

# ABSTRACT

## INTRODUCTION

Human Resource practices that deal with the workforce of a company form an integral part of the employment relationship. With rapid globalization and a competitive market, companies are compelled to introduce, practice, and learn new concepts and theories. One such relatively new concept is ‘Psychological Contract’.

The term ‘Psychological Contract’ was coined by Chris Argyris and it is defined as ‘an individual’s beliefs concerning the mutual obligations that exist between him/herself and the employer.’ D.M. Rousseau, redefined Psychological Contract as ‘an understanding or faith about mutual responsibility between employee and employer.’ The most accepted and popular definition was, “Psychological contracts are individual beliefs in a reciprocal obligation between the individual and the organization.”

“A breach in the Psychological Contract occurs when an employee perceives that they have received less than what they were promised. The depressing emotional state that follows a breach is known as the violation of Psychological Contract.” Because of differences in individual expectations, psychological contract breaches exist at the individual level leading to the possibility of Psychological Contract violations in an individual manner.

## OBJECTIVES

**Objective 1:** To determine the status of Psychological Contract in the Government and Private Universities of Assam.

**Objective 2:** To determine the Psychological Contract Breach, if any, among the employees of Government and Private Universities of Assam.

**Objective 3:** To determine the affect of Psychological Contract and Psychological Contract Breach on employees of Government and Private Universities of Assam.

## RESEARCH METHODOLOGY

- **Population:** Employees (Faculty and Administration) of the selected universities in the state of Assam.

➤ *Time:* March 2020 to December 2020

- **Data type:** Primary and Secondary
- **Data collection method:** Survey method.
- **Research instrument:** Questionnaire
- **Variables of the study:**

**Table 1:** List of variables against every objective

OBJECTIVES	VARIABLES
Objective 1: To determine the status of Psychological Contract in the Government and Private Universities of Assam.	Employment relationship, Organizational support, Psychological Contract
Objective 2: To determine the Psychological Contract Breach, if any, among the employees of Government and Private Universities of Assam.	Organizational trust, Job satisfaction, Psychological Contract Breach
Objective 3: To determine the affect of Psychological Contract and Psychological Contract Breach on employees of Government and Private Universities of Assam.	Employee engagement, Employee commitment, Psychological Contract, Psychological Contract Breach

- **Sampling Technique:** Stratified Random Sampling (for the pre-defined strata) and Convenience Sampling (for identifying the respondents)
- **Sample size:** Taking prior literature review as reference, a sample size of 800 is taken. The final count of respondents is 643 which is 41.7% of the total number of employees and 80.3% of our original selected data.

## RESEARCH ANALYSIS

For the objectives, degree of significance between Psychological Contract and Breach with their respective variables were checked. For the same, multiple linear regression was undertaken.

Following the regression analysis of the three objectives, the adjusted R square is considered which is interpreted as the variance in the variables is explained by Psychological Contract and Psychological Contract Breach. The significance value from the ANOVA gave statistically significant results. From the coefficients table the significant values of PC and PCB were confirmed which ultimately led to rejecting the null hypotheses for each analysis. For the regression equation the beta values for PC and PCB signify that- for every unit of change in Psychological Contract, there is a certain change in the variables.

**OBJECTIVE 1:** To determine the status of Psychological Contract in the Private and Public Universities of Assam

Table 2: Consolidated table depicting the values from the three categories of universities

	ADJUSTED R SQUARE	SIGNIFICANT VALUES		BETA VALUES		REGRESSION EQUATION
		OS	ER	OS	ER	
CENTRAL UNIVERSITIES	0.484	0.023	0.000008	0.197	0.361	PC predicted = 2.418 + 0.197OS + 0.361ER
PRIVATE UNIVERSITIES	0.575	0.000033	0.000124	0.321	0.297	PC predicted = 1.856 + 0.321 OS + 0.297ER
STATE UNIVERSITIES	0.481	0.000160	0.000	0.266	0.392	PC predicted = 2.913 + 0.192 OS + 0.267ER

**OBJECTIVE 2:** To determine the Psychological Contract Breach among the employees of Public and Private Universities of Assam

**Table 3:** Consolidated table depicting the values from the three categories of universities

	ADJUSTED R SQUARE	SIGNIFICANT VALUES		BETA VALUES		REGRESSION EQUATION
		OT	JS	OT	JS	
CENTRAL UNIVERSITIES	0.468	0.000029	0.000003	0.273	0.321	PCB predicted = 2.382 + 0.273OT + 0.321JS
PRIVATE UNIVERSITIES	0.532	0.006	0.000006	0.237	0.405	PCB predicted = 2.136 + 0.237 OT + 0.405JS
STATE UNIVERSITIES	0.424	0.00	0.00	0.296	0.325	PCB predicted = 2.139 + 0.296 OT + 0.325JS

**OBJECTIVE 3:** To determine the affect of Psychological Contract and Psychological Contract Breach on employees of Public and Private Universities of Assam

For the third objective, combined effect of both Psychological Contract and Psychological Contract Breach on employee engagement and employee commitment were found.

