half at 42% of respondents felt that this expectation had been delivered successfully with the resultant negative gap of 49% perceiving failure to successfully deliver on this expectation. The next most important expectation also at 91% was “cooperative work relationships”. 75% of non-Irish respondents perceived successful delivery of this expectation leaving only 16% perceiving failure to deliver. The “opportunity to learn” had an 83% selection as an important expectation. 25% perceived successful delivery of this expectation leaving a 58% negative gap.

What are the similarities and differences between the two employee groups

On analysis of the questionnaire the first thing that is noticed is the high rate of consensus among the non national employees compared to Irish employees. For the non Irish employees (not including “do not know” responses) there are 25 questions where over 60% respondents selected the same answer. There are 38 questions where over 90% of respondents selected two adjoining answers (e.g. “agree” and “strongly agree”).

The Irish employees have 7 questions where over 60% respondents chose the same figure and 7 questions where over 90% of respondents chose two adjoining figures. This is seen in appendix table 1.1.

The divergence in Irish employee opinion may be due to the wide range of factors including ages and length of service when compared to the non national employee group. The Irish employees range from 27 to 60 years of age and length of service range from 2 to 35 years. The non national employees range from 23 to 33 years of age and length of service range from 1 to 4 years.

A summary of the areas where the Irish and non Irish employee groups show similarities is shown below in table form. The tables are broken down into the five main areas of the questionnaire. These are employee expectations, satisfaction on delivery of expectations, factors influencing increased effort, obligations to the company and loyalty towards the company.

Employee Expectations

The table below show the three most important expectations were the Irish and non Irish employee groups are agreed on. At the bottom of the table shows where the two groups show strong divergences of opinion.

Table 3: Employee Expectations

A = Very important expectation

B = Important expectation

C = don't know

D = not important

E = Never thought of

Table of employee expectations	Irish					Non-Irish				
	A	B	C	D	E	A	B	C	D	E
A competitive salary	72%	9%	18%	0%	0%	75%	25%	0%	0%	0%
A healthy work environment	63%	9%	18%	0%	90%	75%	25%	0%	0%	0%
Reasonable job security	81%	0%	0%	0%	18%	50%	25%	8%	17%	0%
The opportunity to learn	27%	18%	27%	9%	18%	8%	75%	8%	0%	8%

Delivery of expectation

The table below show the two expectations that the Irish and non Irish employee groups agree were delivered. The bottom of the table shows the two expectations where the employee groups show strong divergences of opinion on whether delivery was successful or not.

Table 4: Satisfaction with delivery of expectation

A = Very satisfied
 B = Satisfied
 C = don't know
 D = Unsatisfied
 E = Very unsatisfied

Table of satisfaction with delivery of expectation	Irish					Non-Irish				
	A	B	C	D	E	A	B	C	D	E
A job that is interesting	9%	54%	9%	27%	0%	0%	58%	25%	0%	0%
Cooperative work relationship(s)	18%	54%	18%	9%	0%	17%	58%	25%	0%	0%
Open communication	9%	27%	45%	18%	0%	25%	67%	8%	0%	0%
Materials and equipment to do your job	27%	36%	18%	18%	0%	0%	67%	8%	17%	8%
Reasonable job security	9%	63%	9%	18%	0%	33%	17%	25%	25%	0%

Factors influencing effort

The table below show were the Irish and non Irish employee groups have agreed on what are the top factors that influence them to increase effort. At the bottom of the table shows where the two groups show a divergence of opinion.

Table 5: Factors influencing effort

A = Very important
 B = Important
 C = don't know
 D = not important
 E = Never thought of

Table of Factors influencing effort	Irish					Non-Irish				
	A	B	C	D	E	A	B	C	D	E
Salary level	54%	18%	18%	0%	9%	67%	25%	8%	0%	0%
Security of employment	54%	36%	9%	0%	0%	67%	17%	0%	17%	0%
Work which is enjoyable and interesting	18%	63%	9%	9%	0%	100%	0%	0%	0%	0%

Obligations towards the company

The table below show were the Irish and non Irish employee groups have agreed on what they believe to be their obligations to the organisation. At the bottom of the table shows where the two groups show divergences of opinion.

Table 6: Perceived obligations towards the company

A = Very important

B = Important

C = don't know

D = not important

E = Never thought of

Table of Obligations	Irish					Non-Irish				
	A	B	C	D	E	A	B	C	D	E
Deal honestly with your employer	27%	54%	9%	9%	0%	25%	67%	0%	8%	0%
Work as a team	54%	36%	9%	0%	0%	58%	42%	0%	0%	
Be a good team player	18%	72%	9%	0%	0%	67%	33%	0%	0%	0%
Perform your job in a reliable manner	63%	36%	0%	0%	0%	8%	42%	42%	0%	8%

Loyalty to the company

The table below show were the Irish and non Irish employee groups have responded when asked about the level of loyalty to the organisation. As can be

seen from the table the results show both employee groups responded with low levels of loyalty to the organisation. Non Irish employees show strong disagreement with feeling part of the organisation.

Table 5: Indicators of loyalty with the company

- A = strongly agree
- B = Agree
- C = don't know
- D = Disagree
- E = Strongly Disagree

Table of Loyalty towards company	Irish					Non-Irish				
	A	B	C	D	E	A	B	C	D	E
I feel myself to be part of this company	27%	0%	9%	54%	9%	0%	0%	8%	83%	8%

Analysing the areas of consensus and then comparing both the Irish and non national responses may indicate if a different psychological contract exists between the two groups.

Similarities between Irish and Non Irish responses

Analysing employee expectation show the areas where both groups are similar and have equally strongly held views. 72% of Irish and 75% of non national employees marked as very important the expectation of a competitive salary. 63% of Irish and 75% of non nationals marked as very important a healthy work environment.

Analysing the areas exploring the extent to which employees felt that their expectations had been fulfilled also showed some consensus between the groups. 54% of Irish and 58% of non nationals “agree” that their job was interesting. 54% of Irish and 58% of non national “agree” that a cooperative work relationship existed.

