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# Psychological contract in relation to individualism and collectivism at an organisational and an individual level

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# ABSTRACT

Talent retention, organisational commitment and diversity management is a key focus area for organisations' human resource departments, wanting to compete effectively in the evolving business environment. The psychological contract provides a framework for organisations to acknowledge, understand and manage employee expectations to ensure positive employee attitude and importantly, reduce turnover. However, limited research has attempted to describe the relationship between individual cultural orientation, subcultural membership, organisational culture and the resultant impact on the type of psychological contract. Against this backdrop, this research aimed to determine whether individual cultural orientation in relation to subcultural membership and organisational culture influences the psychological contract.

Prior to conducting the quantitative research, current literature was used to determine the cultural and psychological contract constructs that could be used to describe the relationship at an individual and organisational level, which were then incorporated as inputs in the self-administered online questionnaire. 113 respondents from within the medical devices and pharmaceutical industry completed the online survey.

Individualism and collectivism at both an individual and organisational level was found to associate with the psychological contract. Irrespective of the cultural orientation, respondents were found to develop psychological contracts which consisted of both transactional and relational content. Collectivism was identified as being a strong predictor in reducing contract violation as well as maintaining the integrity of the psychological contract and thus congruence of individual and organisational collectivism would have the most positive impact on the contract. Subcultural differences were not apparent within the study and thus no inferences could be made. The results of this study assist organisations in better understanding the dynamics of the psychological contract and the role cultural diversity plays in shaping employees expectations.

**Keywords:** psychological contract, individualism, collectivism, culture, subculture

# DECLARATION

I declare that this research project is my own work. It is submitted in partial fulfilment of the requirements for the degree of Masters of Business Administration at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree or examination in any other University. I further declare that I have obtained the necessary authorisation and consent to carry out this research.

Sean Searle

Signed at .....WOODMEAD.....

On the .....11..... day of .....November.....2013

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# CHAPTER 1: INTRODUCTION TO THE RESEARCH PROBLEM

## 1.1 Introduction & research motivation

The underlying framework that rationalises the relationship between organisation's and their employees is the concept of the psychological contract (Raja, Johns & Bilgrami, 2011; De Cuyper, Rigotti, De Witte, Mohr, 2008). The type of contract established is an important determinant of employee's commitment to their organisation (Chiang, Jiang, Liao & Klein 2012). This agreement has been described to be influenced by diverse factors including national and organisational culture (Thomas, Fitzsimmons, Ravlin, Au, Ekelund & Barzanthly, 2010), however to effectively manage this agreement it may be necessary to assess influences at a more granular level. Assessing the congruence of individual cultural orientation with regards to the cultural context of the organisation (Robert & Wasti, 2002) as well as acknowledging subcultural diversity (Hofstede, 1998) may allow organisations to better honour promises made to employees and more specifically maintain the integrity of the employee-employer psychological contract, improving organisational commitment and reducing turnover intention (Rousseau, 1989; De Cuyper, Van der Heijden & De Witte, 2011).

Organisations wanting to survive and remain competitive in the evolving business environment have to place more emphasis on their human resource management practices (Uma, 2011). A key focus area for human resource management is to attract and retain individuals with ideal competencies that benefit the organisation (Horwitz, Heng & Quazi, 2003). This is critical for organisations facing transformational pressures such as growing international competition, deregulation and globalization (De Vos & Meganck, 2009). As a result of the transformational pressures, workforce diversity has increased in competing companies, requiring

human resource management to focus their efforts on communication, adaptability and change (Uma, 2011).

Employee diversity may result in the formation of subcultures in large organisations (Robbins, Judge, Odendaal & Roodt, 2009) that may or may not share the same beliefs or values cultivated by the dominant organisational culture (Hofstede, 1998). Diversity of subcultures within organisations may result in marked rifts that can impede employee behaviour and consequently affect employee perceptions within the organisation (Hofstede, 1998). Therefore, organisations may benefit from assessing the level of organisational subculture diversity allowing them to better meet employee expectations.

The concept of the psychological contract, which explains employees and employer's mutual employment expectations and obligations (Schein 1965; Argyris, 1960; Rousseau, 1989), is a popular mechanism used to manage the employment relationship. The management of the employee's psychological contracts together with the relevant human resource practices is a critical component of retention management (De Vos, Meganck, 2009). The organisational imperative of maintaining employee's psychological contracts intact is emphasized by Agarwal and Bhargava (2009) where violations of contracts result in reduced employee commitment and engagement.

Since, the essence of the psychological contract entails promises made between the employer and employee, the relationship is shaped by legislation, enterprise agreements, terms of employment and even subconscious aspects (Spindler, 1994). The type and content of the psychological contract has further been linked to cultural aspects (Thomas et al., 2010) and personal values (Cohen, 2012). It is important to note that the type of psychological contract is dynamic, depending on the context; however dominant types have been associated with county-level cultural value orientations (Thomas et al., 2010). Probst and Lawler (2006) have reported on the relationship between cultural values (at an individual and national

level) and job security, which highlights a link between an aspect of psychological contract violation (job insecurity) and cultural orientation.

Since Hofstede (1980a) first described the four national dimensions of culture; individualism-collectivism, masculinity-femininity, power distance and uncertainty avoidance, subsequent research has extrapolated the dimensions to an individual as well as an organisational level (Triandis, 1995; Singelis, 1994; Robert & Wasti, 2002).

Robert and Wasti's (2002) research, that specifically explored congruence between individualism-collectivism at an individual as well as an organisational level, highlights the need for alignment of cultural orientation to avoid 'misfits' where job satisfaction and turn over intention can be negatively impacted. Williamson, Burnett and Bartol (2009) further identified that organisations need to be cognisant of the individual employee cultural orientations within their organisational contexts to ensure organisational commitment remains intact. Psychological contract theory may be applicable in understanding the dynamic that develops between employees and employers in contexts of 'fit' or 'misfit', where if organisations are aware of the cultural diversity that exists, they can adapt their communication and promises made to better manage employee expectations and avoid violating employee psychological contracts.

Robbins et al. (2009) identify that subcultures can develop within the larger organisational context in response to factors such as geography, departmental designation or shared situations or experiences. Hofstede (1998) explored a method to identify the existence of subcultures within the greater organisational culture. His findings suggest that managers need to be aware of the cultural diversity that exists within their organisations and to acknowledge the level of alignment of the smaller subcultures with that of the dominant organisational culture. The particular relevance of Hofstede's (1998) findings is that often manager's decisions reflect their own cultural orientation and when they encounter

diversity they often try to repress it. This has obvious implications for individuals that are not aligned with the dominant organisational culture, potentially resulting in the perception that the organisation has failed to deliver on promises or obligations communicated to those individuals, impacting the integrity of their psychological contracts.

South Africa's demographic consists of a population of about 50, 5 million people, representing four races (white, african, coloured and indian/asian) spread over nine provinces (Statistics South Africa, 2011). Therefore, organisations operating within the South African context have to deal with considerable diversity and may need to acknowledge subtle cultural diversity in the form of subcultures to ensure employee's expectations are met.

Past research has developed psychological contract theory from an individual and national culture perspective. However, limited research has been conducted exploring cultural diversity within the workplace in relation to dominant organisational culture and the existence of subcultures in relation to psychological contract theory.

## **1.2 Research scope**

The scope of the research is limited by the definitions of individual culture, organisation culture and subculture, and psychological contract type used within the study:

***Individual culture:*** Characterised by the dimension of individualism-collectivism, where individualists express a preference for uniqueness, independence and personal goal orientation and collectivists are concerned with the need for group membership, interdependence and collective goal orientation (Triandis, Leung, Villareal & Clack, 1985).



**Organisational culture:** defined as a collective pattern of assumptions, where a shared meaning exists between individuals within an organisation, that determines the basic approach to business problems and distinguishes one company from another (Robbins et al., 2009).

**Subcultures:** defined as members within a department or geographic region that shares a similar cultural orientation (Robbins et al., 2009) along the dimension of being either individualist or collectivist.

**Psychological contracts:** defined as the reciprocal relationship between employees and employers, being either transactional (short-term) or relational (long-term) in nature (Rousseau, 1989).

### 1.3 Research motivation

Transformational forces such as globalisation and decentralisation, diversifies the workforce within large organisations, or subsidiaries of multinational organisations, resulting in diverse cultural orientated individuals employed within a dominant organisational culture and possibly resulting in the formation of subcultures. These subcultures may or may not share the common values of the dominant culture and may develop employer expectations that differ from the collective.

The rationale for this research was to ascertain whether congruence between individual and organisational culture affects psychological contract type and whether significant subcultural diversity exists within organisations and are characterised by dominant psychological contract types. Individual employee differences in psychological contracts have been described based on personal values and contexts; however the practicality of an organisation tailoring its promise to each and every employee would require considerable resources. Subcultural similarities in employee-employer expectations may prove to be a more

practical approach for managers to address groups of individuals with similar needs.

This research aims to assist managers in organisations, where considerable resources are being allocated to attract, develop and retain talented individuals, by developing a deeper understanding of the dynamics of the psychological contract in relation to cultural orientation.

### **1.4 Research problem**

This research will attempt to characterise any association between cultural orientation at both the individual and organisational level and the psychological contract type. This study also aims to investigate whether dominant organisational cultures exist using a defined dimension and whether any significant variation exists at a subcultural level. The relationship between the organisational culture and psychological contract type will then be contrasted against differences at a subcultural level.

# CHAPTER 2: LITERATURE REVIEW

## 2.1 Introduction

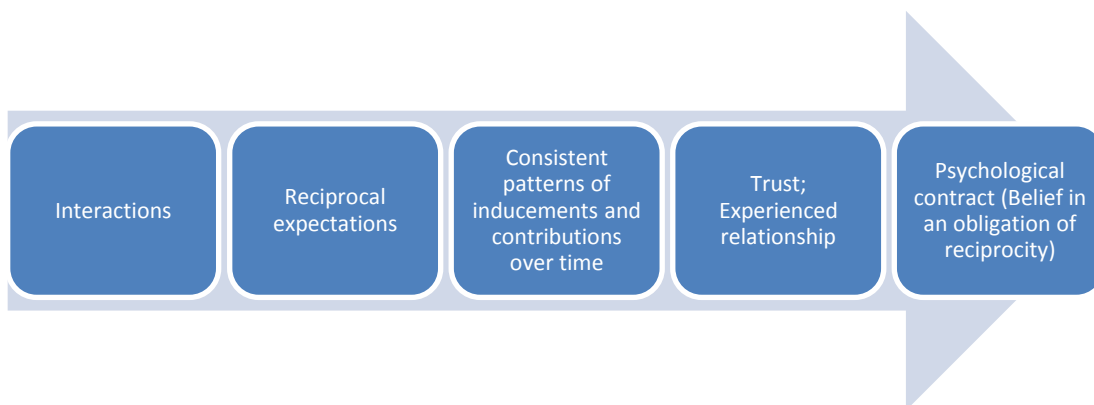
Psychological contract theory has been researched since the 1960s (Schein 1965; Argyris, 1960; Rousseau, 1989) and continues to be applied to describe the fundamental rationale for the employee-employer relationship. The concept of the psychological contract is critical for organisations to grasp, to ensure that they communicate what they intend to without creating employee expectations that they cannot fulfil. A vast array of literature is available describing the negative impacts of psychological contract violation, resulting in reduced employee commitment, decreased engagement and increased staff turnover (Knights & Kennedy, 2005; Chao, Cheung & Wu, 2011). This elevates the business application of psychological contract theory as organisations cannot afford unnecessary turnover and losses in productivity in the present competitive environment.

The cultural dimension of individualism and collectivism has attracted significant interest in describing national cultural orientation (Hofstede, 1980a), and more recently organisational culture (Chatman & Barsade, 1995; Robert & Wasti, 2002) and further at the individual unit of analysis (Singelis, 1994; Triandis et al., 1985). Organisational culture influences how knowledge is shared within an organisation (Hofstede, 1998; Gulev, 2009) and expresses the core values shared by the majority of individuals (Robbins et al., 2009). When there is a lack of congruence between the individual's cultural orientation and that perceived within the organisation, cultural 'misfits' may become apparent resulting in negative job attitudes (Robert & Wasti, 2002) and impact organisational commitment (Williamson et al., 2009). Organisational diversity in the form of subcultures may be repressed by the dominant organisational culture (Hofstede, 1998) and in the process violate subculture member's psychological contracts.

This research aims to develop a deeper understanding of the relationship between an individual's cultural orientation in relation to the organisational culture, and whether any identifiable subcultures exist within the dominant organisation. This research may further current literature by linking the dimensions of culture to psychological contract type and investigate whether there is any merit in acknowledging workforce diversity when communicating organisational promises.

## 2.2 Psychological contracts

Rousseau (1989) defines a psychological contract as beliefs pertaining to the reciprocation of obligations in an employee-employer relationship that may or may not be shared by others. The development of an individual's psychological contract is dependent on various factors that reinforce an individual's belief that a reciprocation relationship exists. The more explicit the mutual promises and expectations are, the stronger the individual's belief in the emergence of a contract (Rousseau, 1989). Rousseau (1989) provided a framework to explain the development of the psychological contract (Figure 1). Employers that offer a 'strong employer agreement', where many promises are made to employees, result in favourable outcomes such as reduced employee turnover intention (De Cuyper et al., 2011).



**Figure 1: Development of an individual's psychological contract (Rousseau, 1989)**

Since the psychological contract development is based on the reciprocation of expectations over time, trust becomes an important element of the contract. The individual's perception of the contract is strengthened over time by the communication of consistent organisational requests and promises. Failure of the organisation to deliver on promises or expectations created can negatively impact the employee's trust, organisational commitment and expectations pertaining to rewards (Rousseau, 1989). Rousseau (1989) also notes that the concept of the psychological contract describes the experience of the employee and therefore applies to individuals and not organisations. Contracts develop between individuals; the organisation merely provides the context. Supervisors within an organisation, however, can develop psychological contracts with their employees and thus manage communicated promises and expectations on behalf of the organisation. Nicholson and Johns (1985) in Rousseau (1989) further describe psychological contracts as being critical in determining an organisations culture through interactions and communication. Rousseau (1989) in contrast to the latter argues that psychological contracts are rather the result of culture and not the cause due to the individual nature of the contracts.

### **2.3 Transactional versus relational psychological contracts**

Studies have shown that the type of psychological contract established impacts on employee work attitudes and how they behave (Hui, Lee & Rousseau, 2004; Rousseau & Schalk, 2000 in Raja, 2011). Due to the subjective nature of psychological contracts, the contract content can be diverse. However, the two most common forms of psychological contracts are transactional and relational (Rousseau, 1989). Transactional contracts entail obligations that are specific, short-term, and monetary and require limited involvement of both parties whereas relational psychological contract obligations tend to be broad, long-term, socio-emotional and emphasize involvement between both parties (Thomas et al., 2010).

Employment trends are changing making it difficult for organisations to fulfil employee expectations and honour long term promises (Turnley & Feldman, 2000). Chiang et al. (2012) reported that with these short term arrangements, employees have fewer ties to an organisation. The authors identified that when ties are perceived to be transactional, there is less commitment between the employees and the organisation. The degradation of commitment is worsened when broken ties are relationship based. Employees that are associated with relational psychological contracts are associated with stronger commitment than employees with transactional psychological contracts. This lack of commitment adversely impacts employee retention (Chiang et al., 2012). Raja et al. (2011) further confirms that a stronger psychological contract violation – turnover intention relationship exists for relational contracts versus transactional contracts.

## **2.4 The business imperative of fulfilling promises**

If organisations fail to deliver on promises made to employees, violations in the contract can lead to distrust, dissatisfaction and even a breakdown of the relationship (Argyris, 1960; Rousseau, 1989; Chiang et al., 2012; Jafri, 2011). Psychological contract violation is said to occur when one party is perceived to fail to deliver on promises or obligations made to the other party (Robinson & Rousseau, 1994). Zagenczyk, Gibney, Few and Kristin (2011) identified that disidentification, more specifically when an organisation is perceived to fail to recognise employee contribution or care about employee's well-being, is positively correlated with psychological contract breach. Robinson and Rousseau (1994) confirmed that psychological contract violations are negatively associated with satisfaction, trust and the intention of employees to remain in their current employment and negatively associated with actual turnover. The author also identified that psychological contract violations occur frequently, where individuals are oversold on the job's features during the recruitment process, compounded by subjective interpretations of what the offered employment actually entails. It was also identified that the most common sources of violations included; training and

development, compensation, promotion, nature of job and job security obligations (Rousseau, 1989).

Psychological contract violation has also been reported to result in employees developing negative attitudes towards the organisation and engaging in negative behavioural reactions towards the organisation (Knights & Kennedy, 2005). Further, Chao et al. (2011) reported that violations are also associated with counterproductive workplace practices. Counterproductive workplace behaviours included activities such as: theft, misuse of information, misuse of time and resources, poor attendance and poor quality of work. The latter findings highlight the necessity of organisations to ensure violations of psychological contracts are avoided.

## **2.5 Culture**

Culture is defined as the “collective programming of the mind which distinguishes the members of one human group from another” (Hofstede, 1980a). Culture at a national level has been widely researched, where the existence of cultural differences from one country to another has been acknowledged (Agarwal, Malhotra & Bolton, 2010; Gahan & Abeysekera, 2009; Hofstede, 2006). National culture is characterised by a national group that share similar values, beliefs, norms and patterns of behaviour (Leung, Bhagat, Buchan, Erez & Gibson, 2005 in Agarwal et al., 2010).

In a global study of national culture, House, Hanges, Javidan, Dorfman and Gupta (2004) clustered countries based on cultural similarities and presented the clusters in a model (Figure 2). Country clusters depicted opposite one another are most dissimilar in terms of cultural characteristics, such as the Middle Eastern and Anglo country clusters. The latter research highlights the implications of cultural similarities or differences pertinent to multinational organisational contexts.

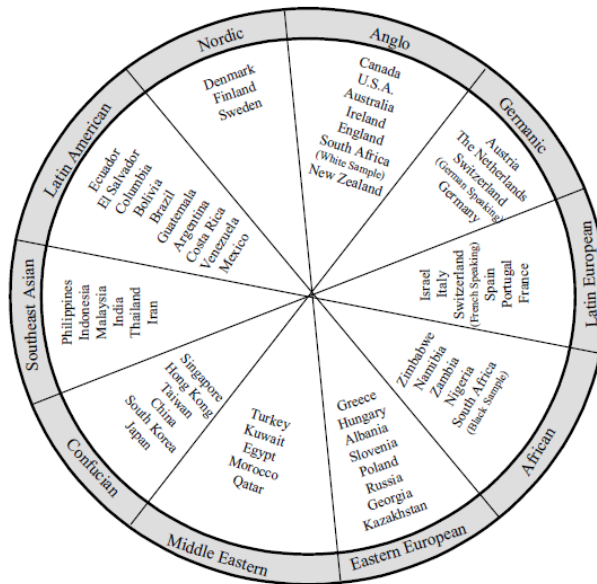


Figure 2: Country Clusters (House et al., 2004)

Hofstede's (1980a) initial research characterised national cultures along four different dimensions and established a framework that can be used to measure national cultural subtleties. Since Hofstede's seminal research, subsequent authors have validated his cultural dimensions as well as conformed to his research approach (Taras, Rowney, & Steel, 2009; Taras & Steel, 2009). The four cultural dimensions initially proposed by Hofstede (1980a) include:

- 5.1 **Individualism-collectivism**, which refers to the degree to which individuals prefer to retain their individuality or act as members of a group.
- 5.2 **Power distance**, refers to the level of societal acceptance that power is unequally distributed in institutions and organisations.
- 5.3 **Uncertainty avoidance**, is defined as the degree to which society responds to ambiguity or uncertainty and its resultant preference for guidance and rule clarification.
- 5.4 **Masculinity-femininity**, refers to the level of dominance of either masculine or feminine associated values in society.



## **2.6 Individualism-collectivism at an individual level**

Since the seminal research of Hofstede (1980a) that described the cultural dimension of individualism and collectivism at a national level, research has since linked the dimension at an individual level (Triandis, 1995; Wagner, 1995). Individualism is self-centric, described as the preference of individuals to consider the self as the most important social unit. Individualist societies therefore favour the development of individual personality and identities, emphasizing individual goals and needs (Triandis, 1995). Conversely, in collectivist societies, individual identities are defined by membership to groups to which they feel they belong. Individuals in these groups tend to concern themselves with maintaining the harmony within the group and typically subordinate personal goals and desires (Triandis, 1995). When the dimension of individualism-collectivism is applied at an individual level, it can be described as independent (Individualism) or interdependent (collectivism) images of self (Singelis, 1994). The author further identifies that when assessing the dimension at an individual level, the level of interdependence or independence should be assessed separately, whereas when used in assessing cultural groups the level of individualism-collectivism is defined along a continuum. The relevance of this concept is that, individuals that have either a well-developed independent or interdependent self may interact differently when interacting with cultural groups with opposite polarities of individualism-collectivism.

Literature has further described individualism and collectivism at an individual level as individual differences, referred to as idiocentrism and allocentrism (Triandis et al., 1985). The authors characterise idiocentrism as the preference for uniqueness, independence and personal goal orientation, whereas allocentrism refers to the reliance on the need for group membership, interdependence and collective goal orientation. It is important to note that individualism and collectivism are assessed as discrete dimensions because the dimensions co-exist in all individuals and societies and the classification of individuals or groups is largely contextual, based

on the level of representation of individualistic or collectivistic values, norms beliefs and assumptions (Robert & Wasti, 2002).

Singelis (1994) suggests that the relevance of an individual's self construals of independence (individualism/idiocentrism) or interdependence (collectivism /allocentrism) in relation to the target culture's orientation will determine the outcome of the acculturation process, where if the cultural environment mirrors the values and beliefs of the individual, it will be easier for the individual to adapt to the new norms and rules to suit the environment.

## **2.7 Organisational culture**

Becker (1982) in Robbins et al. (2009) define organisational culture as a “system of shared meaning held by members, distinguishing the organisation from other organisations”[p.424]. It is important to note that organisation culture is a descriptive term used to describe how employees perceive the elements of the organisation's culture (Robbins et al., 2009).

The imperative of understanding organisation culture is emphasised by Webster and White (2010), where national culture was found to impact organisation culture, which in turn affects employee's behaviour. Hofstede (1980b) in Hofstede and Minkov (2011) reported six cultural dimensions that can be used to categorise organisational culture.

Since individualism and collectivism are apparent at both the individual and societal level, it is logical to assume their relevance in an organisational context as all organisations are embedded within societal cultures (Hofstede, 1985 in Robert & Wasti, 2002). Using the construct of individualism-collectivism to describe an organisational culture was validated by Robert and Wasti (2002) where the authors identified that individualism and collectivism can be reliably identified in a wide range of organisational contexts. The authors were motivated to characterise

organisational cultures based on previous research by Chatman and Barsade (1995) that identified that 'person-organisation fit' may provide an important indicator of behaviours and attitudes, when assessed along the dimensions of individualism and collectivism (Chatman & Barsade, 1995).

Gulev (2009) challenged Hofstede's broadly used dimensions of classifying organisational cultures and argued that they are too broad to offer any significance. Gulev showed that organisation cultures are influenced by national culture characteristics, specifically with regards to dimensions of communication, control and authority. Gulev's results, although assuming that a homogenous culture dominates all employees, serves to help organisations understand the origin of their cultural values and its dependency on the three national traits (Gulev, 2009).

## **2.8 Organisation subcultures**

It is reported that subcultures can form in large organisations in response to factors such as departmental designation or geographic separation whose members share similar issues, situations or experiences (Robbins et al., 2009). Some aspects of culture may be relevant to an entire organisation whereas others only pertain to smaller units (Sackman, 1992; in Hofstede, 1998). The subculture unit should be reasonably homogenous with regards to cultural characteristics (Sinclare, 1993; in Hofstede, 1998).

Hofstede (1998) demonstrated a method for organisations to empirically assess their subcultures. Hofstede's findings identify that it is important for organisation leaders to be aware of and understand the cultural diversity within their organisation. It is also reported that top management's decisions reflect the decision maker's own subculture. Managers may be oblivious to the cultural diversity within the organisation or may even try to repress any diversity they perceive. Hofstede (1998) argues the importance of understanding cultural

differences before high level management applies company wide solutions. Gerde (2012) reported that an element of strong culture is the alignment of subcultures, where employees and organisational values are shared, highlighting the need for organisation leaders to understand the diversity in their work force and acknowledge their unique expectations.

## **2.9 The impact of cultural orientation in organisations**

Robert and Wasti (2002) assessed the dynamics of potential 'fits' or 'misfits' of individuals in relation to their organisation's culture. The authors defined a person-organisation 'fit' to occur when significant congruence between an individual's values and their perceived organisation values was apparent and in contrast, 'misfit' when there appeared to be misalignment of individual and organisation values. When assessing this phenomenon, the authors found that when the expectation of a highly individualistic culture is not realised, high idiocentrics (individualists) may develop negative job attitudes and appear to be less inclined to adapt to different organisational cultures. It is therefore important for organisations to acknowledge the impact of potential person-organisational culture misfits and the impacts on outcomes such as job satisfaction and turnover intention, and possibly consider selecting individuals that share common values with the organisation (Robert & Wasti, 2002).