**Table 4:** Consolidated table depicting the values from the three categories of universities

EMPLOYEE ENGAGEMENT						
	ADJUSTED R SQUARE	SIGNIFICANT VALUES		BETA VALUES		REGRESSION EQUATION
		PC	PCB	PC	PCB	
CENTRAL UNIVERSITIES	0.493	0.00	0.00009	0.509	0.395	EE predicted = 0.709 + 0.509PC + 0.395PCB
PRIVATE UNIVERSITIES	0.637	0.00	0.0034	0.734	0.301	EE predicted = 0.259 + 0.734PC + 0.301PCB
STATE UNIVERSITIES	0.430	0.00	0.000166	0.588	0.225	EE predicted = 1.448 + 0.588PC + 0.225PCB
EMPLOYEE COMMITMENT						
	ADJUSTED R SQUARE	SIGNIFICANT VALUES		BETA VALUES		REGRESSION EQUATION
		PC	PCB	PC	PCB	
CENTRAL UNIVERSITIES	0.668	0.00	0.00	0.681	0.400	EC predicted = -0.419 + 0.681PC + 0.400PCB
PRIVATE UNIVERSITIES	0.684	0.00	0.000032	0.802	0.497	EC predicted = -1.701 + 0.802PC + 0.497PCB
STATE UNIVERSITIES	0.454	0.00	0.0067	0.788	0.182	EC predicted = 0.288 + 0.788PC + 0.182PCB

## **FINDINGS**

**OBJECTIVE 1:** To determine the status of Psychological Contract in the Private and Public Universities of Assam

For every change in the variables of Psychological Contract i.e., Organizational Support and Employment Relationship, the status of Psychological Contract changes, in different ratio. Since the factors have p-values less than 0.05, it can be determined that they are significantly related with Psychological Contract. This fulfilled the first objective in determining the status of Psychological Contract in the Private and Public Universities of Assam

**OBJECTIVE 2:** To determine the Psychological Contract Breach among the employees of Public and Private Universities of Assam

For every change in the factors of Psychological Contract Breach i.e., Organizational Trust and Job Satisfaction, the status of Psychological Contract Breach changes, in different ratio. Since the factors have p-values less than 0.05, it can be determined that they are significantly related with Psychological Contract Breach. This fulfilled the second objective in determining the Psychological Contract Breach in the Private and Public Universities of Assam

**OBJECTIVE 3:** To determine the affect of Psychological Contract and Psychological Contract Breach on employees of Public and Private Universities of Assam

Considering Employee Engagement and Employee Commitment as factors of employees and their association with the organization, it could be seen that PC and PCB impacts both the factors individually. This fulfilled the third objective in determining the effect of Psychological Contract and Psychological Contract Breach on employees of Public and Private Universities of Assam

**Table 5: Significance of Psychological Contract and its Breach on Demographic Variables**

Psychological Contract						
	Gender	Awareness of PC	Designation	Age	Education Level	Job Role
Central	No	No	Yes	Yes	No	No
State	Yes	No	No	No	Yes	No
Private	No	No	No	No	No	No
Psychological Contract Breach						
	Gender	Awareness of PC	Designation	Age	Education Level	Job Role
Central	No	Yes	Yes	Yes	No	Yes
State	No	Yes	No	No	Yes	No
Private	Yes	No	No	No	No	Yes

## SUGGESTIONS

Employees should be provided a platform to express their views and opinions without the fear of being judged or ridiculed. There could be arrangement of cross-functional teams to strengthen inter-departmental relations. Facilities such as flexible work timings for new mothers and employees with health issues should be introduced. Organizations should leverage hybrid learning to increase employee commitment and loyalty.

## LIMITATIONS

Psychological Contract and its Breach involve both employee and employer. The study is primarily done from the perspective of employees, in education institutions. Majority of our work was done prior to the global pandemic of Corona virus hit us. Since only the analyses part was done post pandemic, we could not gather fresh data after the pandemic. The geographical limitation of our work can be considered as a bottleneck in exploring a global concept.

## CONTRIBUTION TO BODY OF KNOWLEDGE

The study is the first body of work exploring the Psychological Contract and its Breach among employees of private and public universities of Assam. Comparative analysis of sectors (Private and Public) is limited. Our work has presented a fair comparison of

employees in both the sectors. An important aspect 'Recognition' is found to have an important effect on employees' Psychological Contract.

### **FUTURE SCOPE OF WORK**

Findings from our study can be incorporated into newer work and additional analysis among the variables can be done. Comparative analysis among employee designations / positions on their Psychological Contract can be done. Researches worldwide are encouraged to provide a comprehensive view of the concept, not on a local but on a global scale.

**Keywords:** Psychological Contract, Psychological Contract Breach, Higher Education, Private sector, Public sector