In the section identifying the factors that influence effort into work some similarities were shown. 54% of Irish employees and 67% of non national

indicated that salary level and security of employment were a very important inducement of effort.

The section of the questionnaire that identified what factors employees felt obliged to provide showed 54% of Irish and 67% of non nationals felt it was important to deal honestly with their employer. 54% of Irish and 58% of non nationals felt it was a very important obligation to work as a team.

In the section indicating the degree of loyalty felt towards the organisation, 54% of Irish and 83% of non nationals “disagree” that they felt part of the company.

Differences between Irish and Non Irish responses

Out of 63 questions each with 5 possible answers there were 10 factors where there was some degree of consensus between Irish and non national employees. To highlight areas of strong divergence this report viewed the data and picked out the questions where one employee group had a strong consensus of over 60% on one preference and had at least a 30% difference to the other employee group not including don't knows.

In the area of employee expectation a large majority at 83% of non national employees felt the opportunity to learn was either “very important” or “important”. 45% of Irish employees felt opportunity to learn was “very important” or “important”.

81% of Irish compared to only 50% of non nationals indicated that reasonable job security was a “very important” expectation. In the section dealing with delivery, 67% of non nationals indicated they were satisfied with delivery of open and candid communication with only 27% of Irish employees indicating this. 67% of non nationals responded that they were satisfied with the delivery of materials and equipment to carry out their job, only 27% of Irish employees agreed. 63% of Irish felt satisfied with reasonable job security, only 17% of non nationals indicated the same. In the section analysing factors influencing effort 100% of non nationals and 18% of Irish responded that work which was enjoyable was a very important factor to influencing effort. The section about the factor employees feel obliged to perform show a difference in emphasis with 72% of Irish employee's indication that being a good team player was

”important”, 67% of non nationals indicated the same factor was “very important”. 63% of Irish employees felt it was very important to “perform job in a reliable manner” with only 8% of non nationals indicating the same. There are eight questions where there are strong divergences of opinion between the two groups.

There are several other questions where there is a divergence of viewpoints between the Irish and non national employee groups but the extent of the difference is not as dramatic. This is where there are either fewer consensus within the group (less than 60%) and/or not enough of a difference (less than 30%) between the two groups.

In the ten areas of agreement between the two employees groups there are two relationships that can be seen from analysing the questionnaire results. The first correlation is in the sections of the questionnaire focusing on dealing with expectation and the factor’s that will influence increase effort. The specific questions in these two areas where there was consensus between the Irish and non-Irish employees are at the transactional end of the psychological contract continuum. In the expectations section these were salary and work conditions. In the factors influencing increased effort this was salary level.

The second relationship highlighted are the sections of the questionnaire focusing in on the delivery of expectations by the employer, loyalty to the organisation and the obligations’ employees feel necessary to carry out. The specific questions where similar responses were found from the two employee groups are relational in nature. In the delivery section the questions were interesting work and cooperation in the workplace. The section of loyalty and obligations the questions were on honesty, teamwork and belonging to the organisation.

Interviews

Has there been a notable difference in performance levels of the organisation since the influx of non Irish employees and how is performance measured in the organisation?

There was definite agreement among the managers that the non-Irish employees as a distinct group had a higher level of performance. All the managers noted that this was a generalization as there were some Irish workers that had a consistently high level of performance and were key personal to the ongoing high performance of the organisation. Also there were some non-Irish workers that had demonstrated less than satisfactory performances in the past. However there was a strongly held viewpoint that as the production manager states “*In general there is a distinct step change when dealing with Irish to non-Irish employees*”. The general manager stated that the initial reason for company x employing large amounts of non-Irish workers was due to being unable to source local workforce. This was largely due to the high performing Irish economy causing a high demand for the semi skilled workforce that was required by company X. The managing director noted that it was after a significant number of non-Irish workers had been employed that the company noticed an improvement in productivity levels. The managing director had said, “*When a critical mass of non-Irish workers had been employed the non-Irish employee felt comfortable enough to ignore peer pressure and work at higher performance levels*”.

All three managers focused in on four main areas where non-Irish employees excelled over their Irish counterparts. These areas were in productivity, flexibility, quality, and commitment. The managers all agreed that in these areas there was perceived to be a noticeable increase in performance by non-Irish over Irish employees.

In the area of productivity it was felt that in general that a non-Irish employee would work at a higher level than an Irish employee. The production manager also noted fact that “*non-Irish workers had fewer faults in their work*”. The production manager went on to identify that “*the addition of the two factors of*

higher output and less time lost on repairs leads to a significantly higher rate of return on a non-Irish worker rather than an Irish worker”.

All managers felt that non-Irish employees were much more flexible when approached to carry out activities that were different from their normal activities. This would include providing cover while another employee in a different area was absent or carrying out irregular maintenance and cleaning duties. The plant manager said “*it was easier to find volunteers for overtime from non-Irish employees*”. This assertion is backed up in the overtime figures for the Irish and non-Irish employees.

The managers felt that non-Irish employees demonstrated a commitment to the organisation by a determination to completing the task set to them. They were in general more creative in trying to overcome barriers than Irish workers. This factor is very important to Company X and the market segment it serves.

Company X provides custom made hygienic doors to customers in the pharmaceutical, medical and food retail markets. Therefore there is a wide range of customer specific requests. A very high degree of customization exists. There is a wide variety of different heights, widths, hinges, locks, windows, handles etc. There are an infinite number of combinations available to the customer.

This leads to significant number of problems occurring due to the incompatibility of different items on a door. The managing director stated, “*It is a significant sustainable competitive advantage in the market place for Company X to be able to creatively find solutions to incompatibility issue*”. The plant manager pointed out he’s belief the “*because there is a significant number of the non-Irish workers were very highly educated in their home countries they have a better aptitude to problem solving*”.

The production manager has noted that there has been “*an improvement in the work etiquette in both non national and Irish employee*”. He attributes this to the Irish workers responding to match the higher levels of productivity, flexibility and commitment associated with the non-Irish employees. It is assumed that this influencing of the Irish employees by the non-Irish employees is because those Irish employees are in the slight minority.