Gahan and Abeysekera (2009) explored the relationship between individualism-collectivism and intrinsic values (derived from the job such as; self-actualisation, sense of achievement, competence) and extrinsic work values (material benefits such as; pay promotion and working conditions). The authors only found partial support for their model, where a significant association was found to occur between national culture (individualism/collectivism), self-construal (independence/interdependence) and intrinsic work values. Importantly, Gahan and Abeysekera (2009) also noted that an individual's cultural intelligence was

found to be an important moderator between national culture, self-construal and intrinsic values.

It is also important for organisations to understand the interplay between the cultural orientation of employees and organisational commitment. Williamson et al. (2009) found that collectivism plays a role in shaping employees' commitment by influencing their response to organisational rewards. The latter research indicates that organisations may benefit by adapting their reward systems to match the cultural orientation of employees or select appropriate employees where job characteristics are inflexible to improve organisational commitment (Williamson., 2009). This evidence may suggest the relevance of assessing the integrity of employer-employee expectations and relationship as defined by the psychological contract in contexts characterised by diverse cultural orientations.

Probst and Lawler (2006) explored the relationship between cultural values and job security. The authors found that employees with collectivist cultural values were significantly more negatively impacted by job insecurity than individualist employees. Similar results were seen at a national level where collectivists perceived job insecurity more negatively than employees residing in a predominantly individualist country (Probst & Lawler, 2006). These findings again reinforce the theory that organisational culture is dependent on national values and further identifies a link between cultural dimensions and the employee's expectation in terms of employment.

## **2.10 Psychological contracts in relation to culture**

Thomas et al. (2010) reported on the relationship between psychological contracts and national cultures. Their results supported initial predictions that dominant forms of psychological contracts would vary amongst individuals from different countries based on county-level cultural value orientations. They identified that vertical individualists perceived their psychological contract as primarily exploitative,

horizontal individualist as primary instrumental, vertical collectivists as primarily custodial and horizontal collectivists as primarily communitarian. Thomas et al. (2010) findings support previous research outcomes identifying diversity of psychological contracts across national cultures (Schalk & Soeters, 2008). Zhao and Chen (2008) explored the relationship between individual cultural values of individualism, collectivism, personality traits and the types of psychological contracts formed in United States and Chinese employees. Unexpectedly, the authors reported that individualism was positively related to the forming of transactional contracts in the Chinese sample whereas individualism had an opposite effect and was associated with relational contracts being formed in the United States employees. The authors did however note that the unexpected outcome could be as a result of study sample differences between the two countries.

Furthermore, cultural dimensions have been reported to mediate effects of psychological contract violation. Chao et al. (2011) identified that the relationship between psychological contract breach and counterproductive workplace behaviour is moderated by external attribution style and power distance, one of Hofstede's (1980a) dimensions of culture. Individuals that attribute the breach in psychological contract to disruption, and exhibited a high power distance dimension, reported lower counterproductive workplace behaviours. The authors identified that the way employees perceive and attribute organisational failure to uphold the psychological contract, has a relationship on how they will behave in the future. However, the Chao et al. (2011) study only involved working Chinese workers from a single location that consisted of 94% Chinese ethnicity. The authors also identified that further research needs to be conducted at the cultural level to further describe the relationship between the cultural dimension of power distance and psychological contract breach and counterproductive workplace behaviour.

## 2.11 Conclusion of literature findings

Psychological contracts should be an important consideration for organisations wanting to retain their employees and ensure their organisational commitment. The concept of the psychological contract relies on mutual obligations and expectations between employees and their organisations and more specifically managers or supervisors. When employee psychological contracts are violated, counter productive workplace practices can develop affecting overall organisational performance and the level of employee commitment. The latter evidence highlights the need for organisational leaders to tailor their expectations and obligations communicated to employees, so as to avoid inflated employee expectations and conversely acknowledge the reciprocal expectations of employees, to maintain the integrity of the contract.

Individual cultural orientation as well as organisational culture can be described by applying Hofstede's (1980a) dimension of individualism-collectivism. Congruence between an individual's and their organisation's cultural orientation is important for management to consider to ensure a cultural alignment and avoid 'misfits' that may negatively impact employee job attitude and turnover intention. Furthermore, subcultures have been shown to develop in large organisations due to various factors, where similar cultural units may share or differ with regards to cultural characteristics of the organisation. Hofstede's (1998) research identified that business leaders should understand the level of cultural diversity within their organisations before applying company wide solutions to avoid violating smaller subcultural groups with contrasting outlooks.

Literature has identified a link between cultural orientation and the type of psychological contract established at a national level, identifying diversity in the type of psychological contract in relation to individualistic and collectivist individuals. However research could be found that investigates the relationship between an individualist/collectivist employed in an individualistic/collectivist

organisation and the resultant impact on the type of psychological contract established. Furthermore, subcultures may exist, consisting of individuals with similar cultural orientation, suggesting the relevance of investigating whether these subcultural units can be characterised along the dimensions of individualism-collectivism and whether there is any association to a shared psychological contract type.



## CHAPTER 3: RESEARCH QUESTIONS

Thomas et al. (2010) as well as Zhao and Chen (2008) explored the relationship between culture and the type of psychological contract established. The latter two studies, however, explored individualism-collectivism at a national and cross cultural level and not at an individual or organisational level, but nevertheless identified a significant relationship between the cultural dimension of individualism and collectivism and the psychological contract type. Linking Robert and Wasti's (2002) organisational culture typology to the latter work in psychological contract theory, there appears to be an opportunity to explore the relationship between an individual's degree of individualism/collectivism and whether an association exists with a specific type of psychological contract being formed. Of further interest is whether employees with similar cultural orientation, that form subcultures in organisations, share similar employment expectations and thus are associated with either transactional or relational psychological contracts. The overarching research question is thus as follows:

### 3.1 Primary research question:

Does an individual's cultural orientation in relation to that of their organisation (Individualist or collectivist) or membership to an organisational subculture have bearing on the type of psychological contract established?

In order to answer the primary research question, four sub questions need to be answered.

#### 3.1.1 Research question 1

Is there a relationship between an individual's cultural orientation, being individualistic or collectivist, and the type of psychological contract established?

### **3.1.2 Research question 2:**

Does organisational culture, being individualistic or collectivist, express a preference in employees' type of psychological contract?

Previous research has highlighted the need for a 'fit' between individual values and the cultural orientation of the organisation. Subcultures can be represented by groups of individuals that share a cultural orientation and similar experiences in their work context. The research intended to develop a deeper understanding of the alignment of subculture in relation to a dominant organisational culture and to assess whether subcultural dynamics play a role in determining the type of psychological contracts being formed. The research question to be answered by this research is thus:

### **3.1.3 Research question 3:**

Are subcultures identifiable within the dominant organisational culture and is there an association with the psychological contract?

The literature review explored the development of Hofstede's national cultural dimension of individualism-collectivism (Hofstede, 1980a) to describe individual value orientation (Singelis, 1994) as well as the relevance in an organisational context (Robert & Wasti, 2002). Subsequent research has attempted to explore the impacts of congruence and mismatches between individual values and organisational culture, linking the cultural dimensions of individualism and collectivism to aspects of organisational commitment, job attitude and job satisfaction. The congruence between individual values and organisational culture will be investigated to further the understanding of this dynamic explored by Chatman and Barsade (1995) and Robert and Wasti (2002) and linking it to psychological contract theory. The latter thus directs the subsequent research question:

### 3.1.4 Research question 4:

Is it important for an individual's cultural orientation to align with their organisational culture in relation to psychological contract type?

Collectively the research questions attempt to describe whether congruence between organisational and individual culture and subculture group membership, using the cultural dimension of individualism-collectivism, impacts the type of psychological contract established between employees and their employers. The latter study construct is presented in figure 3.

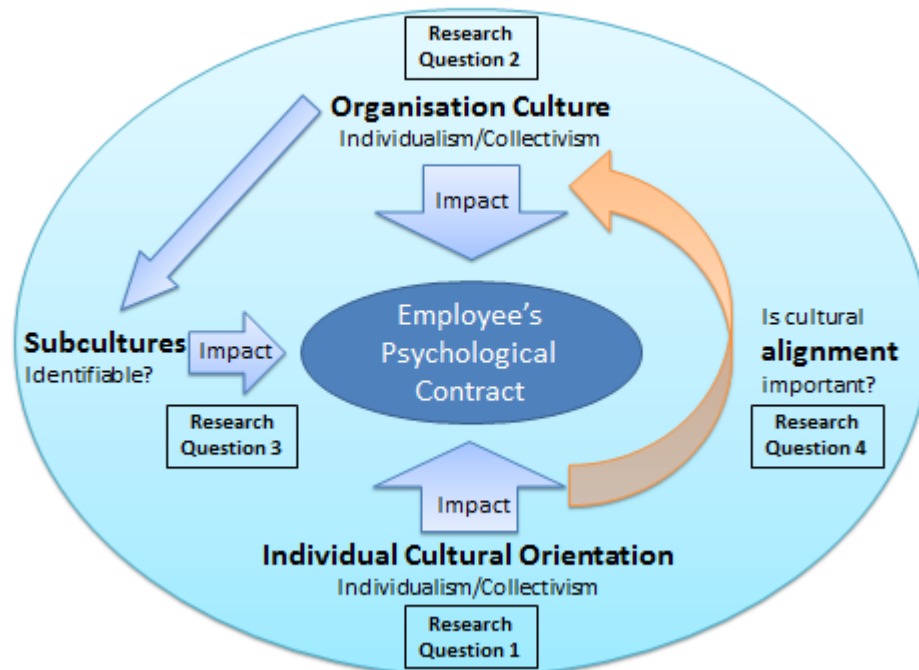


Figure 3: Research construct describing the relationship between psychological contract and individual, subculture and organisational cultural orientation

# CHAPTER 4: METHODOLOGY

## 4.1 Introduction & rationale for proposed methodology

The study methodology aimed to further the understanding of the dynamics of the psychological contract, building on Zhao and Chen (2008), Schalk and Soeters (2008) and Thomas et al. (2010) research pertaining to the relationship between individual/organisational/ national cultural dimensions and psychological contracts.

From the literature review, organisational culture entails a shared philosophy amongst employees that distinguish one organisation from another. Within this residing organisational culture, smaller subgroups or subcultures may develop that are characterised by a common cultural dimension that may or may not be aligned with the greater organisational culture. Congruence of shared values between employees and their organisation is important to avoid the impacts of cultural 'misfits'. Communication and promises made to organisational employees is dependent on the dominant organisational culture that may violate employees' expectations if their values are misaligned with those of the organisation.

The research methodology was therefore conducted to assess whether a dominant organisational culture was identifiable, and whether there was any significant diversity within the organisational culture, in terms of individual and subcultural orientations and whether the cultural diversity was associated with a particular type of psychological contract.

The scope of the research was limited to a study that attempted to characterise the relationship between individual values and organisational cultures along the continuum of individualism and collectivism as well as assessing for the presence

of subcultures and their impact on the type of psychological contract of individuals employed by multinational pharmaceutical firms in a South African context.

## **4.2 Research method**

The research for this study was conducted using an explanatory and quantitative approach as it aimed to further validate the constructs derived from the literature review and explain the relationships between the cultural dimension at an individual, subcultural and organisational level and the type of psychological contract established. Use of explanatory studies are suggested when the research aim is to investigate the causal relationship between key variables and identify an explanation that supports an occurrence (Saunders & Lewis, 2012). The research was designed as a cross-sectional study where the constructs were assessed at a single point in time (Zikmund, Babin, Carr & Griffin, 2010).

## **4.3 Population and unit of analysis**

The population consists of all employees working for multinational organisations operating in the medical device manufacturing or pharmaceutical sector in South Africa. The unit of analysis for the study was the employee and their associated type of psychological contract established in their organisation.

## **4.4 Sampling**

Sampling is the procedure of devising conclusions pertaining to a portion of the population (Zikmund et al., 2010). Saunders and Lewis (2012) describe the sampling frame as the entire list of all members of the total population from which a sample is selected. The research sampling frame was unknown which indicated the appropriateness of using a non-probability, purposive sampling technique (Saunders et al., 2012). Further, purposive or judgement sampling is appropriate

when the researcher makes use of their own judgement to select respondents based on a range of criteria for the purpose of the study (Zikmund et al., 2010).

The purposive sample chosen for the research consisted of employees working for two South African operating companies that are subsidiaries of larger multinational pharmaceutical companies, as well as employees with registered LinkedIn accounts that indicated employment in the pharmaceutical or medical device sector. The pharmaceutical/ medical device manufacturing industry was selected for ease of use in obtaining responses and it is also well represented locally by leading multinational organisations. Most local pharmaceutical manufacturer subsidiaries are represented nationally, which is necessary to determine the impact of geographic separation in the formation of subcultures.

## **4.5 Data collection tool**

Data was gathered by making use of an internet based self-administered questionnaire. The latter type of survey was chosen to allow the researcher to rapidly access nationally distributed sample members from a variety of organisations, and to minimise data collection errors by using a standardised questionnaire (Zikmund et al., 2010).

### ***4.5.1 Questionnaire design***

The study requires the characterisation of organisational culture as well as the cultural orientation of its members. This study aimed to contribute to the work Zhao and Chen (2008) assessing individual employee cultural orientation in relation to psychological contracts and Thomas et al. (2010) work on relating organisation culture to psychological contract type. Both studies utilised the cultural dimension of individualism-collectivism to describe cultural orientation at both an individual as well as an organisational level. De Cuyper et al. (2008) validated psychological contract typology as being either relational or transactional and reported sample questions that were used to elucidate the orientation of the contract.

Therefore respondents were assessed based on the perception of their organisational culture as being either individualist or collectivist. Individuals were also assessed to determine their personal cultural orientation as being either individualist or collectivist. Questions from Robert and Wasti (2002) and Singelis (1994) reported in Vas (2006) were used to determine organisational culture and individual cultural orientation. De Cuyper et al.(2008) typology was used to define the type of psychological contract.

#### **4.5.1.1 Internal consistency of scale items**

The scale items used to measure individual constructs within the survey tool were selected based on their level of internal consistency. The internal consistency of a measure refers to the degree to which each set of scale items used to measure a concept, converge on a common meaning (Zikmund et al., 2010).

*The coefficient alpha ( $\alpha$ )* is the most commonly used measure of reliability applied to multiple item scales as it calculates the average of all split-half reliabilities (Zikmund et al., 2010). A coefficient alpha value of 0 infers no consistency, whereas a value of 1 represents complete consistency. Zikmund et al. (2010) identifies that coefficient  $\alpha$  values between:

- **0.80 to 0.95**, represent very good reliability
- **0.70 to 0.80**, infer good reliability
- **0.60 to 0.70**, indicate fair reliability

The test-retest method assesses stability of the scale items, where the same items are administered to the same respondents at two separate time intervals. Consistency is indicated by the level of correlation between the two measures at the separate time points (Zikmund et al, 2010).

The measures of reliability for the scale items used in the questionnaire are noted below.

#### **4.5.1.2 Items used to determine individual cultural orientation**

Research Question 1 sought to relate individual cultural orientation along the dimension of individualism-collectivism to psychological contract type. To understand the relationship between individual and organisational culture, respondent's cultural orientation along the dimensions of individualism-collectivism was assessed. Singelis (1994) validated items used to describe an individual's cultural orientation along the continuum of being either independent (individualist) or interdependent (collectivist). Five items to assess individualism and six items to measure collectivism were included in the measuring instrument, with response options presented in five-point Likert scales of 'strongly disagree' to 'strongly agree' (Table 1).

**Table 1: Survey items used to characterise a respondent's cultural orientation (Singelis, 1994)**

<b>Individualism</b>	<b>Collectivism</b>
1. I enjoy being unique and different from others in many respects	1. It is important to me to respect decisions made by the group
2. Speaking up during a class is not a problem for me	2. I will sacrifice my self-interest for the benefit of the group I am in
3. I prefer to be direct and forthright when dealing with people I have just met	3. I have respect for the authority figures with whom I interact
4. I am comfortable with being singled out for praise or rewards	4. I will stay in a group if it need me, even when I am not happy with the group
5. My personal identity, independent of others, is very important to me	5. Even when I strongly disagree with group members, I avoid an argument
	6. I should take into consideration my parent' advice, when making education/career plans

Singelis (1994) in Vas (2006) report a Cronbach's  $\alpha$  value of 0.69 (fair reliability) for the scale items used to determine individualism and 0.73 (good reliability) for the collectivism scale items, suggesting the item's appropriateness in measuring the concept of individualism-collectivism.

#### **4.5.1.3 Items used in determining organisational culture**

Research Question 2 sought to contribute to Robert and Wasti's (2002) findings in characterising an organisational culture along the dimension of individualism-



collectivism and relating it to psychological contract theory. In order to answer the research question, Robert and Wasti's (2002) validated scale to determine organisational culture as being either individualistic or collectivist, was incorporated into the survey which included 6 five-point Likert scale items for both individualism and collectivism, with responses ranging from 'strongly disagree' to 'strongly agree' (Table 2).

**Table 2: Survey items to determine organisational culture (Robert & Wasti, 2002)**

<b>Organisational Individualism</b>	<b>Organisational Collectivism</b>
<ol style="list-style-type: none"> <li>1. Each worker is encouraged to realize his or her own unique potential</li> <li>2. People with good ideas make sure management knows the idea was theirs</li> <li>3. Employees' ability to think for themselves is valued</li> <li>4. Individuals who stand out in a high performing group are recognized</li> <li>5. Employees value independence in their job</li> <li>6. Competition between employees is accepted</li> </ol>	<ol style="list-style-type: none"> <li>1. Management and supervisors are protective of and generous to loyal workers</li> <li>2. Decisions about changes in work methods are taken jointly by supervisors and employees</li> <li>3. Employees are taken care of like members of a family</li> <li>4. Everyone shared responsibility for the organisations' failures as well as success</li> <li>5. Regardless of hierarchical level, employees take each other's overall welfare</li> <li>6. Everyone is kept informed about major decisions that affect the success of the company</li> </ol>

The measure of internal consistency for the scale items pertaining to organisational culture was reported by Robert and Wasti (2002) in Vas (2006), indicating a Cronbach's  $\alpha$  of 0.82 for the organisational collectivism items and 0.71 for organisational individualism measures. The coefficient alphas represent good to very good reliability and thus justified the application of the scale items into the questionnaire in measuring organisational individualism and collectivism.

#### **4.5.1.4 Items used in identifying subcultures**

In order to answer Research Questions 3, which attempts to examine the effect of subcultures on psychological contract; demographic information was required per responder to assess for the existence of organisational subcultures. Subcultures

within organisations develop in response to factors such as departmental designation or geographic separation, whose members share similar issues, situations or experiences (Robbins et al., 2009). Hofstede (1998) reported on an empirical method that could be used to identify subcultures within the organisation. His work largely identified diversity amongst employees relating to their role profile within the organisation. Hofstede's (1998) research utilised 61 items to determine employee orientation with regards to six organisational cultural dimensions;

1. process oriented vs. results oriented
2. employee oriented vs. job oriented
3. parochial vs. professional
4. open system vs. closed system
5. loose vs. tight control
6. normative vs. pragmatic

The latter research utilised the six cultural dimensions coupled with working groups (job role) to identify subcultural clusters. However, due to time constraints, as well as the concept of culture within the scope of the research, two dimensions of culture were used to assess subculture, being individualism and collectivism.

In conjunction to the cultural dimensions; questions pertaining to the following factors were included in the survey to be used to characterise subcultures:

- Organisation name
- Respondent age, gender, race, education and geographic area of employment
- Organisational department
- Job role
- Length of tenure

#### **4.5.1.5 Items used to determine psychological contract type and violation**

In order to relate the cultural dimensions assessed in Research Questions; 1, 2 and 3 to psychological contract type; items that characterised the nature of the perceived psychological contract were included in the questionnaire. De Cuyper et al. (2008) validated a typology to determine psychological contract type. The employee-employer relationship was described by De Cuyper et al. (2008) in terms of the level of perceived obligations and expectations between employees and employers as being mutually high, mutually low, employee over-obligation and employee under-obligation. In reaching De Cuyper's et al. (2008) findings, the author used four items each to determine employee's and employer's obligations as being either relational or transactional in nature. In each set of four items; two items identified transactional and two items reflected relational content. The items used to ascertain a respondent's psychological content is presented in Table 3. For each of the items, respondents were asked to indicate whether they perceived the promise as 'given' or 'not given'.

**Table 3: Items used to determine psychological contract type (De Cuyper et al., 2008)**

<b>To assess transactional employer obligations</b>  <b>Does your organisation:</b> <ol style="list-style-type: none"><li>1. Provide you with good pay for the work you do?</li><li>2. Provide you with a safe working environment?</li></ol> <b>To assess relational employers' obligations</b> <ol style="list-style-type: none"><li>3. Provide you with a reasonably secure job?</li><li>4. Provide you with the opportunities to advance and grow?</li></ol>	<b>To assess transactional employees' obligations</b>  <b>Is it important for you:</b> <ol style="list-style-type: none"><li>1. Turn up for work on time?</li><li>2. Meet the performance expectations for your job?</li></ol> <b>To assess relational employees' obligations</b> <ol style="list-style-type: none"><li>3. To display loyalty towards your organisation?</li><li>4. Volunteer to do tasks outside your job description?</li></ol>
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Robinson and Rousseau (1994) validated two items used to identify violation of employee's psychological contracts which were included in the questionnaire. The first measure; 'has or had your employer ever failed to meet the obligation(s) that

were promised to you?’ required respondents to either agree or disagree. The second item assessed contract violation along a continuum using a five-point scale ranging from 1 = ‘very poorly fulfilled’ to 5 = ‘very well fulfilled’.

No measures of reliability were noted by De Cuyper et al. (2008) for the scale items pertaining to psychological contract type.

Pertaining to the items measuring psychological contract violation, Robinson and Rousseau (1994) reported a test-retest reliability score of 0.78, indicating a measure of good reliability of the scale items and the appropriateness of their application into the questionnaire.

## **4.6 Validation of data collection tool**

Saunders and Lewis (2012) report that questionnaires provide value if they:-

- Collect data that answers the research questions
- Collects data from a large enough sample to provide significance
- Pose questions in an understandable manner, that are understood in the same way the researcher intended them to be

Pretesting of the self-administered questionnaire was conducted to optimize the survey design and content to ensure the instrument met the study requirements and minimised the risk of response bias (Zikmund et al., 2010). The pre-test involved screening the survey with 5 respondents. Respondents were asked to complete the survey (Appendix A) and provide feedback pertaining to their understanding of the survey questions, the flow of the survey, time spent and any other suggestions relating to content and accessibility. Feedback and response analysis was used to validate the appropriateness of the questions to answer the research questions and improve the visual aspects and content of the survey, amendments included:

1. Increase text size

2. Limit questions to fit page
3. The addition of a progress bar
4. The addition of items to better address the study requirements (items pertaining to psychological contract violation)

## **4.7 Data collection method**

In order to facilitate data collection, permission to survey employees was attained through verbal agreement with the HR directors of two multinational pharmaceutical companies, under the condition that their company participation remained anonymous.

The self-administered survey was distributed with the aid of an internet survey administrative software product (Survey Monkey®). The content of the online survey is presented in Appendix B. The internet survey links were distributed internally within the organisations by their central human resource department mailbox. Additional responses were attained by identifying employees within the pharmaceutical/medical industry using their LinkedIn® profiles and requesting their participation. Unless respondents elected to 'opt out' of the study, they were given a time frame of two weeks to respond before reminders were sent.

## **4.8 Processing and data analysis**

### ***4.8.1 Editing and coding***

After the completion of the data collection phase, the raw data was extracted and converted into a format necessary to answer the research questions. The editing process corrects for respondent error and survey completion and coding assists in categorizing the results in a format that facilitates data analysis (Zikmund et al., 2010). The raw data was edited, where incomplete responses were excluded and coded by assigning numerical values to answer options. Five-point Likert scale

answers that ranged from 'strongly disagree' to 'strongly agree' were coded from 1 to 5 respectively.

#### **4.8.2 Data analysis**

The appropriateness of applying analytical techniques to a data set is dependent on the information requirements, the aspects of the research design and the type of information gathered (Zikmund et al., 2010). In order to determine the relationships between individual and organisational cultural orientations, the membership to subcultures and the associated psychological contract formed the following statistical techniques were applied to the data set:

1. Test for normality
2. Descriptive statistics
3. Principle component analysis
4. Correlation analysis
5. Regression analysis
6. Cluster analysis

##### **4.8.2.1 Test for normality**

The dataset was assessed for normality and was found to not fit a normal distribution ( $p < 0.05$ ), therefore non parametric analytical techniques were employed (Zikmund et al., 2010)

##### **4.8.2.2 Descriptive statistics**

Descriptive statistics serves to describe basic characteristics of a data set and present the data in a summarised and understandable manner (Zikmund et al., 2010). Respondent' demographics were summarised using frequency tables and presented graphically to display percentage values associated with the demographic variables (age, education, geography, gender, tenure and job role) (Zikmund et al., 2010).

#### **4.8.2.3 Principle component analysis (PCA)**

Factor analysis represents a technique commonly employed when dealing with large data-sets and is utilized as a data reduction test to summarize large datasets to a smaller number of factors, accomplished by capturing variances from a multitude of variables with a singular variate (Zikmund et al., 2010). Factor analysis is reported to be used at both the exploratory and the confirmatory stages of research (Zikmund et al., 2010).