It would possible be an area of future study to determine over a significant period of time the rate of influence between the two employee groups. It is not possible to predict if the non-Irish employees will sustain or would gradually over time reduce their performance levels to match the Irish employees. The Irish experience abroad in the Britain could be used as a reference point for any such study. There are significant similarities between what is happening now in Ireland with immigration from Eastern Europe and what happen in Britain in the 1950s with immigration from Ireland.

Are there any specific policies or inducements in place that differentiate between any employees?

The plant manager emphatically states “*that there are no differences in the treatment between Irish and non-Irish employees*”. This is fact is underlined by the policy that everyone on the floor is on the same wage rates. The plant manager states “*this allows for ease of moving any employee into a different area as conditions required*”. The plant manager believes that it crucial that there is neither positive nor negative discrimination for or against any employee. The plant manager believes that “*if there was any kind of discrimination that this would seriously jeopardise the team working ability and synergy required to meet customer requirements*”. When Company X have a customer visit one of the questions posed by customers regularly is if there is parity of work and conditions between Irish and non-Irish workers. It is easy to predict such questions when there is much publicity around this topic. This highlights the fact that had there not been equality between the two employee groups this would serve to harm Company X’s image and reputation.

According to the production manager the company has put in place financial arrangements to allow a significant amount of non Irish employees to send home a considerable percentage of their earnings. The production manager points out that this money is used to providing for maintenance of spouses and children left in the home countries. The production manager also points out that many of the non Irish employees are building or have built new houses in their home countries from the money earned in Ireland.

All three managers refer to the company's flexibility in allowing all employees to take all of their discretionary annual leave together as one block. This can be up to three weeks and is used by the non-Irish employees to return home for a reasonable amount of time to visit spouse and children. The holiday facility is being increasingly used by non-Irish employees to return home for medical procedures to be carried out. This is due to the very high cost of medical procedures in Ireland compared to Eastern Europe. Some non-Irish employees are not entitled to public hospital attention and few are insured. In this way the company can save the non-Irish employee a significant amount of money by giving this amount of holidays in one instalment. The flexibility show by the company comes at a cost to the organisation. The plant manager states "*there is considerable disruption to the smooth running of the production floor during the traditional holiday months due to the coupling of annual leave into one or two leaves*". Supervisors on the floor must very carefully plan all of the holidays. Due to unexpected circumstances such as an employee falling sick or a surge of customer orders within a reduced lead-time demand, can put considerable pressure on resources. This may then cause the use of overtime and it associated increase in cost to the company. However there is sympathy show towards employees that need to return to their homeland for to visit close family. The managing director sees this "*as an inducement to hold on to high performing employees*".

The production manager points out that "*the organisation is needed to represent the non-national in any contact with the states regulatory authorities in the areas of and work permits*". The plant manager states the "*the organisation also advises and intercedes for non-Irish employees when dealing with financial and insurance companies, local authorities, councils, Garda and legal agencies*". This can take up considerable administration time and resources but again it is felt that this help is an inducement to retain high performing employees and increase commitment motivation and loyalty.

2006 Absenteeism rates

An analysis of the absenteeism rates for 2006 at the Company X manufacturing facility revealed a very significant difference between the Irish and non national employee groups. Only employees that had a full year's service were taking into consideration. This equated to twelve Irish and eight non national employees. There were several areas recorded. The number days an employee arrived late into work, number of days an employee went home early and the number of days absent without holidays. The average number of days an Irish employee arrived late was 3.33. The average number of late arrivals for the non national employee was 1.1 days. The number of Irish employees leaving early was an average of 6.77 days each. The number of non nationals leaving early was on average 1 day. The average number of full days lost that was not holidays for an Irish worker was 6.08 days each, for the non national employee was 3.1 days each. The average number of days where either a full or partial working day was lost for the Irish worker was 15.6 days each. For the non-Irish this number is 3.1 days each.

April to August 2007 Overtime rates

The wages software of Company X collected data for the period April to August. The data included the individual overtime rates for eleven Irish employees and sixteen non-Irish employees all on the factory floor. This means that there are 60% of the employees surveyed are non-Irish and 40% of the employees are Irish. Non-Irish employees account for 1260.75 hours or 78% of the total overtime worked for this period. Irish workers account for 346.5 hours or 27% of the total overtime worked. On average each non-Irish employee worked 78.8 hours overtime whereas an Irish employee worked on average 31.5 hours. This means on average an Irish employee only works about 40% of the overtime of a non-Irish employee.

Chapter 6: Discussion

This chapter will review the finding and establish if links exist to previous academic literature. This chapter will seek to answer the research questions posed, what are the expectations of the employee groups, are they being met and are there any differences between the groups.

This thesis used three different types of data collection techniques as advised by Rousseau and Tijoriwala (1998). This suggestion has proven to be valuable as the questionnaire showed slight differentiation between the Irish and non-Irish employee groupings. However a clearly perception of differences between the two employee groups emerged during discussions with senior Company X managers. The opinion of the managers was backed up by significant differences in overtime and absenteeism rates between the two groups.

Questionnaire Analysis

As can be seen from the results of the survey the most important expectations of both groups were a competitive salary and a healthy work environment. These expectations are more in line with the old transactional psychological contract. This would concur with Guest and Conway (2004) assertion that in general there is no shift in the psychological contract from a transactional towards a relational contract.

Looking at the survey in isolation the two employee groups have a significant amount of similarities with most differences lay in the level of emphasis placed. The basis of this thesis is to determine if one employee group has a different and if so a more positive or negative psychological contract then the other. One method of establishing an answer to these questions is to identify each employee group's most important expectations and then see if they believe those specific expectations have been met.

As stated both employee groups put forward that salary level as a very important expectation. In answering whether this expectation has been met non-Irish employees were evenly divided. This was an unusual divergence of opinion for the non-Irish employee group which usually demonstrated a high

degree of consensus in their responses. Irish employees delivered a clearer response of being unsatisfied with delivery of competitive salary levels. This also showed unusual consensus among Irish respondents. This result shows a significant proportion of employees were unsatisfied with delivery of this important expectation with Irish employees being more clearly negative. Both groups had a healthy work environment as an important expectation and were unsatisfied with delivery of this expectation. There was unusually consensus among Irish employees that job insecurity is an important expectation Irish employees were satisfied that job security was delivered. Therefore a key finding of this investigation is that both employees groups believe that important needs have not been met by the organisation. The literature (Guest and Conway 2004, Coyle-Shapiro and Kessler 2000, AUA 2005) suggests that this would have the consequences of stifling creativity and innovation and also withholding commitment and organisational citizenship behaviour. Therefore it would be expected that the full potential of both employee groups would be withheld and not be made available to the organisation.

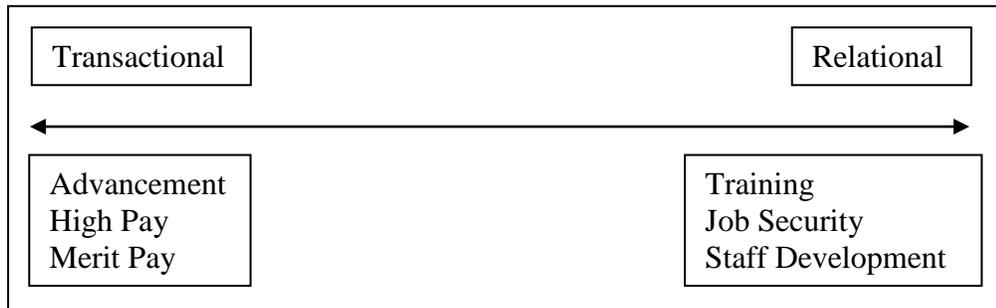
When analysing the results of the survey it can be seen that the areas where there is agreement between the two employee groups in the employee expectation section are the questions that are transactional in nature. These areas of agreement are on the importance of a competitive salary, healthy work environment. Salary level is the only area where there is agreement between the two employee groups in section dealing with factors that induce increased effort. These factors can be closely linked to Herzberg's hygiene factors. This finding is in agreement with Atkinson and Cuthbert (2005) findings that pay and conditions are still a very important motivational factor.

Employees felt that their job was interesting and there was cooperation at work. All the obligations of the employees to the organisation can be described as relational. When analysing the sections on obligations and loyalty to the organisation a relational contract also emerges. This relates to the questions on honesty and teamwork obligations. This analysis is in line with Guests and

Conway's opinion that there is both transactional and relational factors in play at the same time and that they are not mutually exclusive.

Rousseau (1990) used a diagram to illustrate the continuum of contract type.

Fig 2 Psychological Contract Continuum



When viewing the areas where there is a difference of opinion between non-Irish and Irish employees there are some indicators of separate psychological contract's in existence. Non nationals placed more importance on opportunity to learn and a job with high responsibility. These factor' are important as they can be closely associated with advancement. Rousseau (1990) identified advancement as a significant indicator of a transactional psychological contract. Non Irish are more satisfied with delivery of open communication and the required items to do their job. All non nationals responded that enjoyable work induced increased effort. Non nationals placed more importance's then Irish employees on teamwork. All these factors may be considered to have relational tendency.

Irish workers placed more emphasis on the delivery of job security and the obligation to perform a job in a reliable manner. There is very significant emphasis placed by Rousseau (1990), MacNeils (1985) and De Cuyper and De Witte (2006) on the expectation of job security as being associated with a relational psychological contract.

There is evidence to suggest that employees viewed delivery of expectations by their employer as transactional and obligations to their employer in a relational aspect. This may correspond to Guest (1998) suggestion that since there is no

communication of the terms of the contract then there is ingrained subjectivity and no basis for agreement.

Interview Analysis

There is much more clarity and agreement among the managers of company X as to the distinction between the Irish and non Irish employees of the company. The three managers all held the opinion that there is a definite improvement in the performance of the non-Irish employees when contrasted to their Irish co-workers. The specific areas of improved performance were in the areas of productivity, quality, flexibility and commitment. The CIPD associated the working outside of contracted hours as an indicator of employee commitment. Non Irish employees account for 78% of the total amount of hours worked outside of contracted hours. Stephen (2005) links low levels of absenteeism with the perception of satisfactory delivery of expectations. Non Irish employees have 3.1 average days partially or fully lost. Irish employees have a 15.6 average days lost or partially lost. Guest and Conway (2002) suggest that where there is a more positive psychological contract then there are increased levels of satisfaction and commitment which leads to increased organizational improvement. Therefore applying Guest and Conway's assertion to solely the perceptions of the managers of company X, would suggest that non Irish employees would have a *more* positive psychological contract then the Irish employees. Looking at evidence from the survey suggest that both groups feel important expectations remain unmet would suggest that a negative contract. Therefore there may be other reasons for the high overtime rate and low absenteeism levels. There was some evidence from the interviews to suggest non Irish employees would seek to earn as much money as possible before returning home, however further research would be needed to verify this.

The company managers also point out that non Irish employees have demonstrated greater creativity in problem solving and that this has demonstrated a strong competitive advantage for company X. The Atlantic University Alliance (2004) recognised that increased innovation and creativity would stem from employees with a more positive psychological contract.

There is some suggestion from the interviews that non Irish have an expectation of short term duration with the organisation. This is because of spouses and children being left behind in home countries and significant proportion of earnings being sent home to build houses. This corresponds to Atkinson and Cuthbert findings that short term employees are more likely to have a transactional psychological contract. Atkinson and Cuthbert also state that employees with a transactional contract have less of an expectation of justice due to their poor position of power.

A perception of unsatisfactory delivery of an important expectation would be less of a violation to an employee with a transactional contract than to an employee with a relational psychological contract. It is therefore plausible that since both employee groups state unsatisfactory delivery of important expectations, it is more of a violation towards the Irish employee with a relational contract. Irish employees would then be expected to have a more negative psychological contract than non Irish employees and withdraw performance to a greater extent. However other factors such as a non Irish employee's mission to maximise earning potential for the expected short to medium duration within Ireland may have significant influence.