When determining the suitability of factor analysis, it is important to consider the strength of associations between variables (Tabachnick & Fidell, 2007). The authors also recommend that the correlations coefficients presented in the correlation matrix should be inspected for coefficients above 0.3, where if few are found, factor analysis may not be suitable for the data set.

The Kaiser-Meyer-Olkin (KMO) index allows one to ascertain statistically if factor analysis is appropriate (Hair, Anderson, Tatham & Black, 1998). The KMO index ranges from 0 to 1, with indices greater than 0.6 inferring a positive indication of factor analysis. Furthermore, to ensure that factor analysis is appropriate, Barlett's test of sphericity needs to be significant ( $p < 0.05$ ) (Tabachnick & Fidell, 2007). This test was conducted to verify the appropriateness of the principle component analysis as a data reduction tool.

Cliff (1988) suggests that for the measurements the sum of many items is more reliable than one item. PCA was computed as there was no prior expectation of the factor analysis (Cliff, 1988). Using the Kaiser criteria, eigenvalues of greater than 1 were retained for further analysis. The eigenvalue of a factor represents the total variance that is explained by that factor. A PCA with a Varimax rotation was computed on all the categories of data that represent the higher order construct.

Therefore, rather than analysing the responses on the basis of individual values, perceptions and behaviour, the researcher attempted to combine related values

into a single index, which Schwartz and Bilsky (1987) report provides a better measure.

#### **4.8.2.4 Correlation**

Correlations indicate the level of association or relationship of one variable to another, where the correlation coefficient describes the statistical measure of covariation between the variables (Zikmund et al., 2010). It is appropriate to utilise the Pearson's product moment correlation when attempting to determine relationships between continuous variables, where a positive relationship is shown to exist if the correlation coefficient,  $r$ , equals +1 and -1 indicates a perfect inverse relationship (Zikmund et al., 2010). Therefore the latter technique was used to assess the associations between the type of psychological contract in relation to the study variables, including but not limited to the individual's cultural orientation (individualism/collectivism) and the organisational culture (individualism/collectivism).

#### **4.8.2.5 Regression analysis**

Zikmund et al. (2010) describe regression analysis as a technique used to assess the linearity of association between a dependent variable and the independent variables. Regression is a technique used to determine dependence, where an attempt is made to predict the continuous dependent variable values utilising specific independent variable values (Zikmund et al., 2010). The application of this technique is thus appropriate in order to predict the type of psychological contract (dependent variable) utilising; transactional, relational employee & transactional, relational employer content as the independent variables. Additionally, the assessment of the association between psychological contract type and whether the employer kept promises made or failed to meet employee obligations was also assessed. In determining the strength of relationships between the independent and dependent variables, the standard regression coefficient ( $\beta$ ) will be assessed,



where higher absolute values indicate a stronger relationship ( $\beta$  ranges from -1 to +1) (Zikmund et al., 2010).

#### **4.8.2.6 Cluster Analysis**

Cluster analysis is a multivariate technique that attempts to identify and group objects or individuals into similar groups, making no distinction between dependent and interdependent variables (Zikmund et al., 2010). Using this technique similar objects or individuals are assigned to groups that have high internal homogeneity and high external heterogeneity (Zikmund et al., 2010). Hofstede (1998) validated the use of cluster analysis as a technique to distinguish organisational subcultures within the greater organisational context. Using a similar approach, a cluster analysis was conducted using the singular dimension of individualism-collectivism for cultural orientation, validated by Robert and Wasti (2002), as well as respondent' organisation, geography, age, job role, education and tenure.

### **4.9 Research limitations**

The following limitations to the study were anticipated:

- Due to the time constraints and scope of this research, the cultural dimensions for assessing individual, organisational and subculture cultural orientation has been simplified to the singular dimension of individualism-collectivism. This may limit findings and the relevance of the results to organisations with similar dimensions.
- The definition of psychological contract type, being either transactional or relational may limit the scope of the research.
- The research was conducted in multinational organisations which may be influenced by the global head office cultures.
- The sample population, being the pharmaceutical and medical device industry may limit the extrapolation of results.

- The sample population size attained from this study may limit the sensitivity in identifying subcultural differences.
- The high proportion of respondent representation from one geographic region may have limited the sensitivity of the study in identifying subcultural differences.
- The relatively homogenous sample in terms of demographic characteristics may have impacted the study's ability to characterise subcultural differences.
- Due to the sensitive and personal nature of psychological contract assessment, an element of response bias may have occurred.
- Results were rationalised in relation to current literature. However, a lack of consensus literature in this field may have limited result explanations.

# CHAPTER 5: RESULTS

## 5.1 Introduction

The purpose of this research was to assess whether individual cultural orientation in relation to organisational culture and possible subcultural membership has any bearing on the type of psychological contract established. In answering the latter, four research questions emerged. The results discussed in this chapter identify significant associations between dimensions of culture, being individualism and collectivism, at both an individual level as well as at an organisational level, with psychological contract type. Importantly collectivism is identified as being an important dimension at an individual and organisational level based on its positive impact on psychological contract integrity. This chapter will report the results obtained through the study in answering the research questions specified in Chapter 3.

The primary research question for the study is:

### **Primary research question:**

Does an individual's cultural orientation in relation to that of their organisation (Individualist/collectivist) or membership to an organisational subculture have bearing on the type of psychological contract established?

Before answering the primary research, descriptive statistics describing the sample population demographics will be presented and the sub questions (Research Questions 1-4) will be addressed;

### **Research Question 1**

Is there a relationship between an individual's cultural orientation, being individualistic/collectivist, and the type of psychological contract established?

**Research Question 2:**

Does organisational culture, being individualistic or collectivist, express a preference in employees' type of psychological contract?

**Research Question 3:**

Are subcultures identifiable within the dominant organisational culture and is there an association with the psychological contract?

**Research Question 4:**

Is it important for an individual's cultural orientation to align with their organisational culture in relation to psychological contract type?

An online survey was used as the data collection tool for the study to answer the research questions. The results from the survey are presented under the following headings:

- 1) Test for normality
- 2) Demographic profile of respondents
- 3) Construct validity to determine cultural orientation
- 4) Results pertaining to research question 1
- 5) Results pertaining to research question 2
- 6) Results pertaining to research question 3
- 7) Results pertaining to research question 4
- 8) Results pertaining to the primary research question
- 9) Conclusion of Results

Please refer to Appendix C for the complete set of results from analytical techniques used to answer the research questions.

## 5.1 Test for normality

The dataset was assessed for normality (Appendix C).

$H_o$  the observed distribution of the dataset fits the normal distribution

$H_a$  the observed distribution does not fit the normal distribution

Referring to Table 1 (Appendix C), using both the Kolmogorov-Smirnov and Shapiro-Wilks tests,  $p < 0.05$  (0.000) for all dataset variables, therefore the  $H_o$  is rejected as the tests are significant, inferring that the dataset is not normally distributed.

## 5.2 Demographic profile of respondents

### 5.2.1 Respondents' organisations

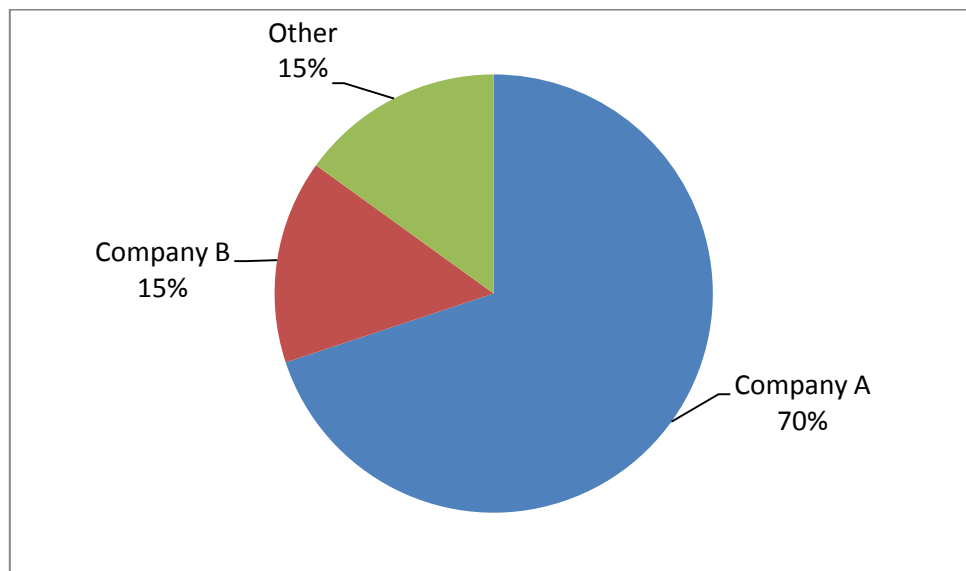


Figure 4: South African multinational pharmaceutical and or medical company sample population

The two main companies approached for the study were local subsidiaries of large multinational pharmaceutical companies with local annual revenues greater than

R500 million. Both companies requested animosity for the purposes of the study and are thus referred to as company A and company B within the study results. Employees belonging to other South African subsidiaries of multinational pharmaceutical and medical organisations were also included in the study. One hundred and thirteen respondents completed the survey, with 70% of responders belonging to Company A, 15% to Company B & 15% belonging to other medical or pharmaceutical organisations (figure 4).

### 5.2.2 Age category

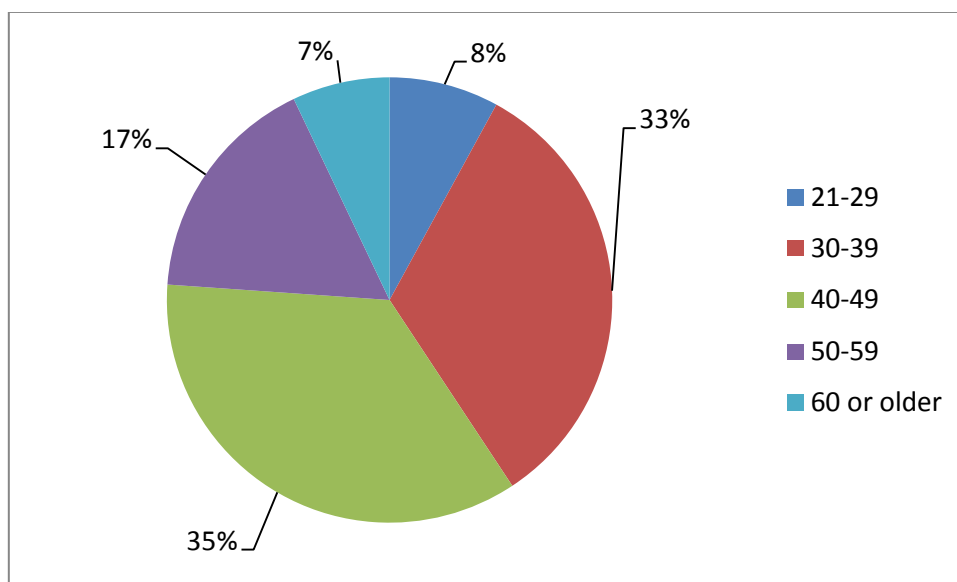


Figure 5: Pie chart depicting respondent age

Figure 5 depicts that the majority of respondents were between 30 to 49 years of age (69%), with the majority being between 40 and 49 years (35%) and the least being older than 60 years (7%).

### 5.2.3 Gender

Table 4: Total respondent percentage by gender

	Frequency	Percent	Valid Percent	Cumulative Percent
Male	35	31.0	31.0	31.0
Female	78	69.0	69.0	100.0
<b>Total</b>	<b>113</b>	<b>100.0</b>	<b>100.0</b>	

Referring to Table 4, out of the 113 respondents, 69% were female and 31% were male employees. The latter suggests that the pharmaceutical or medical device industry is dominated by females.

### 5.2.4 Race

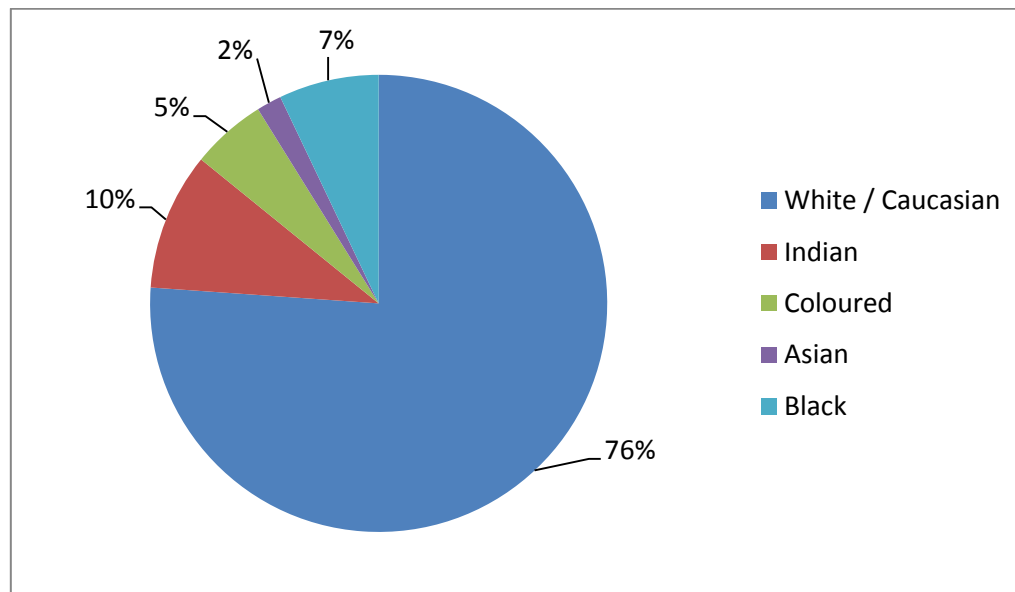


Figure 6: Pie chart depicting respondent race

All races present within a South African context were represented by the sample population, with the majority being Caucasian (76%) and the least belonging to the Asian race (2%) (Figure 6). These findings suggest that organisations operating within the medical device or pharmaceutical industry are dominated by white

employees and are thus not reflective of the national demographics in South Africa and therefore may limit the extrapolation of results.

#### 5.2.5 Geography

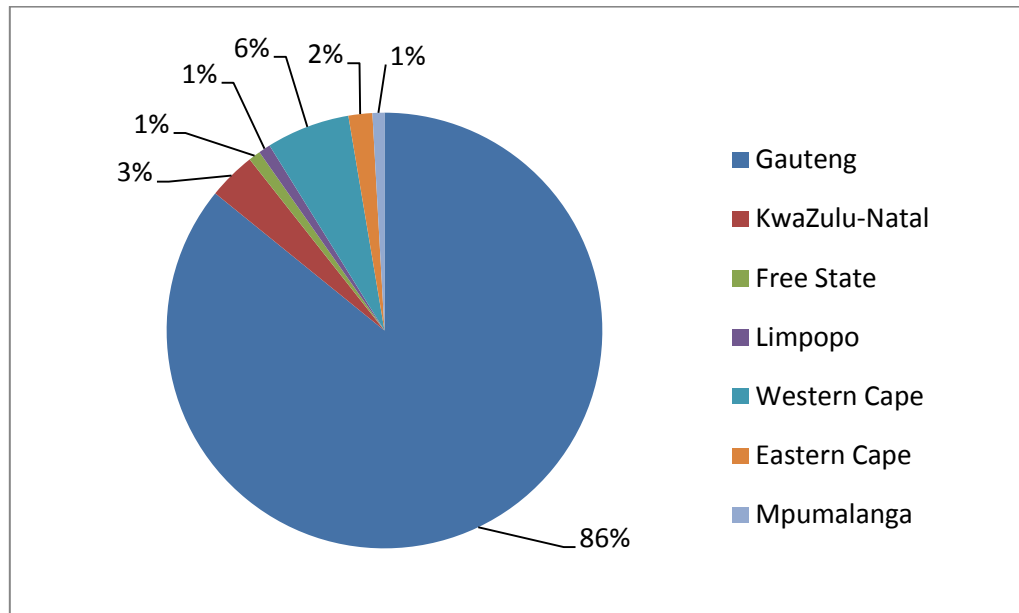


Figure 7: Percentage respondent per province in South Africa

The majority of all respondents' employment was based in Gauteng (86%). The Free State, Limpopo, and Mpumalanga provinces were represented by a single respondent respectively (Figure 7). The geographic split of respondents from the sample population suggests that most organisations have a high concentration of employees in the Gauteng region based on their situation of head offices.



### 5.2.6 Employee length of tenure

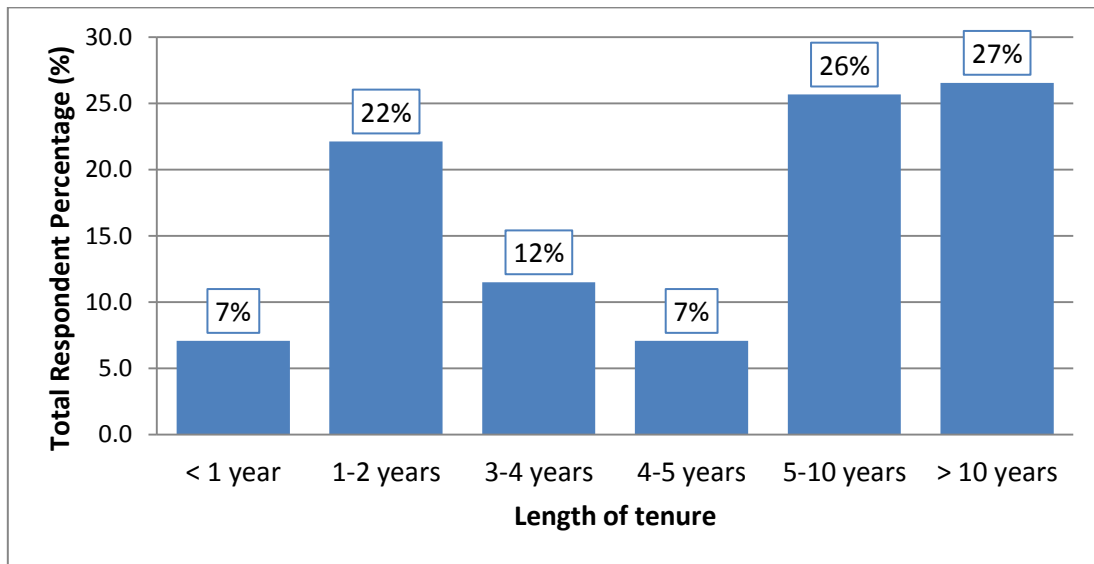


Figure 8: Bar graph representing length of employee tenure

Figure 8 illustrates that 53% of employees within the sample population have been employed within their current organisation for five or more years and 7.1% that have been in their current employment for less than a year. The percentage split between employee lengths of tenure suggests that one in five employees will leave their organisation before their fifth year of employment within this industry sector.

### 5.2.7 Education

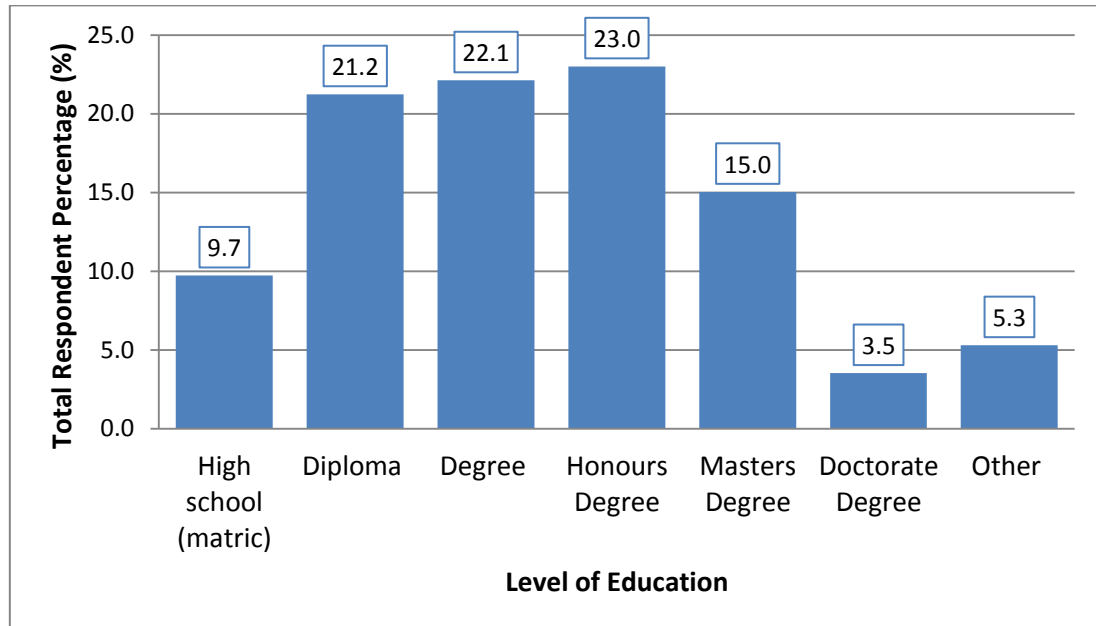


Figure 9: Bar graph depicting the highest level of education achieved for all respondents

Figure 9 illustrates that 90.3% of all respondents have achieved a level of education greater than a high school matric. 85% of respondents have received a university degree level of education (degree, honours, masters, or doctorate) and only 9.7% of all respondents have achieved a matric certificate. The latter research findings suggest that the majority of employees operating within the pharmaceutical or medical device industry have achieved a level of education greater than a high school matric certificate.

### 5.2.8 Job role

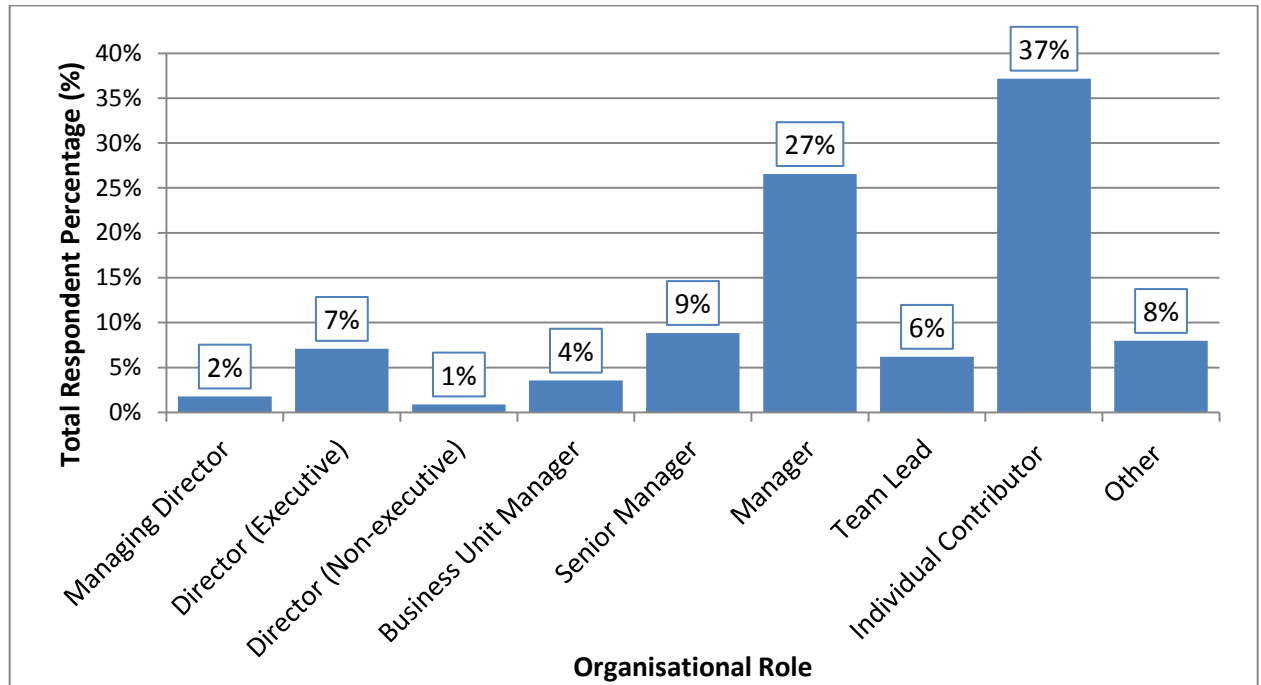


Figure 10 - Bar graph showing job role as a percentage of total respondents

The study population included representation from all determined hierarchical job roles, with most respondents being individual contributors (37%) or being employed in middle management (27%) (Figure10). The percentage split of respondents for this research suggests that organisations in the medical device or pharmaceutical industry reflect pyramid organisational structures with less senior management than middle management and individual contributor roles.

### **5.3 Construct validity to determine cultural orientation**

Principle component analysis (PCA) was applied to the scale items used to measure individual and organisational cultural orientation (individualism/collectivism), in an attempt to reduce the number of variables that contribute to the construct.

The scale items pertaining to the following four constructs were analysed using this technique:

- I. Organisational individualism construct
- II. Organisational collectivism construct
- III. Individual individualism construct
- IV. Individual collectivism construct

The results of the PCA for the four constructs assessed are presented below under the latter headings.

### 5.3.1 Organisational individualism construct

**Table 5: Correlation matrix for organisational individualism constructs components**

	Each worker is encouraged to realize his or her own unique potential	People with good ideas make sure management knows the idea was theirs	Employees' ability to think for themselves is values	Individuals who stand out in a high performing group are recognized	Employees value independence in their job	Competition between employees is accepted
Each worker is encouraged to realize his or her own unique potential	1.000					
People with good ideas make sure management knows the idea was theirs	.477	1.000				
Employees' ability to think for themselves is values	.660	.524	1.000			
Individuals who stand out in a high performing group are recognized	.608	.473	.630	1.000		
Employees value independence in their job	.549	.475	.565	.424	1.000	
Competition between employees is accepted	.453	.436	.398	.385	.428	1.000

A Correlation Matrix was computed to assess the relevance of the variables in determining organisational individualism (Table 5). All assessed variables were found to be significant ( $r < 0.9$ ), therefore none were excluded.

**Table 6: Kaiser-Meyer-Olkin & Bartlett's Test for organisational individualism construct components**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.872
Bartlett's Test of Sphericity	Approx. Chi-Square	239.958
	df	15
	Sig.	.000

Table 6 illustrates the KMO measure of sampling adequacy and Bartlett's Test of Sphericity values obtained for the organisational individualism construct.

A KMO value of 0.872 was obtained, representing good factor analysis (greater than 0.6) and a highly significant value for Bartlett's Test of Sphericity of 0.000 was identified.

**Table 7: Total Variance for organisational individualism construct components**

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.513	58.554	58.554	3.513	58.554	58.554
2	.700	11.666	70.220			
3	.563	9.379	79.600			
4	.544	9.072	88.672			
5	.357	5.953	94.625			
6	.323	5.375	100.000			

Extraction Method: Principal Component Analysis.

The results for the PCA are presented in Table 7. Of the components extracted, component 1 accounted for 58.6% of the total variance for the construct of organisational individualism.

**Table 8: Component matrix for organisational individualism construct components**

	Component
	1
Each worker is encouraged to realize his or her own unique potential	.828
People with good ideas make sure management knows the idea was theirs	.733
Employees' ability to think for themselves is valued	.836
Individuals who stand out in a high performing group are recognized	.775
Employees value independence in their job	.750
Competition between employees is accepted	.655

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Table 8 illustrates that all components of the construct expressed a loading greater than 0.63 indicating that all variables provide a very good measure of the factor (organisational individualism) and could not be excluded.

### 5.3.2 Organisational collectivism construct

**Table 9: Correlation matrix of the components for the organisational collectivism construct**

	Management and supervisors are protective of and generous to loyal workers	Decisions about changes in work methods are taken jointly by supervisors and employees	Employees are taken care of like members of a family	Everyone shared responsibility for the organisations' failures as well as success	Regardless of hierarchical level, employees take each other's overall welfare	Everyone is kept informed about major decisions that affect the success of the company
Management and supervisors are protective of and generous to loyal workers	1.000					
Decisions about changes in work methods are taken jointly by supervisors and employees	.563	1.000				
Employees are taken care of like members of a family	.731	.657	1.000			
Everyone shared responsibility for the organisations' failures as well as success	.464	.524	.571	1.000		
Regardless of hierarchical level, employees take each other's overall welfare	.587	.526	.661	.612	1.000	
Everyone is kept informed about major decisions that affect the success of the company.	.570	.587	.649	.636	.670	1.000

Table 9 illustrates the correlations between the individual items used to determine the construct of organisational collectivism. All assessed variables were found to be significant ( $r < 0.9$ ), therefore none were excluded.

**Table 10: Kaiser-Meyer-Olkin & Bartlett's Test of the components of the organisational collectivism construct**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.890
Bartlett's Test of Sphericity	Approx. Chi-Square	337.420
	df	15
	Sig.	.000

For the organisational collectivism construct, a KMO measure of sampling adequacy of 0.890 (indicating good factor analysis) and a highly significant Bartlett's Test of Sphericity value of 0.000 was attained (Table 10).

**Table 11: Total variance for the organisational collectivism construct components**

Total Variance Explained						
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.010	66.832	66.832	4.010	66.832	66.832
2	.606	10.099	76.931			
3	.472	7.870	84.801			
4	.353	5.891	90.692			
5	.317	5.286	95.979			
6	.241	4.021	100.000			

Extraction Method: Principal Component Analysis.

The results for the organisational collectivism PCA are presented in Table 11. Out of the components extracted, component 1 had a total variance of 4.010 and accounted for 66.8% of the total variance in the data set and therefore only one component was extracted.



**Table 12: Component matrix for the organisational collectivism construct**

	Component
	1
Management and supervisors are protective of and generous to loyal workers	.799
Decisions about changes in work methods are taken jointly by supervisors and employees	.784
Employees are taken care of like members of a family	.875
Everyone shared responsibility for the organisations' failures as well as success	.772
Regardless of hierarchical level, employees take each other's overall welfare	.829
Everyone is kept informed about major decisions that affect the success of the company.	.841

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Referring to Table 12, all components were found to have a loading greater than 0.71, indicating that the variables represent an excellent measure of the factor, organisational collectivism. Due to the degree of variance overlap (greater than 50%), all items were retained to measure the construct.

### 5.3.3 Individual individualism construct

**Table 13: Correlation matrix of the components of the individual individualism construct**

	I enjoy being unique and different from others in many respects	Speaking up during a class is not a problem for me	I prefer to be direct and forthright when dealing with people I have just met	I am comfortable with being singled out for praise or rewards	My personal identity, independent of others, is very important to me
I enjoy being unique and different from others in many respects	1.000				
Speaking up during a class is not a problem for me	.421	1.000			
I prefer to be direct and forthright when dealing with people I have just met	.542	.468	1.000		
I am comfortable with being singled out for praise or rewards	.319	.393	.360	1.000	
My personal identity, independent of others, is very important to me	.291	.289	.405	.340	1.000

Table 13 illustrates the associations between the scale items pertaining to the individual individualism construct. Each variable expressed a correlation value of  $r$  less than 0.9, indicating unique contribution towards the construct and therefore none of the components were excluded.

**Table 14: Kaiser-Meyer-Olkin & Bartlett's Test of the components of the individual individualism construct**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.787
Bartlett's Test of Sphericity	Approx. Chi-Square	110.781
	Df	10
	Sig.	.000

Referring to Table 14, a KMO measure of sampling adequacy, for individual individualism, of 0.787 was attained and a Bartlett's Test of Sphericity value of 0.000. The latter values indicate the appropriateness of PCA for the variables used to determine the construct.

**Table 15: Total variance for components of the individual individualism construct**

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.545	50.893	50.893	2.545	50.893	50.893
2	.770	15.395	66.288			
3	.698	13.955	80.243			
4	.554	11.086	91.329			
5	.434	8.671	100.000			

Extraction Method: Principal Component Analysis.

The PCA results for employee individualism are presented in Table 15. Component 1 was found to have a total Eigenvalue of 2.545, which accounted for 50.893% of the total variance between the variables and therefore only one component was extracted.

**Table 16: Component matrix for individual individualism construct**

	Component
	1
I enjoy being unique and different from others in many respects	.735
Speaking up during a class is not a problem for me	.729
I prefer to be direct and forthright when dealing with people I have just met	.799
I am comfortable with being singled out for praise or rewards	.662
My personal identity, independent of others, is very important to me	.630

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Referring to Table 16, all variables used to determine the construct were found to have a loading of greater than or equal to 0.63, indicating that all variables represent a very good measure in determining the factor and therefore none of the components were excluded.

### **5.3.4 Individual collectivism construct**

**Table 17: Correlation matrix for components of the individual collectivism construct**

	It is important to me to respect decisions made by the group	I will sacrifice my self-interest for the benefit of the group I am in	I have respect for the authority figures with whom I interact	I will stay in a group if it need me, even when I am not happy with the group	Even when I strongly disagree with group members, I avoid an argument	I should take into consideration my parent' advice, when making education/career plans
It is important to me to respect decisions made by the group	1.000					
I will sacrifice my self-interest for the benefit of the group I am in	.346	1.000				
I have respect for the authority figures with whom I interact	.418	.221	1.000			
I will stay in a group if it need me, even when I am not happy with the group	-.033	.182	.142	1.000		
Even when I strongly disagree with group members, I avoid an argument	.070	.107	.139	.187	1.000	
I should take into consideration my parent' advice, when making education/career plans	-.117	-.130	.158	-.027	.329	1.000

The results for the correlation matrix for employee collectivism are presented in Table 17. All components were found to be significant ( $r < 0.9$ ), therefore none were excluded.

**Table 18: Kaiser-Meyer-Olkin & Bartlett's Test for the individual collectivism construct components**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.503
Bartlett's Test of Sphericity	Approx. Chi-Square	65.298
	df	15
	Sig.	.000

Table 18 depicts a value of 0.503 for the KMO measure of sampling adequacy as well as a Bartlett's Test of Sphericity value of 0.000 for the individual collectivism construct. The KMO value of 0.503 indicates the appropriateness of the PCA, and the Bartlett's Test of Sphericity of 0.000 is less than 0.05, inferring that the correlations in the test are not appropriate for the PCA.

**Table 19: Total variance of components for the individual collectivism construct**

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	1.767	29.449	29.449	1.767	29.449	29.449
2	1.377	22.949	52.398	1.377	22.949	52.398
3	1.056	17.593	69.991	1.056	17.593	69.991
4	.760	12.663	82.654			
5	.606	10.095	92.749			
6	.435	7.251	100.000			

Extraction Method: Principal Component Analysis.

Table 19 indicates that three components were extracted for the individual collectivism construct. The three components collectively represent 69.991% of the total variance for individual collectivism.

**Table 20: Component matrix for individual collectivism construct**

	Component		
	1	2	3
It is important to me to respect decisions made by the group	.701	-.370	-.361
I will sacrifice my self-interest for the benefit of the group I am in	.653	-.313	.242
I have respect for the authority figures with whom I interact	.732	.058	-.293
I will stay in a group if it need me, even when I am not happy with the group	.358	.175	.815
Even when I strongly disagree with group members, I avoid an argument	.417	.665	.119
I should take into consideration my parent' advice, when making education/career plans	.099	.816	-.321

Extraction Method: Principal Component Analysis.

a. 3 components extracted.

Referring to Table 20, the six variables of the construct of individual collectivism are comprised of items that presented with a loading greater than 0.45. The results identify that all variables loaded most strongly on component 1, indicating the appropriateness of the items in determining individual collectivism.

The results of the principle component analysis for the four constructs used in measuring cultural orientation (Organisational individualism, organisational collectivism, individual individualism and individual collectivism), indicate that the measurement items are appropriate and therefore none of the construct components could be reduced.

## 5.4 Results pertaining to research question 1

Research question 1 sought to identify an association between an individual's cultural orientation, being either individualist or collectivist, and the type of psychological contract established.

In order to answer the research question and assess whether any associations exist between individualists and collectivists and the type of psychological contract established a Pearson's correlation was conducted. Results for the correlation analysis are presented in Table 21.

**Table 21: Pearson's correlation of psychological contract content and individual individualism and collectivism**

Variables		(1)	(2)	(3)	(4)	(5)	(6)
1) Transactional Psychological Contract - Employer	Pearson Correlation Sig. (2-tailed) N	1  113					
2) Relational Psychological Contract - Employer	Pearson Correlation Sig. (2-tailed) N	.749** .000 113	1  113				
3) Transaction Psychological Contract - Employee	Pearson Correlation Sig. (2-tailed) N	.747** .000 113	.739** .000 113	1  113			
4) Relational Psychological Contract - Employee	Pearson Correlation Sig. (2-tailed) N	.689** .000 113	.692** .000 113	.853** .000 113	1  113		
5) Individual Individualism	Pearson Correlation Sig. (2-tailed) N	.706** .000 113	.675** .000 113	.835** .000 113	.842** .000 113	1  113	
6) Individual Collectivism	Pearson Correlation Sig. (2-tailed) N	.720** .000 113	.672** .000 113	.837** .000 113	.787** .000 113	.873** .000 113	1  113

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

\* . Correlation is significant at the 0.05 level (2-tailed).

**Note:** The column variables are summarized in the header row using their associated numerical value in the variables column

Table 21 illustrates that the dimensions of individual individualism and collectivism correlate significantly with both employee expectations (transactional and relational) as well as with those of their employers (significant at the 0.01 level, 2-tailed test). In explaining the employee-employer psychological contract type, based on the specific values achieved from the Pearson's correlation coefficient ( $r$ ) the individualists were more strongly associated with relational employee expectations ( $r$  value 0.842, 0.01 level of significance) and transactional employer contract content ( $r$  value 0.706, 0.01 significance). On the same premise, individual collectivism was more strongly associated with transactional employee expectations ( $r$  value of 0.837, 0.01 level of significance) and transactional employer expectations ( $r$  value of 0.720, 0.01 level of significance).

## **5.5 Results pertaining to research question 2**

Research question 2 sought to investigate whether a relationship exists between respondents' perception of their organisational culture, being either individualist or collectivist, and the type of psychological contract established.

In answering research question 2, a Pearson's correlation was conducted to elucidate any association between organisational culture and psychological contract.



**Table 22: Pearson's correlation of psychological contract content and organisational individualism and collectivism**

Variables		(1)	(2)	(3)	(4)	(5)	(6)
<b>1. Transactional Psychological Contract - Employer</b>	Pearson Correlation	1					
	Sig. (2-tailed)						
	N	113					
<b>2. Relational Psychological Contract - Employer</b>	Pearson Correlation	.749**	1				
	Sig. (2-tailed)	.000					
	N	113	113				
<b>3. Transaction Psychological Contract - Employee</b>	Pearson Correlation	.747**	.739**	1			
	Sig. (2-tailed)	.000	.000				
	N	113	113	113			
<b>4. Relational Psychological Contract – Employee</b>	Pearson Correlation	.689**	.692**	.853**	1		
	Sig. (2-tailed)	.000	.000	.000			
	N	113	113	113	113		
<b>5. Organisational Individualism</b>	Pearson Correlation	.550**	.508**	.752**	.714**	1	
	Sig. (2-tailed)	.000	.000	.000	.000		
	N	113	113	113	113	113	
<b>6. Organisational Collectivism</b>	Pearson Correlation	.447**	.415**	.661**	.594**	.932**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	
	N	113	113	113	113	113	113

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

\* . Correlation is significant at the 0.05 level (2-tailed).

**Note:** The column variables are summarized in the header row using their associated numerical value in the variables column

Referring to Table 22, the results from the Pearson's correlation analysis identify that statistically significant associations exist between the respondents perception of organisational culture, either collectivist or individualist, and the psychological contract type (all r values presented in Table 22 are significant at the 0.01 level). In explaining the employee-employer expectation relationship, specifically referencing the individual r values obtained from the correlation analysis; perceived individualistic organisations are more strongly associated with transactional employee expectations (r value of 0.752) and transactional employer expectations (r value of 0.550). Likewise, organisations perceived to be collectivist are more

strongly associated with transactional employee expectations (r value of 0.661) and transactional employer expectations (r value of 0.447).

### **5.6 Results pertaining to research question 3**

Research question 3 sought to identify whether subcultures exist within a dominant organisational culture and whether employee membership to a subculture exerts an effect on the type of psychological contract established.

In answering research question 3, a cluster analysis was conducted to establish whether a dominant organisational culture existed along the dimensions of individualism and collectivism and whether smaller subcultural units were visible and associated with a specific psychological contract type.

Using the statistical software, SPSS; demographic variables as well as individual and organisational cultural orientation variables (individualist/collectivist) were inputted to produce a dendrogram depicted in Figure 11.

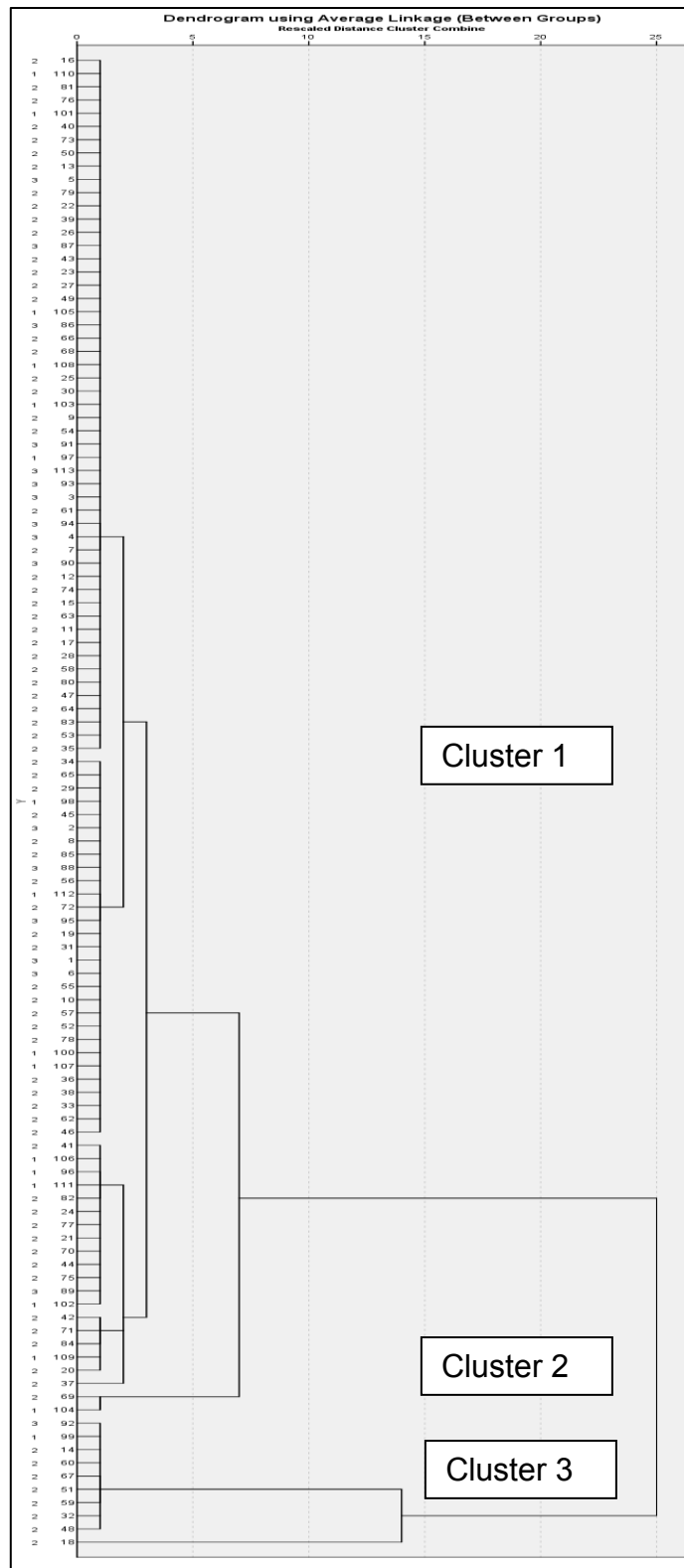


Figure 11: Dendrogram from cluster analysis

Referring to Figure 11, the dendrogram depicts three visible clusters (1 cluster separated at respondents 34 and 35; cluster 2 between 35 and 104, and cluster 3 separated at 104 and 92, and then the last cluster).

**Table 23: Difference between clusters using an independent samples test**

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Confidence	
									Lower	Upper
<b>Gender</b>	Equal variances assumed	1.456	.230	-.615	111	.540	-.054	.088	-.229	.121
	Equal variances not assumed			-.612	102.786	.542	-.054	.089	-.230	.122
<b>Race</b>	Equal variances assumed	.121	.728	.165	111	.869	.036	.219	-.397	.470
	Equal variances not assumed			.164	101.813	.870	.036	.220	-.401	.473
<b>Province</b>	Equal variances assumed	.017	.897	-.065	111	.948	-.016	.248	-.507	.475
	Equal variances not assumed			-.065	105.006	.948	-.016	.248	-.508	.476
<b>Department</b>	Equal variances assumed	.192	.662	-1.070	111	.287	-.833	.778	-2.375	.709
	Equal variances not assumed			-1.071	105.390	.287	-.833	.778	-2.375	.710
<b>Job Role</b>	Equal variances assumed	2.174	.143	.173	111	.863	.062	.356	-.644	.767
	Equal variances not assumed			.169	94.361	.866	.062	.364	-.661	.785
<b>Length of tenure</b>	Equal variances assumed	<b>8.298</b>	<b>.005</b>	<b>-2.829</b>	<b>111</b>	<b>.006</b>	<b>-.748</b>	<b>.265</b>	<b>-1.272</b>	<b>-.224</b>
	Equal variances not assumed			<b>-2.755</b>	<b>92.002</b>	<b>.007</b>	<b>-.748</b>	<b>.272</b>	<b>-1.288</b>	<b>-.209</b>
<b>Highest Education</b>	Equal variances assumed	1.094	.298	-.075	111	.941	-.022	.298	-.613	.568
	Equal variances not assumed			-.076	109.469	.940	-.022	.294	-.605	.561
<b>Organisational Individualism</b>	Equal variances assumed	1.228	.270	-.626	111	.533	-.14443	.23086	-.60189	.31303
	Equal variances not assumed			-.615	96.814	.540	-.14443	.23498	-.61082	.32196
<b>Organisational Collectivism</b>	Equal variances assumed	1.736	.190	-.691	111	.491	-.16735	.24202	-.64693	.31222
	Equal variances not assumed			-.680	97.222	.498	-.16735	.24615	-.65589	.32118
<b>Individual Individualism</b>	Equal variances assumed	.223	.638	-.273	111	.786	-.06648	.24382	-.54962	.41667
	Equal variances not assumed			-.270	100.667	.788	-.06648	.24632	-.55514	.42218
<b>Individual Collectivism</b>	Equal variances assumed	.150	.699	-.337	111	.737	-.07115	.21117	-.48960	.34730
	Equal variances not assumed			-.334	101.477	.739	-.07115	.21298	-.49363	.35133
<b>Psychological Contract</b>	Equal variances assumed	.083	.774	-.640	111	.524	-.04754	.07430	-.19477	.09969
	Equal variances not assumed			-.637	103.683	.525	-.04754	.07458	-.19544	.10035

Referring to Table 23, only two clusters could be extracted based on statistical difference. The two clusters assessed, differed only by length of tenure (F value of 8.298 using Levene's Test of equality reporting a significant value of 0.005).

No significant difference was reported between the clusters based on gender, geography, race, province, department and job role (significant values > 0.05). Therefore, the only factor relevant within this study is employee length of tenure in determining respondent subgroup membership. Further no statistical difference

was reported between the clusters with regards to organisational and individual cultural orientation (individualism/collectivism) with significant values all being reported to be greater than 0.05. Both cluster 1 and 2 extracted in the analysis contained respondents from both Company A and Company B, as per the demographic profiles of respondents presented in an earlier section of this chapter, which infers that no dominant organisational culture for either company could be described by the study results along the dimensions of individualism and collectivism. This is indicative that no dominant organisational cultures could be identified as well as that no subcultures were shown to exist within the sample population.

## **5.7 Results pertaining to research question 4**

Research question 4 sought to investigate whether alignment between an individual's cultural orientation in relation to the employee's perceived organisational culture, being either individualist or collectivist, impacts the integrity of the psychological contract.

In answering the research question, two regression analyses were conducted to assess the relationship between the cultural variables (individualism & collectivism) at an individual and organisational level and whether the respondents identified their organisation to have either failed to meet their obligations (negative impact) or kept promises made to employees (positive impact). The independent variable used for the first regression was "Employer failed to meet obligations" as it describes the negative impact on the psychological contract, and "kept promises", the positive impact on psychological contract, as the independent variable for the second regression.

### 5.7.1 Negative impacts of culture on psychological contract

**Table 24: Model summary for regression to determine negative impact on psychological contract**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.734 <sup>a</sup>	.539	.522	.38664

a. Predictors: (Constant), Individual Collectivism, Organisational Collectivism, Individual Individualism, Organisational Individualism

Table 24 illustrates the model summary for the regression pertaining to predictors of employer failing to meet obligations to their employees. The model reported an R Square value of 0.539, indicating that the model explains 53.9% of the variance related to employers failing to meet employee expectations in the data set. The statistical significance of the result is presented by means of an ANOVA in Table 25. A significant figure of 0.000 was reported in the model, indicating that  $p < 0.0005$  and thus highly significant.

**Table 25: ANOVA for regression to determine negative impact on psychological contract**

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	18.864	4	4.716	31.547	.000 <sup>b</sup>
Residual	16.145	108	.149		
Total	35.009	112			

a. Dependent Variable: Employer Failed to Meet Obligations

b. Predictors: (Constant), Individual Collectivism, Organisational Collectivism, Individual Individualism, Organisational Individualism

**Table 26: Coefficients for regression to determine negative impact on psychological contract**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.191	.120		1.586	.116
Organisational Individualism	.315	.104	.685	3.023	.003
Organisational Collectivism	-.449	.081	-1.023	-5.567	.000
Individual Individualism	.330	.065	.757	5.062	.000
Individual Collectivism	.020	.072	.039	.273	.785

a. Dependent Variable: Employer Failed to Meet Obligations

Referring to Table 26, the individual variable contributions (independent) in predicting the failure of employers meeting employee expectations is explained. The largest standardised coefficient (Beta) reported was that attained for organisational collectivism, indicating an inverse relationship (Beta value of -1.023), followed by individual individualism (Beta value of 0.757). The latter result indicates that organisational collectivism makes the strongest unique contribution to explaining employers failing to meet obligations, when the variance explained by all other predictors in the model is controlled.