The different outcomes from the two employee groups can be explained to some extent by Sparrow (1996) suggestion that psychological contract of individuals is influenced by external social, cultural prompts. There is an aligning of an individual's perception with their social group understandings. The case in company X is that there is a significant percentage of the organizations employees stem from the eastern European region. This region would previously have had little contact with Ireland. Therefore these two employee groups would be influenced by different social and cultural prompts and because of this have separate psychological contracts.

Chapter 7: Conclusion and Recommendations

The survey has shown that the expectations of the employee groups have backed up Herzberg's hygiene principles that pay and work conditions are still very important factors for the majority of shop floor employees in today's manufacturing environment. Important for company X is the perception from both Irish and Non Irish employees that their most important expectations are not being delivered.

There are also indicators of transactional and relational elements in other important expectations as selected by employees. This is in line with Coyle-Shapiro and Kessler suggestion that psychological contract would contain elements of both transactional and relational and that they are not mutually exclusive.

Previous academic literature has shown that specific expectations can be an indicator of a type of psychological contract. When then examining the most important but different expectation of the employee groups there is some evidence to show a slightly different psychological contract. Irish employees can be seen to have a slightly more relational contract than Non-Irish employees on Rousseau (1990) psychological contract continuum. There is further evidence from the interviews suggesting a short term expectation on behalf of the non Irish employees which is also suggested by academics of indicating a transactional contract is in existence. In summary non Irish employees have expectations of advancement, responsibility and learning while Irish employees have expectation of security and development.

It can be seen with from the survey that in general both employee groups have a perception of unsatisfactory delivery of expectations. This would indicate a negative psychological contract. Irish employees having a more relational contract and an expectation of longer term employment with the organisation would perceive a greater violation to their psychological contract the non Irish employees. Non Irish employees having a transactional contract would have a poorer expectation of justice and would not be surprised by non delivery of expectation. Therefore non Irish employees would perceive non satisfactory

delivery as not a serious violation compared to Irish employees. Irish employees would withdraw their performance to a greater extent than non Irish employees. This increased level of performance by non Irish employees is clearly defined by the perceptions of the management and dramatically shown in the different levels of overtime and absenteeism. However evidence suggesting non Irish employees would seek to earn as much money as possible before returning home. This may have a heavy influence on Non Irish employees wanting to work all available overtime and limit earning losses and keep all holidays for returning home through minimising sick days. The study of this factor would merit further investigation.

The findings of this investigation are constrained by the number of participants in the investigation and only that the survey was carried out only in a single site. It is recommend that further research would survey a much larger population incorporating a larger number of different sized organizations in a wide variety of industries. The use of more accepted statically analysis would be required to allow the results to stand up to scrutiny.

Guest highlights ingrained subjectivity leaving no basis for agreement as one of the important limitations in the use of the psychological contract. This survey suggested that employees viewed delivery of expectations by their employer as transactional, and obligations to their employer as relational. This finding could help managers find a better understanding of what their shop floor employees expected to give and receive thereby reducing Guest's ingrained subjectivity. It would therefore be worthy of further research.

It is important for company X to rectify the perception of non delivery of the important expectations of their employees. The company should focus specifically on the issues of pay and safe working conditions. This could be completed in a number of ways including surveying other organisations of similar size and industry on pay rates and if possible publishing the results. Open dialog between management and employees on the subject of working conditions and act swiftly on agreed recommendation.

APPENDIX

Questionnaire

University of Galway (Atlantic University Alliance) Masters Research Thesis
for Daniel Tallon

As part of my master's research thesis this survey is being carried to assess the psychological contract for employees in the manufacturing sector. My aim is to identify the obligations or expectations between employer and employee focusing on fairness, trust and commitments met.

I will keep the contents of this survey COMPLETELY CONFIDENTIAL, no name is to be written on the questionnaires and the questionnaire is to be sealed in the accompanying envelope and given back to me in bulk. There are six questions areas and it should take no more than 5minutes to fill out. Please answer all questions. Thank you for your time and effort.

Age

Male

Female

Department/Area _____

Irish

Non Irish

If Non Irish Country of origin _____

If Non Irish no of years in Ireland

No of Years employed with Dortek

Please indicate how important the following expectations are to your job

1 = Very important

2 = Important

3 = not sure

4 = Not important

5 = Never thought of

Also please rank the top 3 most importance expectations (A, B, C) concerning your job and the least important expectations in your job (X, Y, Z).

- An attractive benefits package _____
- A job that has high responsibility _____
- Fair treatment _____
- A competitive salary _____
- The resources necessary to do your job _____
- Candid and open feedback _____
- A healthy work environment _____
- Good opportunities for promotion _____
- Opportunity for career development _____
- A job that provides autonomy _____
- A job that is interesting _____
- Skill development _____
- Co-operative work relationship(s) _____
- Meaningful work _____
- Attractive vacation benefits _____
- Open communication _____
- Opportunities to advance and grow _____
- Materials and equipment to do your job _____
- Reasonable job security _____
- Honest treatment _____
- Collaborative work environment _____
- A job that is challenging _____
- Good working conditions _____
- Training _____
- The opportunity to learn _____

Please indicate how satisfied you are that these expectations have been fulfilled

- 1 = Completely satisfied**
- 2 = Satisfied**
- 3 = not sure**
- 4 = Unsatisfied**
- 5 = Completely unsatisfied**

- An attractive benefits package _____
- A job that has high responsibility _____
- Fair treatment _____
- A competitive salary _____
- The resources necessary to do your job _____
- Candid and open feedback _____
- A healthy work environment _____
- Good opportunities for promotion _____
- Opportunity for career development _____
- A job that provides autonomy _____

A job that is interesting _____
 Skill development _____
 Co-operative work relationship(s) _____
 Meaningful work _____
 Attractive vacation benefits _____
 Open communication _____
 Opportunities to advance and grow _____
 Materials and equipment to do your job _____
 Reasonable job security _____
 Honest treatment _____
 Collaborative work environment _____
 A job that is challenging _____
 Good working conditions _____
 Training _____
 The opportunity to learn _____

Please indicate what you think is the most important factors that influence the effort you put into your work.

- 1 = Very important**
- 2 = Important**
- 3 = not sure**
- 4 = Not important**
- 5 = Never thought of**

Work which is enjoyable and interesting _____
 Salary level _____
 Opportunities for advancement _____
 Opportunities for training and development _____
 Security of employment _____
 Getting a sense of achievement from the job _____
 Freedom to decide how the job should be done _____
 Recognition for work achievement _____

Please indicate in order of importance to what extent you feel obliged, implicitly or explicitly to provide one of the following

- 1 = Very important**
- 2 = Important**
- 3 = not sure**
- 4 = Not important**
- 5 = Never thought of**

Be a good team player

Meet minimal acceptable standards for performance

Stay in the company for a minimum period after accepting the job

Protect the company image

Provide your employer with your own unique knowledge and input

Provide leadership to others

Perform your job in a reliable manner

Not look for a job elsewhere

Deal honestly with your employer

Provide advance notice if taking a job elsewhere

Provide good service to clients/customers

Assist others with their work

Promote a positive attitude around others

Provide your employer with innovative suggestions for improvement

Volunteer to do non-required tasks if necessary

Work extra hours if that's what's needed to get the job done

Develop new skills and improve current skills as needed

Work well with others

Exceed the performance expectations for your job

Work as a team

Please indicate the degree to which you agree or disagree with the following statements

1 = strongly disagree

2 = Disagree

3 = not sure

4 = Agree

5 = strongly agree

I am quite proud to tell people I work for this company

Even if the company is not doing too well financially, I would be reluctant to change to another employer

My main reason for working for this company is the financial benefits offered

I feel myself to be part of this company

The offer of a bit more money with another employer would not seriously make me think of changing my job

TABLE 1.1 Irish Employees survey results

no	Question / Respondant	13	14	15	16	17	18	19	20	21	22	23					
1	Age	44	59	36	27	60	50	52	32	36	32	32					
2	Male/Female	M	M	M	M	M	M	M	M	M	M	M					
3	Irish/Non-Irish	I	I	I	I	I	I	I	I	I	I	I					
4	Years in Ireland																
5	Years with the company	5	35	7	4	15	8	4	4	17	2	4					
Expectation													% of no 1	% of no 2	% of no 3	% of no 4	% of no 5
6	An attractive benefits package	1	1	2	1	1	2	3	1	3	1	4	54%	18%	9%	18%	0%
7	A job that has high responsibility	4	1	2	2	1	4	3	2	3	3	4	18%	27%	27%	27%	0%
8	Fair treatment	1	1	1	1	1	2	3	2	3	2	2	45%	36%	18%	0%	0%
9	A competitive salary	1	1	1	1	1	2	3	1	3	1	1	72%	9%	18%	0%	0%
10	The resources necessary to do your job	1	1	1	1	1	5	3	3	3	2	5	45%	9%	27%	0%	18%
11	Candid and open feedback	1	5	1	2	1	3	3	2	1	3	5	36%	18%	27%	0%	18%
12	A healthy work environment	1	1	1	1	1	2	5	1	3	3	1	63%	9%	18%	0%	9%
13	Good opportunities for promotion	5	1	2	1	1	3	3	5	1	3	5	36%	9%	27%	0%	27%
14	The opportunity for career development	5	4	2	1	1	2	5	2	1	2	5	27%	36%	0%	9%	27%
15	A job that provides autonomy	5	1	2	2	1	2	3	3	3	4	5	18%	27%	27%	9%	18%
16	A job that is interesting	4	2	2	2	1	2	1	5	3	1	5	27%	36%	9%	9%	18%
17	Skill development	2	1	1	2	1	4	5	3	3	5	3	27%	18%	27%	9%	18%
18	Cooperative work relationship(s)	2	1	1	2	1	3	5	5	3	5	3	27%	18%	27%	0%	27%
19	Meaningful work	2	2	1	4	1	3	1	4	3	5	3	27%	18%	27%	18%	9%
20	Attractive vacation benefits	3	1	2	1	2	2	3	3	5	2	2	18%	45%	27%	0%	9%
21	Open	1	1	1	2	1	3	3	5	3	5	5	36%	9%	27%	0%	27%