### 5.7.2 Positive impacts of culture on psychological contract

**Table 27: Model summary for regression to determine positive impact on psychological contract**

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.620 <sup>a</sup>	.384	.361	.90326

a. Predictors: (Constant), Individual Collectivism, Organisational Collectivism, Individual Individualism, Organisational Individualism

The model summary for the regression pertaining to predictors of employer keeping promises made to employees is presented in Table 27. The model reported an R Square value of 0.384, indicating that the model explains 38.4% of the variance related to employers honouring promises made to employees in the data set.

**Table 28: ANOVA for regression to determine positive impact on psychological contract**

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	54.947	4	13.737	16.837	.000 <sup>b</sup>
Residual	88.115	108	.816		
Total	143.062	112			

a. Dependent Variable: EmployerKeptPromise

b. Predictors: (Constant), Individual Collectivism, Organisational Collectivism, Individual Individualism, Organisational Individualism

The statistical significance of the model result is presented in the ANOVA in Table 28. A significant figure of 0.000 was reported in the model, indicating that  $p < 0.0005$  and is thus highly significant.

**Table 29: Coefficients for regression to determine positive impact on psychological contract**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.510	.281		1.817	.072
Organisational Individualism	-.070	.243	-.076	-.289	.774
Organisational Collectivism	-.328	.188	-.370	-1.741	.084
Individual Individualism	.379	.152	.429	2.486	.014
Individual Collectivism	.515	.168	.506	3.067	.003

a. Dependent Variable: Employer Kept Promise

Referring to Table 29, the individual independent variable contributions in predicting employers keeping promises made to employees is explained. The largest standardised coefficient reported was that attained for individual collectivism (standardised Beta value of 0.506) followed by individual individualism (Beta value of 0.429). The latter result indicates that individual collectivism makes the strongest unique contribution in predicting employers keeping promises made to employees, when controlling all other predictor variances in the model.

## 5.8 Results pertaining to the primary research question

The primary research question of the study sought to investigate whether an individual's cultural orientation in relation to their organisation (individualist or collectivist) or membership to an organisational subculture have any bearing on the type of psychological contract established.

Referring to the results from the correlation analyses presented in Tables; 21 and 22 in sections 5.4 and 5.5 of this chapter, it is clear that statistically significant associations exist between individual individualists/collectivists and psychological



contract content (transactional/relational). A similar situation exists between organisations perceived to be individualistic/collectivist and psychological contract content (transactional/relational) by virtue of their significant correlation coefficients ( $p < 0.01$ ).

**Table 30: Correlation analysis between individual and organisational cultural orientations**

		Organisational Individualism	Organisational Collectivism	Individual Individualism	Individual Collectivism
Organisational Individualism	Pearson Correlation Sig. (2-tailed) N	1 113			
Organisational Collectivism	Pearson Correlation Sig. (2-tailed) N	.932** .000 113	1 113		
Individual Individualism	Pearson Correlation Sig. (2-tailed) N	.832** .000 113	.738** .000 113	1 113	
Individual Collectivism	Pearson Correlation Sig. (2-tailed) N	.820** .000 113	.747** .000 113	.873** .000 113	1 113

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

Table 30 illustrates that each dimension of individualism and collectivism, either at an individual or organisational level, are all significantly associated ( $p < 0.01$ ). These results suggest that, an individual individualist does not necessarily only associate with an organisational culture of similar orientation, being individualistic in this case, but is equally likely to associate with a collectivist organisation. Based on the findings in answering research question 3 in section 5.6 of this chapter, no subcultures could be identified and therefore could not be assessed in relation to psychological contract type.

## **5.9 Conclusion of results**

### ***5.9.1 Demographic Profile of Respondents***

The sample population consisted of a 113 respondents that completed the online questionnaire. The sample population consisted of employees working for multinational medical device manufacturing or pharmaceutical organisations in South Africa. Employees working for two large subsidiaries of multinational pharmaceutical companies (Company A and Company B) constituted 85% of the total responses.

### ***5.9.2 Results from Principle Component Analysis***

Principle component analysis was conducted in an attempt to reduce the number of variables constituting the constructs; organisational individualism, organisational collectivism, individual individualism and individual collectivism. No variables were excluded as the results of the factor analysis identified the appropriateness of each variable within the respective constructs.

### ***5.9.3 Results pertaining to research question 1***

Research question 1 sought to identify an association between an individual's cultural orientation, being either individualist or collectivist, and the type of psychological contract established.

The results of this research answer research question 1 by identifying that the dimensions of individualism and collectivism at an individual level are significantly associated with both the employee's and employer's expectations and obligations (relational and transactional psychological content).

#### ***5.9.4 Results pertaining to research question 2***

Research question 2 sought to investigate whether a relationship exists between respondents' perception of their organisational culture, being either individualist or collectivist, and the type of psychological contract established.

Through this research it has been identified that the dimensions of individualism and collectivism at an organisational level are significantly associated with both the employee's and employer's expectations and obligations (relational and transactional psychological contract content), and thus answer research question 2.

#### ***5.9.5 Results pertaining to research question 3***

Research question 3 sought to identify whether subcultures exist within a dominant organisational culture and whether employee membership to a subculture exerts an effect on the type of psychological contract established.

The dataset for this study was unable to answer research question 3 as no dominant organisational culture could be described (Company A & Company B). Further, no subcultural groups could be determined from the dataset. However, two clusters were identified; differing based on employee length of tenure, but expressed no difference in cultural orientation or psychological contract type.

#### ***5.9.6 Results pertaining to research question 4***

Research question 4 sought to investigate whether alignment between an individual's cultural orientation in relation to their perceived organisational culture, being either individualist or collectivist, impacts the integrity of the psychological contract.

The results of the study identify that the integrity of the contract is affected by the cultural dimensions of individualism and collectivism, at both an individual and organisational level. From the regression analysis, using all four dimensions;

organisational collectivism, organisational individualism, individual collectivism and individual individualism, organisational collectivism was shown to exert the strongest unique contribution in explaining why employers fail to meet employee obligations, and individual collectivism was identified as having the strongest unique contribution in predicting employers keeping promises made to employees. Therefore the study results suggest that the integrity of the psychological contract can be predicted by individualism and collectivism, however collectivism at an organisational level is strongest in predicting violation (inverse relationship) and at an individual level, strongest in predicting that the psychological contract remains intact (inverse relationship). The latter results suggest that alignment of collectivist individuals within collectivist organisations would have the strongest impact on maintaining the integrity of the psychological contract. The research thus answers question 4.

#### ***5.9.7 Results pertaining to the primary research question***

The primary research question of the study sought to investigate whether an individual's cultural orientation in relation to their organisation (individualist or collectivist) or membership to an organisational subculture have any bearing on the type of psychological contract established.

The study results identify that psychological contract type is associated with individual individualists or collectivists as well as organisations that are individualistic or collectivist. However, neither individualism nor collectivism at an individual or organisational level, solely determines the specific content of the employee-employer psychological contract. No subcultures could be identified within the study data set and therefore no findings could be reported pertaining to the relationship between subcultural membership and psychological contract type. Therefore, the primary research question is partially answered through this research.

# CHAPTER 6: DISCUSSION OF RESULTS

## 6.1 Introduction

This chapter discusses the study results reported in Chapter 5 and interprets the results using the key literature findings presented in the literature review in Chapter 2. Results are discussed using the research questions as headings and discussed accordingly. The discussion presented in this chapter contributes to the current psychological contract theory body of knowledge by demonstrating linkages to individual and organisational cultural orientation and the type of psychological contract established. The primary research question of this research sought to determine whether an individual's cultural orientation in relation to the cultural orientation of the organisation or subcultural membership within the organisation had any bearing on the type of psychological contract established. The discussion that follows will address the individual research questions; 1 to 4, before addressing the primary research question. The findings of the study are discussed under the following headings:

- 6.1.1 Respondent demographics
- 6.1.2 Research question 1
- 6.1.3 Research question 2
- 6.1.4 Research question 3
- 6.1.5 Research question 4
- 6.1.6 Primary research question

## 6.2 Respondent demographics

In order to answer the research questions an online survey was conducted. 113 employees from multinational organisations, operating in the medical device manufacturing and pharmaceutical industry in South Africa, completed the online survey.

The relevance of discussing the study demographics is that the reported sample population differs significantly when contrasted to the national demographics of South Africa (Statistics South Africa, 2011), suggesting that the medical devices and pharmaceutical industry is not representative of the national demographics.

Figure 12 illustrates a comparison between the representativeness of gender reported in the study contrasted to the national statistics, indicating a dominance of females in the medical/pharmaceutical industry compared to the relatively equal national percentages.

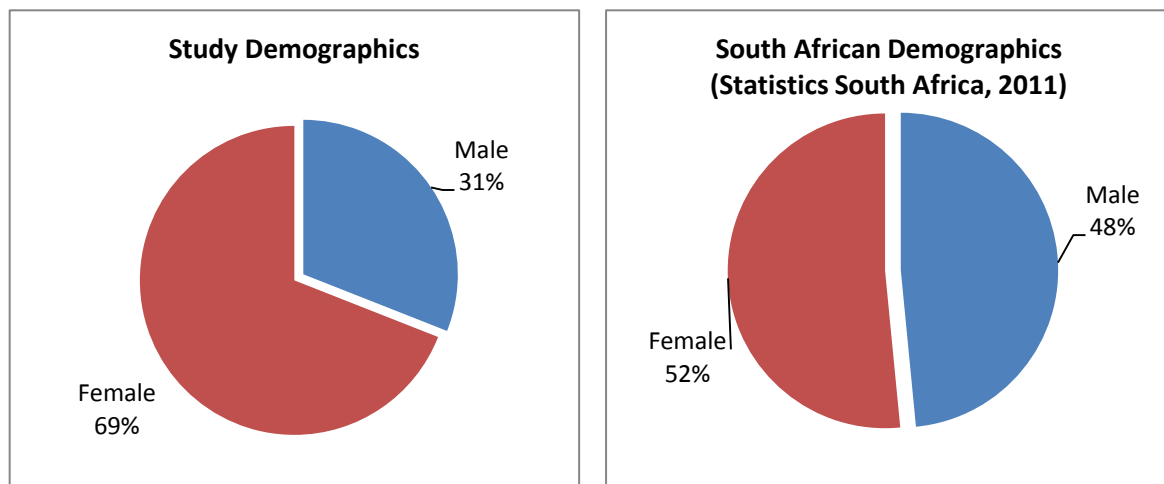


Figure 12: Comparison between respondent gender within the study and the national percentage

Referring to figure 13, the sample population was largely represented by white employees (76%) versus the dominant national race being African (79%).

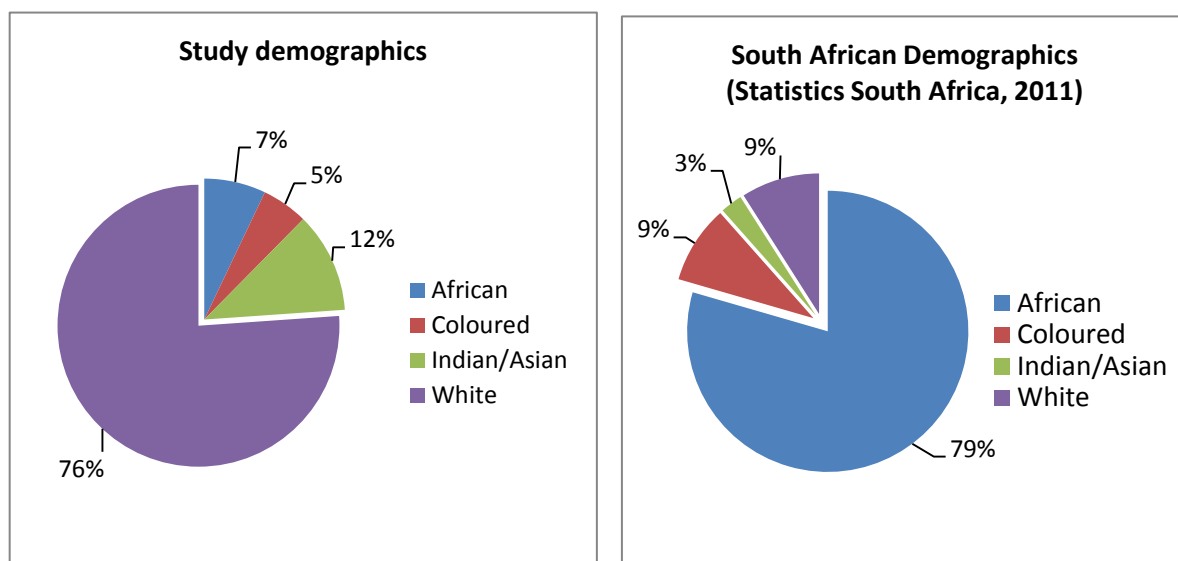


Figure 13: Comparison between respondent race within the study and the national percentage

Figure 14 presents a comparison of employee location versus the national population distribution, illustrating that the majority of the study respondents working for medical/pharmaceutical firms were based in the Gauteng province.

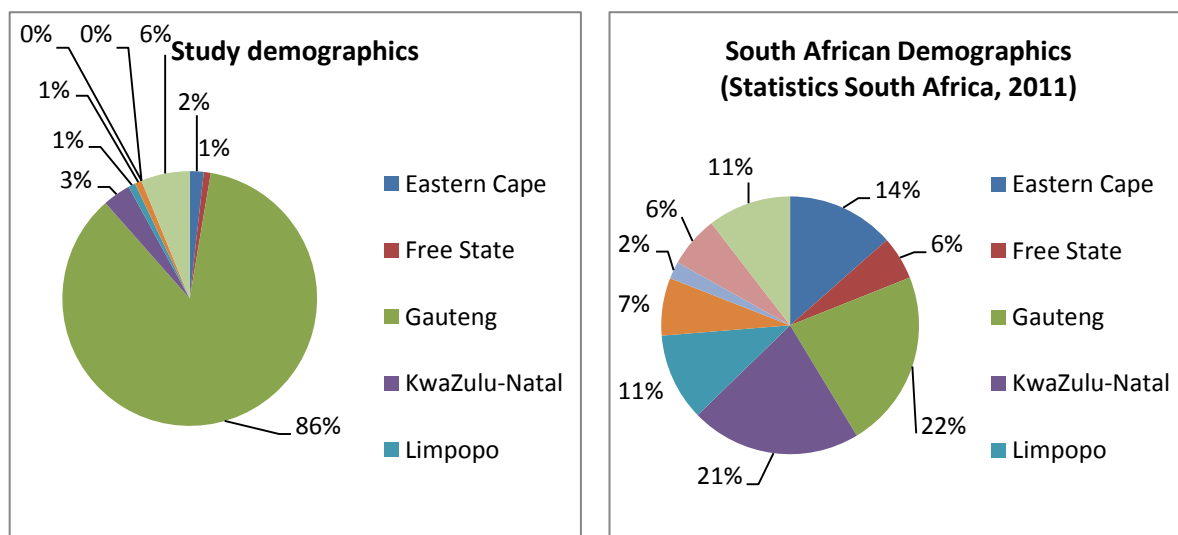


Figure 14: Comparison between respondent location within the study to the national percentage

In explaining these results, the two large pharmaceutical companies surveyed were represented by 85% of the total responders and both have headoffices based in the Gauteng province. The representativeness of white employees within the sample can be explained by the level of education reported by the study respondents. In a South African context, previously white South Africans were afforded the opportunities to receive tertiary education prior to the abolishment of Apartheid, artifacts of which still remain today. Figure 9 depicts that 85% of all respondents within the study had received a university or equivalent degree, and thus represent a highly educated cohort. The observed high level of education of employees suggests that tertiary education may be a prerequisite to operate within the industry. This is likely as the core business of pharmaceutical or medical device firms involves technical selling to highly educated healthcare professionals.

Extrapolating these results, the research findings suggest that the medical / pharmaceutical industry is dominated by white, female employees based in the Gauteng region. These findings limit the extrapolation of results to other industries that may be more representative of the national demographics. The implications of the high degree of homogeneity within the study population is further discussed in section 6.5 of this chapter in explaining subcultural differences.



### 6.3 Research question I

Research question 1 aimed to identify an association between an individual's cultural orientation, being either individualist or collectivist, and the type of psychological contract established. In the literature reviewed pertaining to individual cultural orientation Singelis (1994) suggested that individuals that have a well-developed individualist or collectivist self may respond differently when interacting with groups of opposite polarities of individualism or collectivism. Linking Singelis's (1994) findings to those of Rousseau (1989), the development of the psychological contract between employees and their organisations initiates with interactions and later, perceived experiences (Figure 1).

Further, if one considers transactional and relational typology to explain the nature of the psychological contract (Rousseau, 1989); then transactional contracts infer specific, short term, monetary obligations and require limited involvement from both parties; and relational contracts constituting broad, long term, socio-emotional obligations emphasizing involvement between parties (Thomas et al., 2010). Individualism at the level of an individual is defined as a preference for uniqueness, independence and personal goal orientation, whereas collectivism describes individuals that prefer group membership, interdependence and collective goal orientation (Triandis et al., 1985). Based on the latter definitions alone, specifically referring to the level of dependence or involvement between individuals, it may be reasonable to assume a degree of association between individualists and transactional contracts and collectivists with relational psychological contracts.

The findings of this research depicted significant associations ( $p < 0.01$ ) between the individual cultural dimensions of individualism and collectivism and the psychological contract type (Table 21).

The latter associations between individual cultural orientation and psychological contract type support findings by Zhao and Chen (2008) linking individualism to

transactional contracts being formed in Chinese employees and relational contracts in United States employees as well as research conducted by Chao et al. (2011) where the authors identified an association between psychological contract breach and Hofstede's (1980a) cultural dimension of power distance. Based on previous findings, it was surprising that no apparent differences were reported from the sample data with regards to the correlation analysis depicting associations between individual cultural orientation (individualism and collectivism) and psychological contract type, meaning individualists reported associations with both transactional and relational employee-employer contract content as did collectivists.

Although significant associations were reported between both individualism as well as for collectivism between transactional and relational employee and employer expectations; looking at the correlation coefficients ( $r$ ) derived from the study alone; the strongest associations are depicted in Table 31. Although not definitive, individualists appear to have a stronger association for developing relational employee – transactional employer contracts, whereas collectivists have a stronger association for transactional employee-employer contracts.

**Table 31: Strongest correlation coefficients between individual cultural orientation and psychological contract content**

	Psychological Contract Content	
	Employee Expectations	Employer Expectations
<b>Individualists</b>	Relational ( $r=0.842$ , $p<0.01$ )	Transactional ( $r=0.706$ , $p<0.01$ )
<b>Collectivists</b>	Transactional ( $r=0.837$ , $p<0.01$ )	Transactional ( $r=0.720$ , $p<0.01$ )

The significant associations identified between employees that are individualist/collectivist and psychological contracts being relational/transactional suggest through this research that employees seek contracts with their employees

that constitute mixed content, combining relational and transactional elements, which according to Rousseau (1989) evolve over time.

The research findings identify a significant association between the cultural orientations of the individual along the dimension of individualism-collectivism and the type of psychological contract established and therefore answer research question 1.

## 6.4 Research question 2

Research question 2 sought to investigate whether a relationship exists between respondents' perception of their organisational culture, being either individualist or collectivist, and the type of psychological contract established.

Findings from the literature review, presented in Table 32, identify that psychological contract type is influenced by cultural orientation, in terms of individualism and collectivism, at a national level (Thomas et al., 2010; Zhao & Chen, 2008).

**Table 32: Psychological contracts in relation to national culture**

Thomas et al. (2010)		Zhao & Chen (2008)	
Cultural Dimension	Psychological Contract Type	Cultural Dimension	Psychological Contract Type
Vertical individualists	Exploitative ( $p < 0.01$ )	Individualism (Chinese)	Transactional ( $p < 0.01$ )
Horizontal individualists	Instrumental ( $p < 0.01$ )	Individualism (US)	Relational ( $p < 0.01$ )
Vertical collectivists	Custodial ( $p < 0.01$ )		
Horizontal collectivists	Communitarian ( $p < 0.01$ )		
<i>Qualitative approach</i>		<i>Quantitative study</i>	

Further findings from literature identified that the dimensions of Individualism and collectivism can be applied to describe organisational culture (Robert and Wasti, 2002), however little research has been conducted to assess the association between organisational individualism and collectivism and psychological contract type.

Findings of this research identified significant associations ( $p < 0.01$ ) to exist between perceived individualist and collectivist organisations and the type of psychological contract formed (Table 22). Based on the correlation coefficient values ( $r$ ) alone, both organisational collectivism and individualism expressed a stronger association with transactional psychological contract content (Table 33).

**Table 33: Strongest correlation coefficients between organisational cultural orientation and psychological contract content**

	Psychological Contract Content	
	Employee Expectations	Employer Expectations
<b>Organisational Individualism</b>	Transactional ( $r = 0.550$ , $p < 0.01$ )	Transactional ( $r = 0.752$ , $p < 0.01$ )
<b>Organisational Collectivism</b>	Transactional ( $r = 0.661$ , $p < 0.01$ )	Transactional ( $r = 0.447$ , $p < 0.01$ )

The latter results could be explained by the fact that the measure of organisational culture used to determine individualism and collectivism was based on employees' perceptions of their organisational culture. Considering the demographics of respondents included in this study, 47.8% of total respondents consisted of employees operating in either sales and marketing departments. Organisations within the medical device and pharmaceutical industry are largely sales and marketing driven as their core business involves the marketing and selling of their products to healthcare professionals. Employees in these roles are incentivised based on their performance in meeting sales targets, representing a strong monetary based expectation (transactional) in terms of their employment

relationship with the organisation, explaining the transactional nature of the contracts identified within the study.

These research findings support suggestions from previous findings that organisations are embedded in societal cultures and can thus share societal cultural orientation (Hofstede, 1980a; Robert & Wasti, 2002), such as individualism and collectivism, where these dimensions have been shown to influence the psychological contract content of its employees (Thomas et al., 2010; Zhao & Chen, 2008). Therefore organisational culture is associated with psychological contract type, answering research question 2.

## **6.5 Research question 3**

Research question 3 sought to identify whether subcultures exist within a dominant organisational culture and whether employee membership to a subculture exerts an effect on the type of psychological contract established.

The literature review revealed that previous work by Hofstede (1998) identified that subcultural diversity within organisations should be an important consideration for business leaders as these smaller subgroups may or may not share cultural similarities and thus impact on the interpretation of companywide communication. From the literature review, it was identified that job role, geography and any other factors that added to the homogeneity of the subgroup such as age, race, length of tenure and education would facilitate the formation of subgroups and are thus important when assessing for the existence of subcultures (Robbins et al., 2009; Hofstede, 1998). In Hofstede's (1998) research, 3,400 employees were assessed from a single large Danish organisation and assessed based on their response to employment practices to determine organisational culture orientation along six dimensions:

1. process oriented vs. results oriented
2. employee oriented vs. job oriented

3. parochial vs. professional
4. open system vs. closed system
5. loose vs. tight control
6. normative vs. pragmatic

Performing a cluster analysis on the dataset, Hofstede (1998) elucidated three distinct subcultures; a professional subculture, an administrative subculture and a customer interface subculture, based on job role and cultural orientation.

This research attempted to replicate Hofstede's (1998) approach to identifying subcultures and develop the findings further by linking his work to psychological contract theory. To reduce complexity and ensure consistency with measures of cultural orientation throughout the study, individualism and collectivism were used as opposed to Hofstede's six. The cluster analysis conducted in this study identified 3 clusters (Figure 11). However, only 2 clusters reported a significant difference in terms of their constituent variables along the variable; length of tenure ( $p=0.005$ ) presented in Table 34. No significant difference was reported between the 2 clusters based on any of the items defined to influence subcultural formation, cultural orientation or psychological contract type.

**Table 34: P values obtained using independent samples test between cluster 1 & 2**

<b>Variable</b>	<b>Significant value (p value)</b>
Race	0.728
Geography	0.897
Department	0.662
Job role	0.143
<b>Length of tenure</b>	<b>0.005</b>
Education	0.298
Organisational individualism	0.270
Organisational collectivism	0.190
Individual individualism	0.638
Individual collectivism	0.699
Psychological contract	0.774

These results can be explained by referring to Table 35, depicting the dominant characteristics of the sample population. Out of the 113 responses obtained for the study, 79 responses were attained for company A and 17 for company B of which both companies represented large multinational pharmaceutical companies with head offices based in the Johannesburg region. The latter explains the concentration of employees in the Gauteng region (86% of all respondents). Further, 69% of all respondents were female, 76% were Caucasian and 85% were well educated with a university degree or equivalent. Based on the definition that subcultures develop in response to factors such as geographic separation, departmental designation, shared experiences or situations and cultural orientation (Robbins et al., 2009); the dominance of the latter characteristics infers that the sample population reflected a high degree of homogeneity, which may justify the absenteeism of subcultures from the data set. If the study population is reflective of the medical and pharmaceutical industry in South Africa, the research findings may be limited in extrapolating the study results to industries more representative of the country's demographics.

**Table 35: Dominant demographics of sample population**

<b>Study Demographic</b>	<b>Percentage of total respondents</b>
Company (A)	70%
Age (30 – 49 years)	68%
Gender (female)	69%
Race (white)	76%
Location (Gauteng)	86%
Length of tenure (>5 years)	53%
Education (University degree or equivalent)	85%
Department (sales & marketing)	48%
<b>N = 113</b>	

Surprisingly, one may have expected clustering of respondents employed by Company A around the dimension of organisational individualism or collectivism, due to the representativeness of respondents within the sample. However this was not the case, suggesting that no dominant organisational culture could be defined for either company within the dataset along the dimensions of individualism and

collectivism. Referring to findings presented previously in this chapter, organisational culture tends to associate with individual culture irrespective of the orientation along the dimensions of individualism-collectivism. This may support the research findings, explaining the absence of any dominant organisational culture within the dataset, suggesting that the way employees perceive organisational culture and the concept itself along the individualism-collectivism is dynamic in nature, accommodating and adapting to diverse culturally orientated individuals.

The sample size of 113 respondents of this research may have reduced the sensitivity of the study in identifying subcultures. Hofstede's (1998) research included 3,400 respondents from a singular organisation. Therefore, attaining more responses from 1 or 2 organisations may have improved the sensitivity of the study in identifying subcultural differences.

Due to the absence of apparent subcultures in this research, no inferences could be assessed pertaining to the association with psychological contract type. The lack of representativeness of the sample in relation to the geographic regions, race, gender, education, departmental designation as well as the aspect of sample size included in the study may have impacted the sensitivity in identifying subcultures within the organisations. Therefore the results of this research are inadequate to answer research question 3.

## **6.6 Research question 4**

Research question 4 sought to investigate whether alignment between an individual's cultural orientation in relation to their perceived organisational culture, being either individualist or collectivist, impacts the integrity of the psychological contract.



Findings from the literature review identify that little research has been conducted in assessing the outcome of the psychological contract through the acculturation process of diverse individuals interacting with organisational culture. However, Singelis (1994) identified that if the cultural environment reflects the individuals own values, the individual would be able to adjust easier to the new norms to suit the environment. Robert and Wasti (2002) described the concepts of 'fit' and 'misfit', where an employee-organisation fit is considered when significant congruence was apparent between an individual's values and their perceived organisational values, whereas 'misfit' infers misalignment of individual and organisational values. The authors identified that the consequences of misalignment can lead to negative job attitudes and resistance to adapt to the organisational culture. The concept of 'misfit' can be described by psychological contract theory, as it involves a reciprocation of expectations and obligations between the employee and the employer or organisation (Rousseau, 1989). Further, the consequences of misfit, mirror the negative behaviours or counterproductive workplace practices that result due to psychological contract violation described by (Knights & Kennedy, 2005; Chao et al., 2011). Chao et al. (2011) further identified that cultural dimensions can mediate the negative effects of psychological contract violation.

To explore the relationship between individual and organisational culture and whether alignment is important when considering the impact on the integrity of the psychological contract two regression analyses were conducted. Table 36 provides a summary of the study results.

In determining which of the independent variables have the greatest effect on either maintaining or violating the psychological contract, the following was reported:

1. *Organisational collectivism* was reported to have the strongest effect (inverse relationship) on psychological contract violation (Beta= -1.023)

2. *Employee collectivism* was reported as having the strongest effect on maintaining the psychological contract (Beta = 0.506)

**Table 36: Summary of regression analysis in determining factors impacting the psychological contract positively or negatively**

<b>P&lt;0.0005</b>	<b>Negative impact (R Square 0.539)</b>	<b>Positive impact (R Square 0.384)</b>
	Employer failed to keep promises made to employees	Employer kept promises made to employees
	<b>Beta</b>	<b>Beta</b>
Organisational Individualism	0.685	-0.076
<b>Organisational Collectivism</b>	<b>-1.023</b>	-0.370
Individual Individualism	0.757	0.429
<b>Individual Collectivism</b>	0.39	<b>0.506</b>

The research findings suggest that the more an organisational culture is perceived as collectivist, the less the negative impacts on psychological contract or employers failing to keep promises made to employees, decreases. Further it was found that individual collectivism has a positive effect on maintaining psychological contract integrity intact. Therefore, the dimension of collectivism at an organisational level has a moderating effect on psychological contract violation and is also associated with maintaining the psychological contract at an individual level. It is also important to note that organisational individualism was found to exert a linear relationship with the negative effects on psychological contract (Beta = 0.685). Therefore, the more an organisation is perceived to be individualistic the more the negative impact on psychological contract.

These results are not surprising, since collectivism at an organisational level, is associated with inclusion and the prioritisation of the goals and concerns of the group, creating the perception that all employees are important and not

marginalised within the greater organisational context. If an organisation was largely characterised by individualistic values, performers within the company would be acknowledged, an 'everybody for them selves' mentality would set in, and the non-performers may not get the acknowledgement they need and thus may feel that their employer expectations are not met. At an individual level, collectivism fosters a supportive structure, where individuals orientate themselves and address collective goals. The study results suggest that collectivism exerts the strongest positive effect on the psychological contract and therefore alignment with an individual collectivist within a collectivist organisation would have the strongest impact on maintaining the integrity of the psychological contract.

The results reported in this study thus identify the level of dependence of the psychological contract on individual and organisational individualism and collectivism and thus answer research question 4.

## **6.7 Primary research question**

The primary research question of the study sought to investigate whether an individual's cultural orientation in relation to their organisation (individualist or collectivist) or membership to an organisational subculture have any bearing on the type of psychological contract established.

The primary research question served as the overarching question of the study and is based on the research findings discussed in relation to research questions one to four. The premise for the primary research question was to understand the overall level of influence, the dimensions of individualism and collectivism exert at an individual, subcultural and organisational level, on the type of the psychological contract.

**Table 37: Relationship between individualism-collectivism and psychological contract**

	<b>Cultural dimension</b>	<b>Association with psychological contract (p&lt;0.01)</b>	<b>Psychological contract type</b>	<b>Predictor of contract violation (p&lt;0.0005)</b>	<b>Predictor of maintaining contract (p&lt;0.0005)</b>
<b>Individual</b>	<b>Individualism</b>	Significant association	<b>Transactional Relational</b>	Positive relationship	Positive relationship
	<b>Collectivism</b>	Significant association	<b>Transactional Relational</b>	Positive relationship	<b>Strongest predictor (positive relationship)</b>
<b>Subculture</b>	<b>No findings of significance</b>				
<b>Organisational</b>	<b>Individualism</b>	Significant association	<b>Transactional Relational</b>	Positive relationship	Negative relationship
	<b>Collectivism</b>	Significant association	<b>Transactional Relational</b>	<b>Strong predictor (Inverse relationship)</b>	Negative relationship

The study results presented in Table 37 indicate that the cultural dimensions of individualism and collectivism at an individual or organisational level do exert an effect on the psychological contract but exert no bearing on determining the type of psychological contract established. However, the study results do suggest that collectivism is important in maintaining the integrity of the psychological contract as discussed earlier in this chapter in answering research question 4. Due to the lack of identification of subcultures within the dataset, no inferences could be made with regards to individualism and collectivism at the subcultural level and the resultant impact on psychological contract.

Referring to findings indicated in the literature review, Gulev (2009) suggested that Hofstede's dimensions of culture are too broad to offer any significance when describing organisational culture. The latter may explain the lack of contrasting results reported within the study as both dimensions of organisational culture expressed significant associations with both transactional and relational

psychological contract types. Further, Singelis (1994) identified that all individuals express elements of individualism and collectivism, necessitating the need to assess each dimension discretely within studies. The latter dynamic of an individual having two self-images, may explain the lack of contrast between individualists and collectivists in relation to the type of psychological contract reported within the study. Although previous research describes the dominant forms of psychological contract types as being relational or transactional in nature (Rousseau, 1989; Thomas et al., 2010), this research identified that respondents expressed no preference for one particular type, represented by significant associations with both content forms. These findings indicate that respondents in this study develop contracts based on both transactional and relational content, which is not surprising as the respondents included in this study represented highly educated individuals that may be seeking the short term monetary obligations in conjunction to the relational elements such as career progression and personal development.

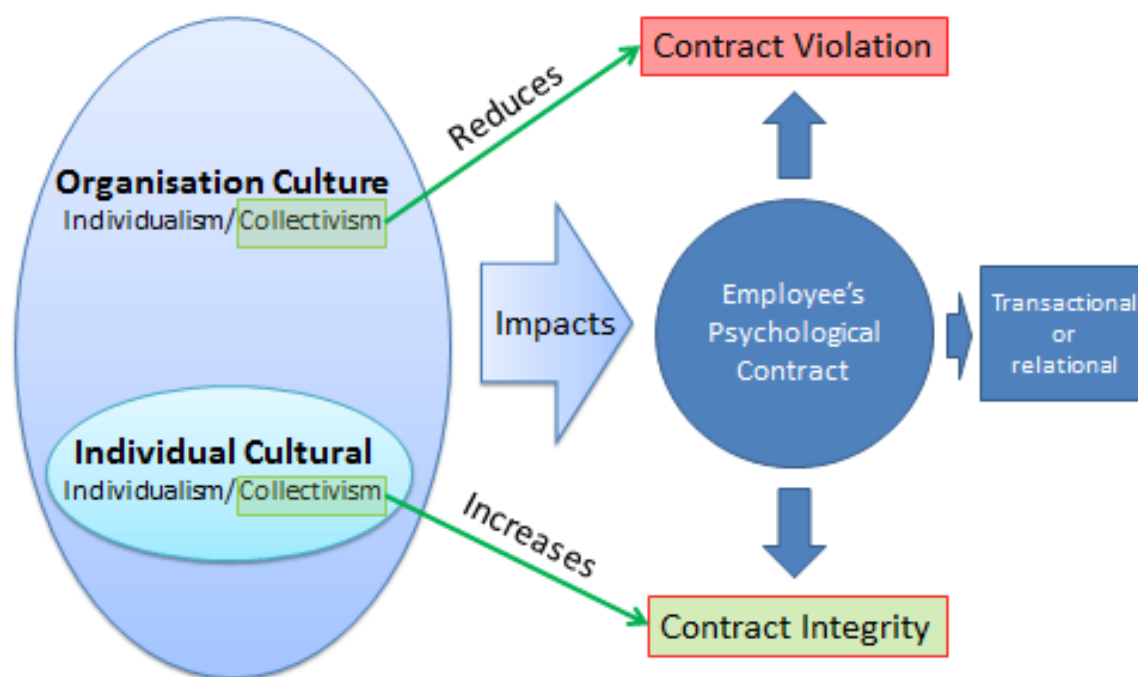
The results of the study indicate significant associations between individualism-collectivism at both an individual and organisational level in relation to psychological contract. However, due to the apparent lack of subcultural diversity as well as the absence of dominant organisational culture along the dimensions of individualism and collectivism, the primary question is partially answered through this research.

## **6.8 Conclusion**

This chapter answered the research questions proposed in chapter three using the findings identified by previous research to interpret the study results reported in chapter 5.

In concluding the discussion based on the results presented in this chapter, it was identified that the sample population represented by employees working in the

medical devices and pharmaceutical industry in South Africa, represent a relatively homogenous group with regards to demographic characteristics. The latter was noted as well as the sample size as being a possible limitation of the study possibly reducing the ability to characterise subcultural differences.



**Figure 15: Model depicting the interaction between individualism-collectivism and psychological contract**

The key findings of the study results are illustrated diagrammatically in Figure 15. Referring to Figure 15, the psychological contract is associated with the cultural dimensions of individualism and collectivism at an individual and organisational level, where collectivism was identified as being a strong predictor in maintaining the integrity and reducing the violation of the contract, suggesting alignment of an individual collectivist within a collectivist organisation would have the most positive impact on the psychological contract. The two dominant types of psychological contract, being relational or transactional, are associated with the cultural

orientation at both an individual and organisational level, but is not specifically defined by individualism and collectivism. No inferences pertaining to the subcultural influence on the psychological contract could be made from the study results due to the apparent absence of subcultural diversity.

# CHAPTER 7: CONCLUSION

## 7.1 Introduction

This chapter provides some context for the study and summarise the key findings of the research. Recommendations to relevant stakeholders, that may be implicated by the findings of the study or who have an interest in this research, have been proposed. These include employees, supervisors, senior management, human resource departments and recruitment agents. Recommendations are largely based on the associations between cultural orientation and psychological contract as well as the fact that collectivism was shown to have a positive impact on the integrity of the psychological contract, shown within the study results. Finally, suggestions for future research are also discussed to further the understanding of psychological contract theory in relation to cultural orientation.

## 7.2 Major findings of the study

The psychological contract entails the reciprocation of expectations and obligations between employees and their employers and is a relationship that develops through individual experiences and interactions over time (Rousseau, 1989).

The purpose of this research was to understand the overall level of influence, the dimensions of individualism and collectivism exert at an individual, subcultural and organisational level, on the type of the psychological contract. The key findings of this research included:

- A significant association exists between individual individualism and collectivism and the psychological contract.
- Organisational individualism and collectivism is significantly associated with psychological contract type.



- Collectivism is an important predictor of the integrity of the psychological contract.
- Individual and organisational alignment can positively impact the psychological contract.
- Subcultures could not be identified within the sample population consisting of a relatively homogenous group in terms of demographic characteristics.

In furthering the understanding of psychological contract theory this research has identified significant associations between the psychological contract and an individual's cultural orientation as well that of their organisation. Specifically, the dimensions of individualism and collectivism, both at an individual level as well as at an organisational level are associated with the psychological contract. However, the type of psychological contract established between either individualists or collectivists was not determined by the cultural dimension and was found to be associated with both transactional and relational content. These findings may suggest that the psychological contract typology being either relational or transactional, described by Rousseau (1989) was not sufficiently sensitive to determine individual differences.

This research further identified the dimension of collectivism as being an important predictor of the integrity of the psychological contract, in that it reduces the level of perceived contract violation at an organisational level and was found to be the strongest predictor in maintaining the psychological contract, where employees perceived that the promises made by their respective organisations were met.

The dimensions of individualism and collectivism proved insufficient in characterising a dominant organisational culture and thus any subcultural differences. These findings may support the research conducted by Gulev (2009) in which the authors noted that Hofstede's cultural dimensions are too broad when applied at an organisational level.

## **7.3 Recommendations**

Recommendations are discussed in relation to stakeholders that are directly or indirectly involved in the shaping of expectations and obligations that form the psychological contract between employees and their employers within the pharmaceutical and medical devices industry.

### **7.3.1 Recommendations to employees**

This research suggests that when individuals contemplate applying to an organisation for employment, they should consider what type of organisation they would enjoy working for and what common values are important to them. To do this, individuals need to develop a deeper self-awareness and understand their own value system. Since individualism and collectivism exists in everyone but varies based on the context (Singelis, 1994), it is also important for individuals to understand their own cultural orientation as being an individualist or collectivist in their professional capacity. When they interact with representatives from their potential employer, they can ask pertinent questions pertaining to the culture of the organisation to ensure alignment of values between both parties. Employees need to explicitly communicate their expectations of employment through the interview process to ensure a common understanding with their potential employer. Employees that are already employed within an organisation may benefit by taking steps to actively understand the alignment of their personal values to those of their organisation, which may help them understand the resultant impact on their psychological contract with the organisation.

### **7.3.2 Recommendations to supervisors**

The associations and findings of this research suggest that supervisors need to acknowledge the individual cultural diversity of their employees within their teams. To determine the level of representation of individualism or collectivism in their

teams, they could use interactions with individual employees to determine how they prefer to be recognised, their apparent level of collaboration within their team and whether their goals and aspirations are personal or collective. They need to understand the individual expectations of their employees as well as explicitly communicate their own expectations. Supervisors should acknowledge the positive impacts of cultivating collectivist values within their team, knowing the beneficial effects relating to the integrity of the employee-employer psychological contract. When hiring new staff, supervisors should actively attempt to determine candidate's cultural orientation and their expectations of employment and reciprocate by sharing the engendered values and mutual expectations of the organisation, to ensure alignment.

### **7.3.3 Recommendations to senior management**

Senior management are responsible for determining the way in which business problems are approached and dealt with in organisations. Their behaviour and decisions impact employee's perceptions within the company. Based on the positive impacts of collectivism depicted by the research findings senior management should periodically assess the overall level of individualism and collectivism within their organisations by incorporating specific items into their culture surveys. By taking steps to reinforce collectivist values within their organisation they could positively impact the perceived employee-employer expectations of their workforce and avoid the negative consequences of psychological contract violation associated with unproductive workplace practices and a lack of commitment, when employee's expectations aren't met.

### **7.3.4 Recommendations to human resource department personnel**

This research suggests that human resource personnel should include question items that elucidate an individual's cultural orientation into their standard interview

guides used for recruitment. This could assist hiring managers in determining job fit of potential candidates. Human resource personnel could benefit by encouraging collectivist behaviour by addressing any opposing barriers. Solely individualistic incentive schemes could be adapted to encourage collective goal orientation and collaboration. The latter could have beneficial impacts for individuals that are isolated within the company due to factors such as lack of performance.

### **7.3.5 Recommendations to recruitment specialists**

Based on the findings of this research, recruitment specialist operating in culturally diverse contexts need to acknowledge the cultural orientations of their individual clients and recommend placements that are culturally aligned. In order to achieve this they need to establish organisational cultural orientations through interactions with their client organisations and determine candidate profiles accordingly. Although not definitive, the findings of this study suggest placements of collectivist candidates in organisations that express collectivist values will be more successful in the reciprocal relationship between employee and employer expectations. Further, recruitment specialists also need to ascertain the specific organisational expectations before considering the eligibility of candidates and communicate these expectations clearly when briefing potential applicants.

## **7.4 Recommendations for future research**

This research contributed to the current body of knowledge explaining psychological contract theory by identifying the association between individualism and collectivism at an individual and organisational level, as well as by identifying the positive impact of collectivism on the integrity of the contract. Based on the findings and limitations of this research, the following recommendations are proposed:

1. In order to better assess the subcultural dynamics within a dominant organisational context, in relation to psychological contracts, a larger study

of a singular organisation in an industry with significant demographic diversity may be more appropriate.

2. Since the dimensions of individualism and collectivism within this study identified significant associations with respondent' psychological contracts, both at an individual and organisational level but failed to associate a particular contract type with either dimension; a study utilising dimensions, such as those characterised by Gulev (2009) assessing organisational culture using dimensions of control, communication and authority, may be more appropriate.
3. The dimensions used to measure the psychological contract typology in this study was based on previous work by Rousseau (1989) and De Cuyper et al. (2008) where psychological contracts were defined as being either relational or transactional. Based on the findings of this research, where psychological contracts were found to associate with both relational and transactional content; a study utilising a more stringent typology, such as the measure employed by Thomas et al. (2010), may provide more granular results pertaining to the association between the cultural dimensions.
4. Based on the subjective nature of psychological contracts (Rousseau, 1989), a study that employed a mixed approach (qualitative and quantitative) to further elucidate interactions between culture and psychological contracts may be more appropriate.

## **7.5 Conclusion**

This research has contributed to the current body of knowledge by linking psychological contract theory to the dimensions of individualism and collectivism at an individual and organisational level. Furthermore this research identified that collectivism both at an individual level as well as at an organisational level positively impacts the psychological contract and is thus an important dimension to consider when cultivating values within their organisations. The findings of this research highlight the need for organisations to acknowledge cultural diversity

within the workplace and in doing so, being better equipped to manage the integrity of their employee's psychological contracts and avoid the negative consequences of contract violation.

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# Appendices

## Appendix A: Email Content used During Questionnaire Pre-test

### Pilot Email

I hope you are well.

I am currently piloting my survey questions for my MBA research. Please could I kindly ask you to take the time to complete the survey, it shouldn't take you more than 10 minutes.

Here is a link to the survey:

[https://www.surveymonkey.com/s.aspx?sm=osxGt2yDB6BUu\\_2b7Ys8ZcfQ\\_3d\\_3d](https://www.surveymonkey.com/s.aspx?sm=osxGt2yDB6BUu_2b7Ys8ZcfQ_3d_3d)

This link is uniquely tied to this survey and your email address. Please do not forward this message.

Thanks so much for your assistance!

Please note: If you do not wish to receive further emails from us, please click the link below, and you will be automatically removed from our mailing list.

[https://www.surveymonkey.com/optout.aspx?sm=osxGt2yDB6BUu\\_2b7Ys8ZcfQ\\_3d\\_3d](https://www.surveymonkey.com/optout.aspx?sm=osxGt2yDB6BUu_2b7Ys8ZcfQ_3d_3d)

## Appendix B: Internet Based Self-Administered Questionnaire

### MBA RESEARCH - Employer & Employee Expectations

#### 1. Purpose of Research

Thank you so much for taking the time to assist me with my research.

The purpose of this research is to understand the relationship between culture and its impact on the mutual expectations that exist between employees and the employer.

Please can I ask you to complete this survey on a set number of questions.

The questionnaire should take no longer than 10 minutes of your time to complete.

Your participation is voluntary and you can withdraw at any time. Of course, all data will be kept confidential.

By completing the survey, you indicate that you voluntarily participate in this research.

If you have any concerns, please contact me or my supervisor. Our details are provided below:

Your company has been contacted and provided permission to conduct this survey.

Researcher: Sean Searle  
seanmbabusiness@gmail.com  
0834154479

Supervisor: Manoj Chiba  
manojchiba@gmail.com  
0827845769

## MBA RESEARCH - Employer & Employee Expectations

### 2. Demographic Information

**\* 1. What organisation do you currently work in?**

**\* 2. Which category below includes your age?**

- ☐ 17 or younger
- ☐ 18-20
- ☐ 21-29
- ☐ 30-39
- ☐ 40-49
- ☐ 50-59
- ☐ 60 or older

**\* 3. What is your gender?**

- ☐ Female
- ☐ Male

**\* 4. Which race/ethnicity best describes you? (Please choose only one.)**

- ☐ Asian
- ☐ Indian
- ☐ Coloured
- ☐ Black
- ☐ White / Caucasian

### 3. Demographic Information

**\*5. In which province do you currently work?**

- ☐ Gauteng
- ☐ Limpopo
- ☐ Mpumalanga
- ☐ North West
- ☐ KwaZulu-Natal
- ☐ Free State
- ☐ Eastern Cape
- ☐ Northern Cape
- ☐ Western Cape

**\*6. What department do you work in?**

- ☐ Accounting
- ☐ Administrative
- ☐ Customer Service
- ☐ Marketing
- ☐ Operations
- ☐ Human Resources
- ☐ Sales
- ☐ Sales & Marketing
- ☐ Finance
- ☐ Legal
- ☐ IT
- ☐ Engineering
- ☐ Product
- ☐ Research & Development
- ☐ International
- ☐ Business Intelligence
- ☐ Manufacturing
- ☐ Public Relations
- ☐ Other (please specify)



## MBA RESEARCH - Employer & Employee Expectations

### 4. Demographic Information

#### \*7. What is your job role?

- ☐ Individual Contributor (no direct reports)
- ☐ Team Lead
- ☐ Manager
- ☐ Senior Manager
- ☐ Business Unit Manager
- ☐ Director (Non-executive)
- ☐ Director (Executive)
- ☐ Managing Director
- ☐ Chief Executive Officer
- ☐ Other (please specify)

#### \*8. How long have you been in your current organisation?

- ☐ Less than 1 year
- ☐ 1-2 years
- ☐ 3-4 years
- ☐ 4-5 years
- ☐ 5-10 years
- ☐ more than 10 years

#### \*9. What is the highest level of education you have completed?

- ☐ Did not attend school
- ☐ Did not finish high school
- ☐ Graduated from high school (matric)
- ☐ Diploma (IMM/Arts/Teaching etc.)
- ☐ Degree (BSc./BCom./B.A. etc.)
- ☐ Honours Degree
- ☐ Masters Degree
- ☐ Doctorate Degree
- ☐ Other (please specify)

## MBA RESEARCH - Employer & Employee Expectations

### 5. Organisation Culture

**\* 10. In relation to your organisation:**

**Please rate the following on a scale of:**

**Strongly disagree; Disagree; Indifferent; Agree; Strongly Agree**

	Strongly disagree	Disagree	Indifferent	Agree	Strongly Agree
Each worker is encouraged to realise his or her own unique potential	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Management and supervisors are protective of and generous to loyal workers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
People with good ideas make sure management knows the idea was theirs	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Decisions about changes in work methods are taken jointly by supervisors and employees	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Employees' ability to think for themselves is valued	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Employees are taken care of like members of a family	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Individuals who stand out in a high performing group are recognized	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Everyone shares responsibility for the organisations' failures as well as success	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Employees value independence in their job	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Regardless of hierarchical level, employees take each other's overall welfare into consideration	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Competition between employees is accepted	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Everyone is kept informed about major decisions that affect the success of the company	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

## MBA RESEARCH - Employer & Employee Expectations

### 6. Personal Culture

**\* 11. From a personal perspective:**

**Please rate the following on a scale of:**

**Strongly disagree; Disagree; Indifferent; Agree; Strongly Agree**

	Strongly disagree	Disagree	Indifferent	Agree	Strongly Agree
I enjoy being unique and different from others in many respects	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
It is important to me to respect decisions made by the group	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Speaking up during a meeting is not a problem for me	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I will sacrifice my self-interest for the benefit of the group I am in	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I prefer to be direct and forthright when dealing with people I have just met	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I have respect for the authority figures with whom I interact	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I am comfortable with being singled out for praise or rewards	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I will stay in a group if needed, even when I may not be happy with the group	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
My personal identity, independent of others, is very important to me	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Even when I strongly disagree with group members, I avoid an argument	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I should take into consideration my parents' advice, when making education/career plans	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