	communication																		
22	Opportunities to advance and grow	5	5	2	1	1	3	3	4	1	5	5	27%	9%	18%	9%	36%		
23	Materials and equipment to do your job	1	1	1	1	1	3	3	4	5	5	1	54%	0%	18%	9%	18%		
24	Reasonable job security	1	1	1	1	1	1	1	1	5	5	1	81%	0%	0%	0%	18%		
25	Honest treatment	1	1	1	1	1	1	3	5	3	2	2	54%	18%	18%	0%	9%		
26	Collaborative work environment	2	1	2	1	1	2	3	5	3	5	5	27%	27%	18%	0%	27%		
27	A job that is challenging	3	1	2	2	1	2	3	5	3	4	3	18%	27%	36%	9%	9%		
28	Good working conditions	1	1	2	1	1	1	3	5	3	5	2	45%	18%	18%	0%	18%		
29	Training	3	1	2	1	1	3	3	5	3	4	4	27%	9%	36%	18%	9%		
30	The opportunity to learn	2	1	2	1	1	3	3	5	3	4	5	27%	18%	27%	9%	18%		
Delivery																			
6	An attractive benefits package	5	2	4	4	3	3	3	4	2	5	5	0%	18%	27%	27%	27%		
7	A job that has high responsibility	2	1	2	3	3	2	1	4	3	2	3	18%	36%	36%	9%	0%		
8	Fair treatment	2	1	2	1	1	3	2	3	3	4	4	27%	27%	27%	18%	0%		
9	A competitive salary	5	1	4	4	3	3	2	4	2	5	4	9%	18%	18%	36%	18%		
10	The resources necessary to do your job	2	1	4	4	3	3	3	2	2	4	4	9%	27%	27%	36%	0%		
11	Candid and open feedback	3	1	4	4	3	3	3	3	4	4	3	9%	0%	54%	36%	0%		
12	A healthy work environment	5	3	5	4	4	2	4	5	3	5	5	0%	9%	18%	27%	45%		
13	Good opportunities for promotion	5	3	4	4	3	3	4	5	5	5	5	0%	0%	27%	27%	45%		
14	The opportunity for career development	5	3	4	4	3	4	4	5	5	5	4	0%	0%	18%	45%	36%		
15	A job that provides autonomy	2	3	2	3	3	2	4	3	2	3	3	0%	36%	54%	9%	0%		
16	A job that is interesting	2	1	2	4	2	2	2	4	4	2	3	9%	54%	9%	27%	0%		
17	Skill development	3	2	4	4	2	3	2	4	5	2	2	0%	45%	18%	27%	9%		
18	Cooperative work relationship(s)	2	1	4	2	2	2	1	2	3	3	2	18%	54%	18%	9%	0%		
19	Meaningful work	2	3	2	4	2	2	1	4	4	2	3	9%	45%	18%	27%	0%		
20	Attractive vacation benefits	5	3	4	4	3	3	3	4	3	5	4	0%	0%	45%	36%	18%		
21	Open communication	3	1	4	2	3	3	2	2	4	3	3	9%	27%	45%	18%	0%		
22	Opportunities to advance and grow	5	3	4	4	3	4	3	4	4	5	4	0%	0%	27%	54%	18%		
23	Materials and equipment to do your job	2	3	5	4	3	3	4	2	2	3	5	0%	27%	36%	18%	18%		
24	Reasonable job security	2	1	4	4	2	2	3	2	2	2	2	9%	63%	9%	18%	0%		
25	Honest treatment	2	1	2	1	2	2	2	3	3	3	4	18%	45%	27%	9%	0%		
26	Collaborative work environment	2	1	2	4	3	2	2	5	3	3	5	9%	36%	27%	9%	18%		
27	A job that is challenging	3	1	2	4	2	2	1	5	4	3	2	18%	36%	18%	18%	9%		
28	Good working conditions	3	3	4	4	3	2	3	5	2	4	4	0%	18%	36%	36%	9%		
29	Training	3	1	4	4	3	3	2	4	5	3	3	9%	9%	45%	27%	9%		

30	The opportunity to learn	5	2	4	4	3	3	2	3	5	3	3	0%	18%	45%	18%	18%
Influence effort																	
31	Work which is enjoyable and interesting	2	1	2	2	1	2	3	2	4	2	2	18%	63%	9%	9%	0%
32	Salary level	5	1	2	1	1	3	3	1	2	1	1	54%	18%	18%	0%	9%
33	Opportunities for advancement	5	3	2	1	1	3	4	2	4	1	2	27%	27%	18%	18%	9%
34	Opportunities for training and development	5	3	1	1	1	4	4	2	4	1	2	36%	18%	9%	27%	9%
35	Security of employment	2	1	1	1	1	2	3	1	2	2	1	54%	36%	9%	0%	0%
36	Getting a sense of achievement from the job	2	1	1	4	1	1	1	2	4	4	4	45%	18%	0%	36%	0%
37	Freedom to decide how the job should be done	3	1	2	5	1	2	1	4	1	2	2	36%	36%	9%	9%	9%
38	Recognition for work achievement	2	1	1	5	1	2	2	2	3	1	1	45%	36%	9%	0%	9%
Obligations																	
39	Be a good team player	2	1	2	2	1	2	2	2	2	2	3	18%	72%	9%	0%	0%
40	Meet minimal acceptable standards for performance	2	1	1	2	1	2	1	2	2	1	3	45%	45%	9%	0%	0%
41	Stay in the company for a minimum period after accepting the job	5	1	5	4	1	4	1	4	5	2	3	27%	9%	9%	27%	27%
42	Protect the company image	5	1	2	2	1	2	2	2	5	4	5	18%	45%	0%	9%	27%
43	Provide your employer with your own unique knowledge and input	4	1	2	2	1	2	2	4	3	2	4	18%	45%	9%	27%	0%
44	Provide leadership to others	5	1	2	5	1	2	1	4	2	4	4	27%	27%	0%	27%	18%
45	Perform your job in a reliable manner	1	1	1	2	1	1	1	2	1	2	2	63%	36%	0%	0%	0%
46	Not look for a job elsewhere	5	1	4	4	1	4	2	4	5	4	4	18%	9%	0%	54%	18%
47	Deal honestly with your employer	2	1	2	2	1	1	2	2	2	3	4	27%	54%	9%	9%	0%
48	Provide advance notice if taking a job elsewhere	5	1	1	2	1	3	1	2	2	2	4	36%	36%	9%	9%	9%
49	Provide good service to clients/customers	2	1	1	2	1	1	3	2	2	2	4	36%	45%	9%	9%	0%
50	Assist others with there work	2	1	2	1	1	3	3	2	2	2	3	27%	45%	27%	0%	0%
51	Promote a positive attitude around others	5	1	2	1	1	2	1	2	2	3	5	36%	36%	9%	0%	18%
52	Provide your employer with innovative suggestions for improvement	4	1	2	1	1	1	2	4	3	1	5	45%	18%	9%	18%	9%
53	Volunteer to do non-required tasks	5	1	2	1	2	2	2	4	1	1	5	36%	36%	0%	9%	18%