## MBA RESEARCH - Employer & Employee Expectations

### 7. Employer - Employee Expectations

**\* 12. In relation to your employer, in terms of perceived 'promises' made to you, please indicate whether the following promises have been 'given' or 'not' by your organisation:**

	Promise given	Promise not given
Provide you with good pay for the work you do?	<input type="radio"/>	<input type="radio"/>
Provide you with a safe working environment?	<input type="radio"/>	<input type="radio"/>
Provide you with a reasonably secure job?	<input type="radio"/>	<input type="radio"/>
Provide you with the opportunities to advance and grow?	<input type="radio"/>	<input type="radio"/>

**\* 13. From a personal perspective; in relation to promises that you have made to your organisation, please indicate whether the following promises have been 'given' or 'not':**

	Promise given	Promise not given
Turn up for work on time?	<input type="radio"/>	<input type="radio"/>
Meet the performance expectations for your job?	<input type="radio"/>	<input type="radio"/>
To display loyalty towards your organisation?	<input type="radio"/>	<input type="radio"/>
Volunteer to do tasks outside of your job description?	<input type="radio"/>	<input type="radio"/>

## MBA RESEARCH - Employer & Employee Expectations

### 8. Employer-Employee Obligations

**\* 14. Has or had your employer ever failed to meet the obligation(s) that were promised to you?**

- ☐ experienced no violation  
☐ experienced violation

**\* 15. Using the scale below, please indicate how well, overall, your employer has fulfilled the promised obligations that they owed to you:**

Very poorly fulfilled	Poorly fulfilled	Somewhat fulfilled	Fulfilled	Very well fulfilled
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**\* 16. Please rate the following on a scale of:**

**Strongly disagree; Disagree; Indifferent; Agree; Strongly Agree**

	Strongly disagree	Disagree	Indifferent	Agree	Strongly Agree
I am quite proud to be able to tell people who it is I work for	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I find enjoyment in my job	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**17. Please indicate which personal value(s) are most important for you:**

### 9. Survey Complete!

Thank you so much for taking the time to answer this survey. Please provide any feedback or suggestions to [seanmbabusiness@gmail.com](mailto:seanmbabusiness@gmail.com)

## Appendix C: Results from Analytical Techniques

### 1. Test for Normality

		Tests of Normality					
		Kolmogorov-Smirnov <sup>a</sup>			Shapiro-Wilk		
		Statistic	df	Sig.	Statistic	df	Sig.
<b>Organisation Culture</b> In relation to organisation	Unique	.341	92	.000	.782	92	.000
	Good Ideas	.319	92	.000	.830	92	.000
	Independent Thinking	.351	92	.000	.715	92	.000
	High Performance	.337	92	.000	.762	92	.000
	Recognized	.356	92	.000	.712	92	.000
	Competition	.341	92	.000	.794	92	.000
	Loyalty	.350	92	.000	.804	92	.000
	Decision regarding work methods are taken jointly	.273	92	.000	.878	92	.000
	Family important	.278	92	.000	.864	92	.000
	Everyone shares failures & success	.321	92	.000	.841	92	.000
	Everyone's welfare is important	.300	92	.000	.822	92	.000
	Success - everyone is informed	.320	92	.000	.831	92	.000
<b>Personal Culture</b> From a personal perspective	Uniqueness	.364	92	.000	.704	92	.000
	No problems speaking up	.283	92	.000	.748	92	.000
	Forthright & direct	.317	92	.000	.817	92	.000
	Singled out for praise & reward	.297	92	.000	.828	92	.000
	Personal identity is important	.322	92	.000	.709	92	.000
	Group decision making	.350	92	.000	.729	92	.000
	Sacrifice personal identity	.342	92	.000	.783	92	.000
	Respect authority	.322	92	.000	.737	92	.000
	Stay in group even when their view differs	.280	92	.000	.868	92	.000
	Avoid arguments	.301	92	.000	.848	92	.000
	Parents advise is important for career	.204	92	.000	.889	92	.000
<b>Psychological Contract</b> In relation to organisation	Provide good pay for work	.511	92	.000	.429	92	.000
	Provide a safe working environment	.538	92	.000	.266	92	.000
	Secure job	.523	92	.000	.378	92	.000
	Opportunities to grow & advance	.462	92	.000	.547	92	.000
From a personal perspective	Turn up for work on time	.538	92	.000	.266	92	.000
	Meet performance requirements	.531	92	.000	.080	92	.000
	Loyalty	.540	92	.000	.171	92	.000
	Volunteer for tasks	.538	92	.000	.266	92	.000
<b>Psychological Contract Violation</b>	Employer failed to honour promises	.462	92	.000	.547	92	.000
	Employer fulfilled promises made to you	.299	92	.000	.848	92	.000
	Proud to work for organisation	.319	92	.000	.693	92	.000
	Enjoyment in job	.262	92	.000	.751	92	.000

a. Lilliefors Significance Correction

## 2. Descriptive Statistics

### a. Demographic Data

**Age Category**

	Frequency	Percent	Valid Percent	Cumulative Percent
21-29	9	8.0	8.0	8.0
30-39	37	32.7	32.7	40.7
40-49	40	35.4	35.4	76.1
50-59	19	16.8	16.8	92.9
60 or older	8	7.1	7.1	100.0
<b>Total</b>	<b>113</b>	<b>100.0</b>	<b>100.0</b>	

**Gender**

	Frequency	Percent	Valid Percent	Cumulative Percent
Male	35	31.0	31.0	31.0
Female	78	69.0	69.0	100.0
<b>Total</b>	<b>113</b>	<b>100.0</b>	<b>100.0</b>	

**Race**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid White / Caucasian	86	76.1	76.1	76.1
Indian	11	9.7	9.7	85.8
Coloured	6	5.3	5.3	91.2
Asian	2	1.8	1.8	92.9
Black	8	7.1	7.1	100.0
<b>Total</b>	<b>113</b>	<b>100.0</b>	<b>100.0</b>	



**Province**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid				
Gauteng	97	85.8	85.8	85.8
KwaZulu-Natal	4	3.5	3.5	89.4
Free State	1	.9	.9	90.3
Limpopo	1	.9	.9	91.2
Western Cape	7	6.2	6.2	97.3
Eastern Cape	2	1.8	1.8	99.1
Mpumalanga	1	.9	.9	100.0
<b>Total</b>	<b>113</b>	<b>100.0</b>	<b>100.0</b>	

**Department**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid				
Sales	27	23.9	23.9	23.9
Customer Service	3	2.7	2.7	46.0
Administrative	7	6.2	6.2	52.2
Marketing	10	8.8	8.8	61.1
Human Resources	2	1.8	1.8	62.8
Finance	5	4.4	4.4	67.3
Other (please specify)	19	16.8	16.8	84.1
Sales & Marketing	17	15.0	15.0	99.1
Public Relations	1	.9	.9	100.0
IT	4	3.5	3.5	27.4
Research & Development	6	5.3	5.3	32.7
Business Intelligence	5	4.4	4.4	37.2
Product	1	.9	.9	38.1
Accounting	1	.9	.9	38.9
International	2	1.8	1.8	40.7
Operations	3	2.7	2.7	43.4
<b>Total</b>	<b>113</b>	<b>100.0</b>	<b>100.0</b>	

**Department Other**

	Frequency	Percent	Valid Percent	Cumulative Percent
	94	83.2	83.2	83.2
Branch Manager	1	.9	.9	84.1
Business Development	1	.9	.9	85.0
Business Excellence / Support	1	.9	.9	85.8
Customer Experience	1	.9	.9	86.7
General Management - over entire organization	1	.9	.9	87.6
health economics	1	.9	.9	88.5
Health/Pharmaceutical	1	.9	.9	89.4
HEMAR	1	.9	.9	90.3
medical	1	.9	.9	91.2
Medical	6	5.3	5.3	96.5
Medical affairs	1	.9	.9	97.3
Medical Affairs	1	.9	.9	98.2
Medical and Technical Affairs	1	.9	.9	99.1
pharma	1	.9	.9	100.0
Total	113	100.0	100.0	

**Job Role**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Managing Director	2	2%	1.8	80.5
Director (Executive)	8	7%	7.1	7.1
Director (Non-executive)	1	1%	.9	100.0
Business Unit Manager	4	4%	3.5	99.1
Senior Manager	10	9%	8.8	95.6
Manager	30	27%	26.5	78.8
Team Lead	7	6%	6.2	86.7
Individual Contributor	42	37%	20.4	27.4
Other	9	8%	24.8	52.2
Total	113	1.0	100.0	

#### Length of Years in Organisation (Tenure)

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Less than 1 year	8	7.1	7.1	7.1
1-2 years	25	22.1	22.1	29.2
3-4 years	13	11.5	11.5	40.7
5-10 years	29	25.7	25.7	66.4
4-5 years	8	7.1	7.1	100.0
more than 10 years	30	26.5	26.5	92.9
<b>Total</b>	<b>113</b>	<b>100.0</b>	<b>100.0</b>	

#### Highest Education Achieved

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Masters Degree	17	15.0	15.0	15.0
Diploma (IMM/Arts/Teaching etc.)	24	21.2	21.2	36.3
Degree (BSc./BCom./B.A. etc.)	25	22.1	22.1	58.4
Honours Degree	26	23.0	23.0	81.4
Graduated from high school (matric)	11	9.7	9.7	91.2
Other (please specify)	6	5.3	5.3	96.5
Doctorate Degree	4	3.5	3.5	100.0
<b>Total</b>	<b>113</b>	<b>100.0</b>	<b>100.0</b>	

### Highest Education - Other

	Frequency	Percent	Valid Percent	Cumulative Percent
CA (SA)	107	94.7	94.7	94.7
Diploma in General Nursing, Midwifery, ICU, Marketing certificate	1	.9	.9	95.6
Masters degree and Medicine	1	.9	.9	96.5
matric	1	.9	.9	97.3
ROYAL SOCIETY OF THE ARTS AND LONDON CHAMBER OF COMMERCE ADVANCED	1	.9	.9	98.2
T1&2 Analytical Chemistry, Cape Technikon	1	.9	.9	99.1
<b>Total</b>	<b>113</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

## 3. Frequency Tables of Individual Responses

### 1. Each worker is encouraged to realize his or her own unique potential

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	9	8.0	8.0	8.0
Strongly Disagree	1	.9	.9	8.8
Disagree	9	8.0	8.0	16.8
Indifferent	9	8.0	8.0	24.8
Agree	60	53.1	53.1	77.9
Strongly Agree	25	22.1	22.1	100.0
Total	113	100.0	100.0	

**2. People with good ideas make sure management knows the idea was theirs**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	10	8.8	8.8	8.8
Strongly Disagree	1	.9	.9	9.7
Disagree	6	5.3	5.3	15.0
Indifferent	24	21.2	21.2	36.3
Agree	59	52.2	52.2	88.5
Strongly Agree	13	11.5	11.5	100.0
Total	113	100.0	100.0	

**3. Employees' ability to think for themselves is valued**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	10	8.8	8.8	8.8
Strongly Disagree	2	1.8	1.8	10.6
Disagree	1	.9	.9	11.5
Indifferent	9	8.0	8.0	19.5
Agree	70	61.9	61.9	81.4
Strongly Agree	21	18.6	18.6	100.0
Total	113	100.0	100.0	

**4. Individuals who stand out in a high performing group are recognized**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	10	8.8	8.8	8.8
Strongly Disagree	2	1.8	1.8	10.6
Disagree	4	3.5	3.5	14.2
Indifferent	10	8.8	8.8	23.0
Agree	61	54.0	54.0	77.0
Strongly Agree	26	23.0	23.0	100.0
Total	113	100.0	100.0	

#### 5. Employees value independence in their job

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	11	9.7	9.7	9.7
Strongly Disagree	1	.9	.9	10.6
Disagree	4	3.5	3.5	14.2
Indifferent	4	3.5	3.5	17.7
Agree	68	60.2	60.2	77.9
Strongly Agree	25	22.1	22.1	100.0
Total	113	100.0	100.0	

#### 6. Competition between employees is accepted

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	10	8.8	8.8	8.8
Strongly Disagree	2	1.8	1.8	10.6
Disagree	4	3.5	3.5	14.2
Indifferent	19	16.8	16.8	31.0
Agree	63	55.8	55.8	86.7
Strongly Agree	15	13.3	13.3	100.0
Total	113	100.0	100.0	

#### 7. Management and supervisors are protective of and generous to loyal workers

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	9	8.0	8.0	8.0
Strongly Disagree	3	2.7	2.7	10.6
Disagree	15	13.3	13.3	23.9
Indifferent	10	8.8	8.8	32.7
Agree	58	51.3	51.3	84.1
Strongly Agree	18	15.9	15.9	100.0
Total	113	100.0	100.0	

**8. Decisions about changes in work methods are taken jointly by supervisors and employees**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	10	8.8	8.8	8.8
Strongly Disagree	5	4.4	4.4	13.3
Disagree	24	21.2	21.2	34.5
Indifferent	20	17.7	17.7	52.2
Agree	43	38.1	38.1	90.3
Strongly Agree	11	9.7	9.7	100.0
Total	113	100.0	100.0	

**9. Employees are taken care of like members of a family**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	10	8.8	8.8	8.8
Strongly Disagree	4	3.5	3.5	12.4
Disagree	14	12.4	12.4	24.8
Indifferent	18	15.9	15.9	40.7
Agree	44	38.9	38.9	79.6
Strongly Agree	23	20.4	20.4	100.0
Total	113	100.0	100.0	

**10. Everyone shared responsibility for the organisations' failures as well as success**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	10	8.8	8.8	8.8
Strongly Disagree	2	1.8	1.8	10.6
Disagree	14	12.4	12.4	23.0
Indifferent	18	15.9	15.9	38.9
Agree	54	47.8	47.8	86.7
Strongly Agree	15	13.3	13.3	100.0
Total	113	100.0	100.0	

**11. Regardless of hierarchical level, employees take each other's overall welfare**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	11	9.7	9.7	9.7
Strongly Disagree	4	3.5	3.5	13.3
Disagree	8	7.1	7.1	20.4
Indifferent	13	11.5	11.5	31.9
Agree	52	46.0	46.0	77.9
Strongly Agree	25	22.1	22.1	100.0
Total	113	100.0	100.0	

**12. Everyone is kept informed about major decisions that affect the success of the company.**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	11	9.7	9.7	9.7
Strongly Disagree	4	3.5	3.5	13.3
Disagree	11	9.7	9.7	23.0
Indifferent	13	11.5	11.5	34.5
Agree	55	48.7	48.7	83.2
Strongly Agree	19	16.8	16.8	100.0
Total	113	100.0	100.0	

**13. I enjoy being unique and different from others in many respects**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	10	8.8	8.8	8.8
Disagree	1	.9	.9	9.7
Indifferent	3	2.7	2.7	12.4
Agree	62	54.9	54.9	67.3
Strongly Agree	37	32.7	32.7	100.0
Total	113	100.0	100.0	



**14. Speaking up during a class is not a problem for me**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	10	8.8	8.8	8.8
Disagree	1	.9	.9	9.7
Indifferent	9	8.0	8.0	17.7
Agree	49	43.4	43.4	61.1
Strongly Agree	44	38.9	38.9	100.0
Total	113	100.0	100.0	

**15. I prefer to be direct and forthright when dealing with people I have just met**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	10	8.8	8.8	8.8
Disagree	19	16.8	16.8	25.7
Indifferent	11	9.7	9.7	35.4
Agree	52	46.0	46.0	81.4
Strongly Agree	21	18.6	18.6	100.0
Total	113	100.0	100.0	

**16. I am comfortable with being singled out for praise or rewards**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	10	8.8	8.8	8.8
Disagree	9	8.0	8.0	16.8
Indifferent	16	14.2	14.2	31.0
Agree	54	47.8	47.8	78.8
Strongly Agree	24	21.2	21.2	100.0
Total	113	100.0	100.0	

**17. My personal identity, independent of others, is very important to me**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	10	8.8	8.8	8.8
Disagree	1	.9	.9	9.7
Indifferent	3	2.7	2.7	12.4
Agree	56	49.6	49.6	61.9
Strongly Agree	43	38.1	38.1	100.0
Total	113	100.0	100.0	

**18. It is important to me to respect decisions made by the group**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	10	8.8	8.8	8.8
Disagree	1	.9	.9	9.7
Indifferent	6	5.3	5.3	15.0
Agree	67	59.3	59.3	74.3
Strongly Agree	29	25.7	25.7	100.0
Total	113	100.0	100.0	

**19. I will sacrifice my self-interest for the benefit of the group I am in**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	10	8.8	8.8	8.8
Disagree	8	7.1	7.1	15.9
Indifferent	10	8.8	8.8	24.8
Agree	64	56.6	56.6	81.4
Strongly Agree	21	18.6	18.6	100.0
Total	113	100.0	100.0	

**20. I have respect for the authority figures with whom I interact**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	10	8.8	8.8	8.8
Strongly Disagree	1	.9	.9	9.7
Disagree	3	2.7	2.7	12.4
Indifferent	5	4.4	4.4	16.8
Agree	64	56.6	56.6	73.5
Strongly Agree	30	26.5	26.5	100.0
Total	113	100.0	100.0	

**21. I will stay in a group if it need me, even when I ma not happy with the group**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	11	9.7	9.7	9.7
Strongly Disagree	5	4.4	4.4	14.2
Disagree	24	21.2	21.2	35.4
Indifferent	16	14.2	14.2	49.6
Agree	49	43.4	43.4	92.9
Strongly Agree	8	7.1	7.1	100.0
Total	113	100.0	100.0	

**22. Even when I strongly disagree with group members, I avoid an argument**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	10	8.8	8.8	8.8
Strongly Disagree	11	9.7	9.7	18.6
Disagree	45	39.8	39.8	58.4
Indifferent	10	8.8	8.8	67.3
Agree	32	28.3	28.3	95.6
Strongly Agree	5	4.4	4.4	100.0
Total	113	100.0	100.0	

**26. I should take into consideration my parent' advice, when making education/career plans**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	10	8.8	8.8	8.8
Strongly Disagree	12	10.6	10.6	19.5
Disagree	22	19.5	19.5	38.9
Indifferent	30	26.5	26.5	65.5
Agree	36	31.9	31.9	97.3
Strongly Agree	3	2.7	2.7	100.0
Total	113	100.0	100.0	

**27. Organisation provides you with good pay**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	11	9.7	9.7	9.7
Promise given	86	76.1	76.1	85.8
Promise not given	16	14.2	14.2	100.0
Total	113	100.0	100.0	

**28. Organisation provides you with safe working environment**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	11	9.7	9.7	9.7
Promise given	96	85.0	85.0	94.7
Promise not given	6	5.3	5.3	100.0
Total	113	100.0	100.0	

**29. Organisation provides you with secure job**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	10	8.8	8.8	8.8
Promise given	91	80.5	80.5	89.4
Promise not given	12	10.6	10.6	100.0
Total	113	100.0	100.0	

**30. Organisation provides opportunities for development**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	13	11.5	11.5	11.5
Promise given	74	65.5	65.5	77.0
Promise not given	26	23.0	23.0	100.0
Total	113	100.0	100.0	

**31. It is important to turn up for work on time**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	10	8.8	8.8	8.8
Promise given	97	85.8	85.8	94.7
Promise not given	6	5.3	5.3	100.0
Total	113	100.0	100.0	

**32. It is important to meet the performance expectations of job**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	10	8.8	8.8	8.8
Promise given	102	90.3	90.3	99.1
Promise not given	1	.9	.9	100.0
Total	113	100.0	100.0	

**33. It is important to display loyalty to organisation**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	10	8.8	8.8	8.8
Promise given	100	88.5	88.5	97.3
Promise not given	3	2.7	2.7	100.0
Total	113	100.0	100.0	

**34. It is important to volunteer for tasks outside job**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	11	9.7	9.7	9.7
Promise given	95	84.1	84.1	93.8
Promise not given	7	6.2	6.2	100.0
Total	113	100.0	100.0	

**35. Employer Failed to deliver on Promises**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	11	9.7	9.7	9.7
experienced no violation	76	67.3	67.3	77.0
experienced violation	26	23.0	23.0	100.0
Total	113	100.0	100.0	

**36. Employer Fulfilled Promise/Obligations to you**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	11	9.7	9.7	9.7
Strongly Disagree	18	15.9	15.9	25.7
Disagree	25	22.1	22.1	47.8
Indifferent	51	45.1	45.1	92.9
Agree	7	6.2	6.2	99.1
Strongly Agree	1	.9	.9	100.0
Total	113	100.0	100.0	

**37. Proud to be working for company**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	11	9.7	9.7	9.7
Strongly Disagree	1	.9	.9	10.6
Disagree	1	.9	.9	11.5
Indifferent	6	5.3	5.3	16.8
Agree	37	32.7	32.7	49.6
Strongly Agree	57	50.4	50.4	100.0
Total	113	100.0	100.0	

**38. Find enjoyment in job**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	14	12.4	12.4	12.4
Strongly Disagree	1	.9	.9	13.3
Disagree	1	.9	.9	14.2
Indifferent	8	7.1	7.1	21.2
Agree	47	41.6	41.6	62.8
Strongly Agree	42	37.2	37.2	100.0
Total	113	100.0	100.0	

## 4. Results for Principle Component Analysis

### a) Organisational Individualism

	Each worker is encouraged to realize his or her own unique potential	People with good ideas make sure management knows the idea was theirs	Employees' ability to think for themselves is values	Individuals who stand out in a high performing group are recognized	Employees value independence in their job	Competition between employees is accepted
Each worker is encouraged to realize his or her own unique potential	1.000	.477	.660	.608	.549	.453
People with good ideas make sure management knows the idea was theirs	.477	1.000	.524	.473	.475	.436
Employees' ability to think for themselves is values	.660	.524	1.000	.630	.565	.398
Individuals who stand out in a high performing group are recognized	.608	.473	.630	1.000	.424	.385
Employees value independence in their job	.549	.475	.565	.424	1.000	.428
Competition between employees is accepted	.453	.436	.398	.385	.428	1.000

#### KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.872
Bartlett's Test of Sphericity	Approx. Chi-Square	239.958
	df	15
	Sig.	.000



### Communalities

	Initial	Extraction
Each worker is encouraged to realize his or her own unique potential	1.000	.686
People with good ideas make sure management knows the idea was theirs	1.000	.537
Employees' ability to think for themselves is values	1.000	.700
Individuals who stand out in a high performing group are recognized	1.000	.600
Employees value independence in their job	1.000	.562
Competition between employees is accepted	1.000	.429

Extraction Method: Principal Component Analysis.

### Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.513	58.554	58.554	3.513	58.554	58.554
2	.700	11.666	70.220			
3	.563	9.379	79.600			
4	.544	9.072	88.672			
5	.357	5.953	94.625			
6	.323	5.375	100.000			

Extraction Method: Principal Component Analysis.

### Component Matrix<sup>a</sup>

	Component
	1
Each worker is encouraged to realize his or her own unique potential	.828
People with good ideas make sure management knows the idea was theirs	.733
Employees' ability to think for themselves is values	.836
Individuals who stand out in a high performing group are recognized	.775
Employees value independence in their job	.750
Competition between employees is accepted	.655

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

*b) Organisational Collectivism*

Correlation Matrix						
	Management and supervisors are protective of and generous to loyal workers	Decisions about changes in work methods are taken jointly by supervisors and employees	Employees are taken care of like members of a family	Everyone shared responsibility for the organisations' failures as well as success	Regardless of hierarchical level, employees take each other's overall welfare	Everyone is kept informed about major decisions that affect the success of the company.
Management and supervisors are protective of and generous to loyal workers	1.000	.563	.731	.464	.587	.570
Decisions about changes in work methods are taken jointly by supervisors and employees	.563	1.000	.657	.524	.526	.587
Employees are taken care of like members of a family	.731	.657	1.000	.571	.661	.649
Everyone shared responsibility for the organisations' failures as well as success	.464	.524	.571	1.000	.612	.636
Regardless of hierarchical level, employees take each other's overall welfare	.587	.526	.661	.612	1.000	.670
Everyone is kept informed about major decisions that affect the success of the company.	.570	.587	.649	.636	.670	1.000

### KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.890
Bartlett's Test of Sphericity	Approx. Chi-Square	337.420
	df	15
	Sig.	.000

### Communalities

	Initial	Extraction
Management and supervisors are protective of and generous to loyal workers	1.000	.639
Decisions about changes in work methods are taken jointly by supervisors and employees	1.000	.615
Employees are taken care of like members of a family	1.000	.766
Everyone shared responsibility for the organisations' failures as well as success	1.000	.596
Regardless of hierarchical level, employees take each other's overall welfare	1.000	.688
Everyone is kept informed about major decisions that affect the success of the company.	1.000	.707

Extraction Method: Principal Component Analysis.

### Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.010	66.832	66.832	4.010	66.832	66.832
2	.606	10.099	76.931			
3	.472	7.870	84.801			
4	.353	5.891	90.692			
5	.317	5.286	95.979			
6	.241	4.021	100.000			

Extraction Method: Principal Component Analysis.