8	Fair treatment	1	3	2	3	2	3	2	3	2	1	2	1	25%	42%	33%	0%	0%
9	A competitive salary	2	1	2	1	1	1	1	1	1	1	2	1	75%	25%	0%	0%	0%
10	The resources necessary to do your job	2	3	2	3	2	3	1	3	2	2	2	2	8%	58%	33%	0%	0%
11	Candid and open feedback	1	3	3	3	1	3	1	3	1	1	4	2	42%	8%	42%	8%	0%
12	A healthy work environment	1	1	1	2	1	2	1	2	1	1	1	1	75%	25%	0%	0%	0%
13	Good opportunities for promotion	2	3	1	2	1	2	3	2	3	2	4	4	17%	42%	25%	17%	0%
14	The opportunity for career development	2	3	2	2	2	2	3	2	3	2	3	4	0%	58%	33%	8%	0%
15	A job that provides autonomy	3	3	3	3	3	3	3	2	3	3	5	2	0%	17%	75%	0%	8%
16	A job that is interesting	2	5	2	2	3	2	2	2	3	1	2	1	17%	58%	17%	0%	8%
17	Skill development	2	3	3	4	1	3	2	4	4	2	1	2	17%	33%	25%	25%	0%
18	Cooperative work relationship(s)	2	3	2	1	2	1	1	1	2	2	2	2	33%	58%	8%	0%	0%
19	Meaningful work	2	3	4	3	1	3	1	3	3	2	3	4	17%	17%	50%	17%	0%
20	Attractive vacation benefits	3	3	1	1	1	1	2	1	1	2	2	2	50%	33%	17%	0%	0%
21	Open communication	3	3	2	1	2	2	2	1	2	2	4	3	17%	50%	25%	8%	0%
22	Opportunities to advance and grow	2	3	2	3	2	3	3	3	2	2	2	4	0%	50%	42%	8%	0%
23	Materials and equipment to do your job	2	3	2	2	1	2	3	1	1	1	1	2	42%	42%	17%	0%	0%
24	Reasonable job security	1	3	2	1	2	1	1	1	2	4	4	1	50%	25%	8%	17%	0%
25	Honest treatment	1	3	2	3	2	3	1	2	2	2	2	1	25%	50%	25%	0%	0%
26	Collaborative work environment	3	3	2	2	2	3	3	3	2	2	2	2	0%	58%	42%	0%	0%
27	A job that is challenging	2	3	3	3	3	3	3	3	3	2	4	2	0%	25%	67%	8%	0%
28	Good working conditions	2	3	1	2	2	2	2	2	3	1	1	1	33%	50%	17%	0%	0%
29	Training	2	5	2	4	2	4	4	4	2	2	2	2	0%	58%	0%	33%	8%
30	The opportunity to learn	2	5	1	2	2	2	2	3	2	2	2	2	8%	75%	8%	0%	8%
Delivery																		
6	An attractive benefits package	2	4	2	4	4	4	4	4	4	2	2	2	0%	42%	0%	58%	0%
7	A job that has high responsibility	1	2	2	3	3	3	3	2	3	3	2	2	8%	42%	50%	0%	0%
8	Fair treatment	1	2	3	2	3	2	2	3	3	2	2	3	8%	50%	42%	0%	0%
9	A competitive salary	4	5	2	2	4	2	2	3	4	3	1	4	8%	33%	17%	33%	8%
10	The resources necessary to do your job	2	4	2	3	3	3	3	3	4	3	3	2	0%	25%	58%	17%	0%
11	Candid and open feedback	1	3	3	3	3	3	3	3	3	2	3	2	8%	17%	75%	0%	0%
12	A healthy work environment	3	5	5	5	5	5	5	4	5	4	1	3	8%	0%	17%	17%	58%
13	Good	2	4	4	3	4	3	3	3	3	3	1	3	8%	8%	58%	25%	0%

	would be reluctant to change to another employer																		
61	My main reason for working for this company is the financial benefits offered	4	5	3	4	4	4	4	4	3	3	5	4	0%	0%	25%	58%	17%	
62	I feel myself to be part of this company	4	5	3	4	4	4	4	4	4	4	4	4	0%	0%	8%	83%	8%	
63	The offer of a bit more money with another employer would not seriously make me think of changing my job	3	3	3	4	4	4	4	4	4	4	1	3	8%	0%	33%	58%	0%	

Table 2.0 Overtime data

Employee	Factor #1		Factor #2		Factor #3		Factor #4		Factor #5		Factor #6	
	Hours	Amount	Hours	Amount	Hours	Amount	Hours	Amount	Hours	Amount	Hours	Amount
103 LOUGHLIN P	73.00	1166.55	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
104 MARCINIEK P	84.50	1351.48	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
106 WOLSKI M	61.50	983.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
107 WOJCIK T	109.50	1743.69	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
108 TARCEWSKIS J	19.25	306.99	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
110 AIKSTAKALINIS D	84.50	1351.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
112 GAJEK K	120.00	1919.23	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
113 SERAUKIN A	71.50	1141.28	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
114 KRYSIEWICZ A	47.00	751.76	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
115 SOWINSKI M	90.25	1443.85	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
127 GAJEK L	60.50	968.09	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
21 OBRZEN D	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
23 DUFFY J	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6 KAVANAGH J	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
60 PHILLIPS J	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
64 BUTLER A	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
66 YAKUSHENKO E	65.00	1039.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
68 CANNANAN G	66.75	1063.07	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
76 MURPHY N	76.00	1214.39	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8 BYRNE J	105.75	2537.74	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
82 DE COURCY A	25.00	400.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
85 SAVINSKIY S	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
86 NIZHNIK S	90.50	1445.33	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
88 KIRYSTALIBAU A	138.75	2214.72	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
92 SHPAKOV R	146.00	2328.37	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
93 NESKLADAR	72.00	1147.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
98 CULLEN R	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Company totals	1607.25	26518.41	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

DORTEK LIMITED
 Multi-period Overtime Summary: Factors 1 - 6
 Pay Period Selected Week 15 (2007/8) to Week 37 (2007/8)

APR To AUG inclusive (5 months)

Date: 13/09/2007
 Time: 09:00:53
 Page: 1

126075 on AIR. / 16 = 7879 hr o/T Ave 78% of total o/T (59%)
 346.5 Total = 31.5 hr o/T Ave 27% of total o/T (40%)

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