### Component Matrix<sup>a</sup>

	Component
	1
Management and supervisors are protective of and generous to loyal workers	.799
Decisions about changes in work methods are taken jointly by supervisors and employees	.784
Employees are taken care of like members of a family	.875
Everyone shared responsibility for the organisations' failures as well as success	.772
Regardless of hierarchical level, employees take each other's overall welfare	.829
Everyone is kept informed about major decisions that affect the success of the company.	.841

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

### c) Employee Individualism

Correlation Matrix					
	I enjoy being unique and different from others in many respects	Speaking up during a class is not a problem for me	I prefer to be direct and forthright when dealing with people I have just met	I am comfortable with being singled out for praise or rewards	My personal identity, independent of others, is very important to me
I enjoy being unique and different from others in many respects	1.000	.421	.542	.319	.291
Speaking up during a class is not a problem for me	.421	1.000	.468	.393	.289
I prefer to be direct and forthright when dealing with people I have just met	.542	.468	1.000	.360	.405
I am comfortable with being singled out for praise or rewards	.319	.393	.360	1.000	.340
My personal identity, independent of others, is very important to me	.291	.289	.405	.340	1.000

#### KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.787
Bartlett's Test of Sphericity	Approx. Chi-Square	110.781
	df	10
	Sig.	.000

Communalities		
	Initial	Extraction
I enjoy being unique and different from others in many respects	1.000	.539
Speaking up during a class is not a problem for me	1.000	.531
I prefer to be direct and forthright when dealing with people I have just met	1.000	.638
I am comfortable with being singled out for praise or rewards	1.000	.439
My personal identity, independent of others, is very important to me	1.000	.397

Extraction Method: Principal Component Analysis.

### Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.545	50.893	50.893	2.545	50.893	50.893
2	.770	15.395	66.288			
3	.698	13.955	80.243			
4	.554	11.086	91.329			
5	.434	8.671	100.000			

Extraction Method: Principal Component Analysis.

### Component Matrix<sup>a</sup>

	Component
	1
I enjoy being unique and different from others in many respects	.735
Speaking up during a class is not a problem for me	.729
I prefer to be direct and forthright when dealing with people I have just met	.799
I am comfortable with being singled out for praise or rewards	.662
My personal identity, independent of others, is very important to me	.630

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

*d) Individual Collectivism*

**Correlation Matrix**

	It is important to me to respect decisions made by the group	I will sacrifice my self-interest for the benefit of the group I am in	I have respect for the authority figures with whom I interact	I will stay in a group if it need me, even when I am not happy with the group	Even when I strongly disagree with group members, I avoid an argument	I should take into consideration my parent' advice, when making education/career plans
It is important to me to respect decisions made by the group	1.000	.346	.418	-.033	.070	-.117
I will sacrifice my self-interest for the benefit of the group I am in	.346	1.000	.221	.182	.107	-.130
I have respect for the authority figures with whom I interact	.418	.221	1.000	.142	.139	.158
I will stay in a group if it need me, even when I am not happy with the group	-.033	.182	.142	1.000	.187	-.027
Even when I strongly disagree with group members, I avoid an argument	.070	.107	.139	.187	1.000	.329
I should take into consideration my parent' advice, when making education/career plans	-.117	-.130	.158	-.027	.329	1.000

**KMO and Bartlett's Test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	.503
Bartlett's Test of Sphericity	Approx. Chi-Square
	df
	Sig.
	65.298
	15
	.000

### Communalities

	Initial	Extraction
It is important to me to respect decisions made by the group	1.000	.758
I will sacrifice my self-interest for the benefit of the group I am in	1.000	.583
I have respect for the authority figures with whom I interact	1.000	.626
I will stay in a group if it need me, even when I am not happy with the group	1.000	.823
Even when I strongly disagree with group members, I avoid an argument	1.000	.630
I should take into consideration my parent' advice, when making education/career plans	1.000	.779

Extraction Method: Principal Component Analysis.

### Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	1.767	29.449	29.449	1.767	29.449	29.449
2	1.377	22.949	52.398	1.377	22.949	52.398
3	1.056	17.593	69.991	1.056	17.593	69.991
4	.760	12.663	82.654			
5	.606	10.095	92.749			
6	.435	7.251	100.000			

Extraction Method: Principal Component Analysis.

### Component Matrix<sup>a</sup>

	Component		
	1	2	3
It is important to me to respect decisions made by the group	.701	-.370	-.361
I will sacrifice my self-interest for the benefit of the group I am in	.653	-.313	.242
I have respect for the authority figures with whom I interact	.732	.058	-.293
I will stay in a group if it need me, even when I am not happy with the group	.358	.175	.815
Even when I strongly disagree with group members, I avoid an argument	.417	.665	.119
I should take into consideration my parent' advice, when making education/career plans	.099	.816	-.321

Extraction Method: Principal Component Analysis.

a. 3 components extracted.



## 5. Results from Cluster Analysis

Agglomeration Schedule						
Stage	Cluster Combined		Coefficients	Stage Cluster First Appears		Next Stage
	Cluster 1	Cluster 2		Cluster 1	Cluster 2	
1	16	110	0.000	0	0	45
2	92	99	0.000	0	0	3
3	14	92	0.000	0	2	6
4	52	78	0.000	0	0	86
5	60	67	0.000	0	0	6
6	14	60	0.000	3	5	8
7	51	59	0.000	0	0	8
8	14	51	0.000	6	7	10
9	32	48	0.000	0	0	10
10	14	32	0.000	8	9	111
11	30	103	.020	0	0	12
12	9	30	.049	0	11	24
13	4	7	.050	0	0	51
14	66	68	.056	0	0	34
15	40	73	.066	0	0	40
16	1	6	.066	0	0	55
17	91	97	.066	0	0	36
18	28	58	.066	0	0	28
19	3	61	.068	0	0	60
20	85	88	.078	0	0	57
21	26	87	.078	0	0	39
22	15	63	.078	0	0	43
23	36	38	.078	0	0	47
24	9	54	.091	12	0	52
25	34	65	.093	0	0	59
26	49	105	.093	0	0	30
27	12	74	.096	0	0	62
28	28	80	.101	18	0	70
29	33	62	.106	0	0	47
30	49	86	.107	26	0	48
31	42	71	.117	0	0	101
32	76	101	.121	0	0	54
33	5	79	.121	0	0	75
34	66	108	.123	14	0	41
35	100	107	.123	0	0	61
36	91	113	.128	17	0	52
37	96	111	.139	0	0	63
38	29	98	.149	0	0	59

Continuation of Table						
Stage	Cluster Combined		Coefficients	Stage Cluster First Appears		Next Stage
	Cluster 1	Cluster 2		Cluster 1	Cluster 2	
39	26	43	.150	21	0	58
40	40	50	.153	15	0	56
41	25	66	.155	0	34	48
42	47	64	.163	0	0	50
43	11	15	.174	0	22	62
44	56	112	.177	0	0	57
45	16	81	.179	1	0	54
46	44	75	.189	0	0	77
47	33	36	.192	29	23	53
48	25	49	.206	41	30	65
49	2	8	.207	0	0	68
50	47	83	.223	42	0	70
51	4	90	.224	13	0	71
52	9	91	.227	24	36	65
53	33	46	.232	47	0	61
54	16	76	.236	45	32	72
55	1	55	.239	16	0	79
56	13	40	.246	0	40	72
57	56	85	.247	44	20	68
58	23	26	.252	0	39	66
59	29	34	.262	38	25	84
60	3	94	.295	19	0	83
61	33	100	.295	53	35	86
62	11	12	.297	43	27	71
63	82	96	.304	0	37	81
64	89	102	.306	0	0	77
65	9	25	.310	52	48	87
66	23	27	.311	58	0	91
67	24	77	.311	0	0	81
68	2	56	.326	49	57	80
69	19	31	.337	0	0	104
70	28	47	.340	28	50	85
71	4	11	.352	51	62	78
72	13	16	.366	56	54	90
73	84	109	.439	0	0	97
74	21	70	.448	0	0	88
75	5	22	.454	33	0	90
76	10	57	.463	0	0	79

Continuation of Table						
Stage	Cluster Combined		Coefficients	Stage Cluster First Appears		Next Stage
	Cluster 1	Cluster 2		Cluster 1	Cluster 2	
77	44	89	.483	46	64	88
78	4	17	.505	71	0	83
79	1	10	.562	55	76	96
80	2	72	.599	68	0	89
81	24	82	.612	67	63	93
82	41	106	.617	0	0	100
83	3	4	.623	60	78	92
84	29	45	.628	59	0	98
85	28	53	.639	70	0	92
86	33	52	.652	61	4	96
87	9	93	.694	65	0	91
88	21	44	.725	74	77	93
89	2	95	.726	80	0	98
90	5	13	.742	75	72	95
91	9	23	.780	87	66	94
92	3	28	.787	83	85	94
93	21	24	.967	88	81	100
94	3	9	.996	92	91	99
95	5	39	1.093	90	0	99
96	1	33	1.139	79	86	104
97	20	84	1.153	0	73	101
98	2	29	1.208	89	84	105
99	3	5	1.343	94	95	103
100	21	41	1.353	93	82	106
101	20	42	1.547	97	31	106
102	69	104	1.561	0	0	110
103	3	35	1.810	99	0	107
104	1	19	1.885	96	69	105
105	1	2	2.087	104	98	107
106	20	21	2.440	101	100	108
107	1	3	2.700	105	103	109
108	20	37	3.509	106	0	109
109	1	20	4.733	107	108	110
110	1	69	14.511	109	102	112
111	14	18	32.000	10	0	112
112	1	14	58.783	110	111	0

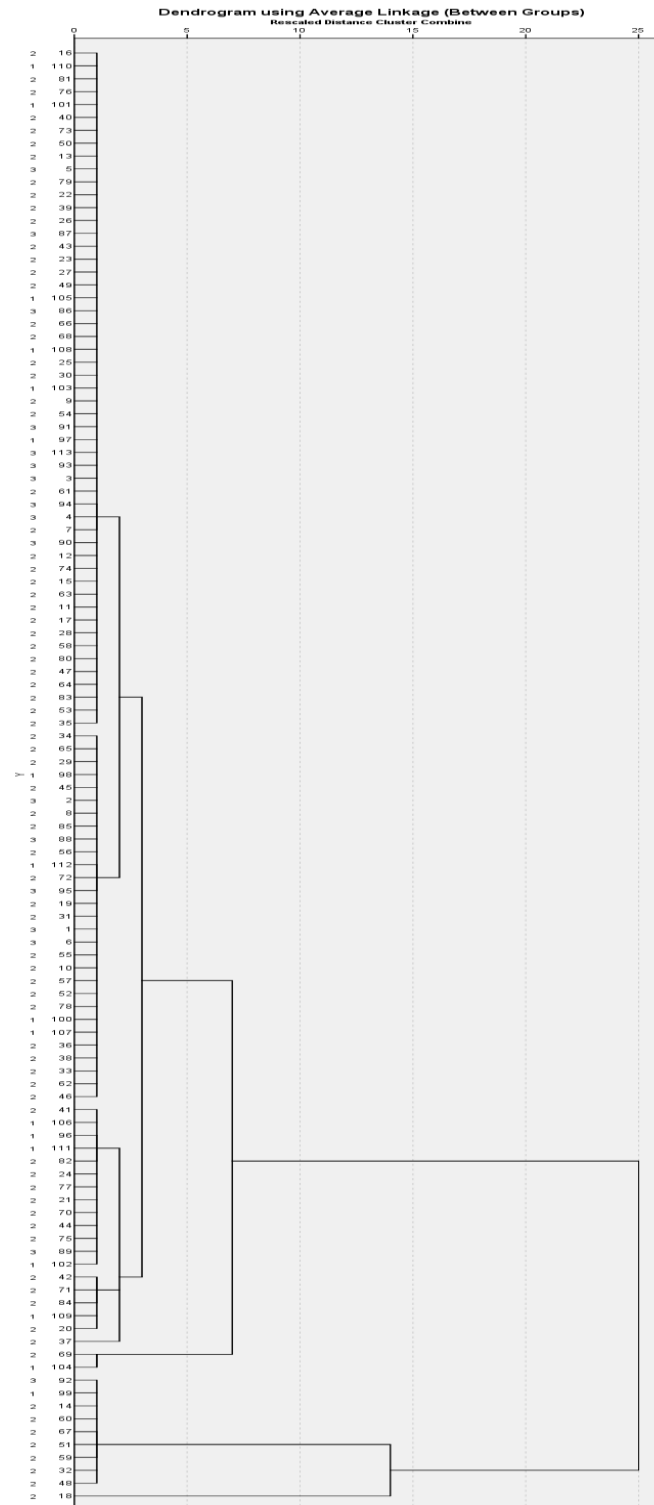
### 5.1 T-test –Cluster Analysis

Group Statistics

ClusterMembership		N	Mean	Std. Deviation	Std. Error Mean
Gender	1.00	50	1.66	.479	.068
	2.00	63	1.71	.455	.057
Race	1.00	50	1.56	1.198	.169
	2.00	63	1.52	1.120	.141
Province	1.00	50	1.46	1.313	.186
	2.00	63	1.48	1.306	.165
Dept	1.00	50	5.58	4.101	.580
	2.00	63	6.41	4.114	.518
DeptOther	1.00	0 <sup>a</sup>			
	2.00	0 <sup>a</sup>			
JobRole	1.00	50	3.76	2.076	.294
	2.00	63	3.70	1.710	.215
Tenure	1.00	50	3.22	1.569	.222
	2.00	63	3.97	1.244	.157
HighestEdu	1.00	50	3.20	1.471	.208
	2.00	63	3.22	1.650	.208
OrgIndi	1.00	50	3.5513	1.32043	.18674
	2.00	63	3.6958	1.13219	.14264
OrgColl	1.00	50	3.2633	1.37976	.19513
	2.00	63	3.4307	1.19106	.15006
IndividualIndividualism	1.00	50	3.7240	1.34976	.19089
	2.00	63	3.7905	1.23572	.15569
IndividualColl	1.00	50	3.2013	1.16028	.16409
	2.00	63	3.2725	1.07776	.13578
PsychologicalContract	1.00	50	1.1120	.39931	.05647
	2.00	63	1.1595	.38664	.04871
PPOnTimeWork	1.00	45	1.07	.252	.038
	2.00	58	1.05	.223	.029
PPPerformanceMet	1.00	45	1.00	0.000	0.000
	2.00	58	1.02	.131	.017
PPLoyal	1.00	45	1.02	.149	.022
	2.00	58	1.03	.184	.024
PPVolTasks	1.00	45	1.07	.252	.038
	2.00	57	1.07	.258	.034
EmplFailedPromise	1.00	45	1.20	.405	.060
	2.00	57	1.30	.462	.061
EmpFulfilledPromiseObligationstoyou	1.00	45	2.40	.837	.125
	2.00	57	2.56	.945	.125
ProudWorkFor	1.00	45	4.51	.626	.093
	2.00	57	4.40	.821	.109
EnjoyInJob	1.00	44	4.27	.727	.110
	2.00	55	4.31	.767	.103

a. t cannot be computed because at least one of the groups is empty.

## 5.2 Cluster Analysis- Dendrogram using Average Linkage (Between Groups)



## 6. Results from Correlation

		Transac tional Employ er	Relati onal Empl oyer	Transa ction Empl oyee	Relati onal Empl oyee	Empl oyer Failed to Meet Obliga tions	Empl oyer Kept Promi se	Org Individu alism	Org Collecti vism	Individu al Indivi dualism	Individ ual Collecti vism
Transact ional Employe r	Pears on Correl ation Sig. (2- tailed) N	1	.749**	.747**	.689**	.654**	.549**	.550**	.447**	.706**	.720**
			.000	.000	.000	.000	.000	.000	.000	.000	.000
		113	113	113	113	113	113	113	113	113	113
Relation al Employe r	Pears on Correl ation Sig. (2- tailed) N	.749**	1	.739**	.692**	.566**	.510**	.508**	.415**	.675**	.672**
		.000		.000	.000	.000	.000	.000	.000	.000	.000
		113	113	113	113	113	113	113	113	113	113
Transact ion Empl oyee	Pears on Correl ation Sig. (2- tailed) N	.747**	.739**	1	.853**	.582**	.561**	.752**	.661**	.835**	.837**
		.000	.000		.000	.000	.000	.000	.000	.000	.000
		113	113	113	113	113	113	113	113	113	113
Relation al Empl oyee	Pears on Correl ation Sig. (2- tailed) N	.689**	.692**	.853**	1	.564**	.556**	.714**	.594**	.842**	.787**
		.000	.000	.000		.000	.000	.000	.000	.000	.000
		113	113	113	113	113	113	113	113	113	113
Empl oye r Failed to Meet Obliga tions	Pears on Correl ation Sig. (2- tailed) N	.654**	.566**	.582**	.564**	1	.555**	.392**	.202*	.605**	.497**
		.000	.000	.000	.000		.000	.000	.032	.000	.000
		113	113	113	113	113	113	113	113	113	113
Empl oye r Kept Promise	Pears on Correl ation Sig. (2- tailed) N	.549**	.510**	.561**	.556**	.555**	1	.352**	.254**	.535**	.543**
		.000	.000	.000	.000	.000		.000	.007	.000	.000
		113	113	113	113	113	113	113	113	113	113
Gender	Pears on Correl ation Sig. (2- tailed)	-.026	-.009	-.119	-.003	.022	-.091	-.183	-.234*	-.137	-.063
		.786	.923	.210	.977	.815	.340	.053	.013	.147	.508

	N	113	113	113	113	113	113	113	113	113	113
Race	Pears on Correlation Sig. (2-tailed)	.043	.081	.060	.038	.082	.075	-.022	-.067	-.012	-.005
	N	113	113	113	113	113	113	113	113	113	113
	Pears on Correlation Sig. (2-tailed)	.653	.395	.529	.687	.388	.431	.821	.484	.897	.959
Province	Pears on Correlation Sig. (2-tailed)	.014	-.026	-.020	-.033	-.086	-.055	.062	.080	.061	.057
	N	113	113	113	113	113	113	113	113	113	113
	Pears on Correlation Sig. (2-tailed)	.885	.781	.833	.729	.364	.560	.517	.398	.519	.549
Dept	Pears on Correlation Sig. (2-tailed)	-.120	-.211 <sup>+</sup>	-.168	-.210 <sup>+</sup>	.040	.023	-.313 <sup>**</sup>	-.338 <sup>**</sup>	-.224 <sup>+</sup>	-.221 <sup>+</sup>
	N	113	113	113	113	113	113	113	113	113	113
	Pears on Correlation Sig. (2-tailed)	.204	.025	.075	.026	.673	.812	.001	.000	.017	.018
JobRole	Pears on Correlation Sig. (2-tailed)	.113	.085	.172	.154	.120	.235 <sup>+</sup>	.133	.108	.170	.101
	N	113	113	113	113	113	113	113	113	113	113
	Pears on Correlation Sig. (2-tailed)	.234	.370	.069	.103	.204	.012	.160	.256	.072	.287
Tenure	Pears on Correlation Sig. (2-tailed)	.118	.073	.012	.030	.116	.116	-.034	-.076	-.015	.060
	N	113	113	113	113	113	113	113	113	113	113
	Pears on Correlation Sig. (2-tailed)	.215	.441	.898	.750	.222	.221	.724	.425	.871	.526
Highest Edu	Pears on Correlation Sig. (2-tailed)	-.076	-.024	-.081	-.164	-.114	-.227 <sup>+</sup>	-.203 <sup>+</sup>	-.214 <sup>+</sup>	-.146	-.092
	N	113	113	113	113	113	113	113	113	113	113
	Pears on Correlation Sig. (2-tailed)	.423	.797	.395	.082	.229	.016	.031	.023	.123	.330
Proud to work for organisation	Pears on Correlation Sig. (2-tailed)	-.328 <sup>**</sup>	-.397 <sup>**</sup>	-.007	-.168	-.450 <sup>**</sup>	-.411 <sup>**</sup>	.618 <sup>**</sup>	.639 <sup>**</sup>	.129	.288 <sup>**</sup>
	N	102	102	102	102	102	102	102	102	102	102
	Pears on Correlation Sig. (2-tailed)	.001	.000	.943	.091	.000	.000	.000	.000	.196	.003
Enjoy Job	Pears on Correlation Sig. (2-tailed)	-.180	-.379 <sup>**</sup>	-.142	-.073	-.328 <sup>**</sup>	-.295 <sup>**</sup>	.618 <sup>**</sup>	.557 <sup>**</sup>	.224 <sup>+</sup>	.222 <sup>+</sup>
	N	99	99	99	99	99	99	99	99	99	99
	Pears on Correlation Sig. (2-tailed)	.074	.000	.162	.476	.001	.003	.000	.000	.026	.027

Organisational Individualism	Pearson Correlation Sig. (2-tailed)	.550**	.508**	.752**	.714**	.392**	.352**	1	.932**	.832**	.820**
	N	.000	.000	.000	.000	.000	.000		.000	.000	.000
		113	113	113	113	113	113	113	113	113	113
Organisational Collectivism	Pearson Correlation Sig. (2-tailed)	.447**	.415**	.661**	.594**	.202*	.254**	.932**	1	.738**	.747**
	N	.000	.000	.000	.000	.032	.007	.000		.000	.000
		113	113	113	113	113	113	113	113	113	113
Individual Individualism	Pearson Correlation Sig. (2-tailed)	.706**	.675**	.835**	.842**	.605**	.535**	.832**	.738**	1	.873**
	N	.000	.000	.000	.000	.000	.000	.000	.000		.000
		113	113	113	113	113	113	113	113	113	113
Individual Collectivism	Pearson Correlation Sig. (2-tailed)	.720**	.672**	.837**	.787**	.497**	.543**	.820**	.747**	.873**	1
	N	.000	.000	.000	.000	.000	.000	.000	.000	.000	
		113	113	113	113	113	113	113	113	113	113

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

\* . Correlation is significant at the 0.05 level (2-tailed).



*Correlation- Assessing Association between Type of Employee & Employer Psychological Contract & Violation*

**Correlations**

		Transactiona l Employer	Relationa l Employer	Transactio n Employee	Relationa l Employee	Employer Failed to Meet Obligations	Employe r Kept Promise
Transactiona l Employer	Pearson Correlatio n	1	.749**	.747**	.689**	.654**	.549**
	Sig. (2- tailed)		.000	.000	.000	.000	.000
	N	113	113	113	113	113	113
Relational Employer	Pearson Correlatio n	.749**	1	.739**	.692**	.566**	.510**
	Sig. (2- tailed)	.000		.000	.000	.000	.000
	N	113	113	113	113	113	113
Transaction Employee	Pearson Correlatio n	.747**	.739**	1	.853**	.582**	.561**
	Sig. (2- tailed)	.000	.000		.000	.000	.000
	N	113	113	113	113	113	113
Relational Employee	Pearson Correlatio n	.689**	.692**	.853**	1	.564**	.556**
	Sig. (2- tailed)	.000	.000	.000		.000	.000
	N	113	113	113	113	113	113
Employer Failed to Meet Obligations	Pearson Correlatio n	.654**	.566**	.582**	.564**	1	.555**
	Sig. (2- tailed)	.000	.000	.000	.000		.000
	N	113	113	113	113	113	113
Employer Kept Promise	Pearson Correlatio n	.549**	.510**	.561**	.556**	.555**	1
	Sig. (2- tailed)	.000	.000	.000	.000	.000	
	N	113	113	113	113	113	113

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

## 7. Results from Regression Analysis

### 7.1 Failed to meet promises

**Variables Entered/Removed<sup>a</sup>**

Model	Variables Entered	Variables Removed	Method
1	IndividualColl, OrgColl, IndividualIndividualism, OrgIndi <sup>b</sup>		Enter

a. Dependent Variable: EmployerFailedtoMeetObligations

b. All requested variables entered.

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	18.864	4	4.716	31.547	.000 <sup>b</sup>
	Residual	16.145	108	.149		
	Total	35.009	112			

a. Dependent Variable: Employer Failed to Meet Obligations

b. Predictors: (Constant), Individual Collectivism, Organisational Collectivism, Individual Individualism, Organisational Individualism

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.191	.120		1.586	.116
	Organisational Individualism	.315	.104	.685	3.023	.003
	Organisational Collectivism	-.449	.081	-1.023	-5.567	.000
	Individual Individualism	.330	.065	.757	5.062	.000
	Individual Collectivism	.020	.072	.039	.273	.785

a. Dependent Variable: Employer Failed to Meet Obligations

### 7.2 Employer kept promises

### Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.620 <sup>a</sup>	.384	.361	.90326

a. Predictors: (Constant), Individual Collectivism, Organisational Collectivism, Individual Individualism, Organisational Individualism

### ANOVA<sup>a</sup>

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	54.947	4	13.737	16.837	.000 <sup>b</sup>
Residual	88.115	108	.816		
Total	143.062	112			

a. Dependent Variable: EmployerKeptPromise

b. Predictors: (Constant), Individual Collectivism, Organisational Collectivism, Individual Individualism, Organisational Individualism

### Coefficients<sup>a</sup>

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.510	.281		1.817	.072
Organisational Individualism	-.070	.243	-.076	-.289	.774
Organisational Collectivism	-.328	.188	-.370	-1.741	.084
Individual Individualism	.379	.152	.429	2.486	.014
Individual Collectivism	.515	.168	.506	3.067	.003

a. Dependent Variable: Employer Kept Promise