University Academics' Psychological Contracts in Australia and New Zealand

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Abstract

This paper reviews Australasian academics' psychological contracts and how they are changing. While research has demonstrated that psychological contracts have considerable impact upon workplace relations and employee performance, research into the formation, content and effects of psychological contracts between academics and their employers has been limited. In response to this relative gap in knowledge, the paper addresses: the development of psychological contract research; the formation and content of psychological contracts by New Zealand and Australian academics; the effects, and potential management utility, of psychological contracts; and, implications for current employment relations. Examples are taken from the authors' Australian and New Zealand research in the university sector. Data were gathered through surveys, analysis of critical incidents and focus groups. There has been continuous change and uncertainty in the sector. We argue that understanding the formation and content of academics' psychological contracts is crucial to understanding and managing the work performance of academics.

Introduction: Changing Universities

As universities in New Zealand and Australian continue to change, it seems timely to reflect upon academics' psychological contracts and their effects upon university workplace relations and performance. Changes and pressures associated with marketisation and creeping managerialism (see, for example: Curtis and Mathewman, 2005; Marginson and Considine, 2000), are having powerful effects upon individual academics and their universities, and such changes powerfully impact the formation, content and experience of academics' psychological contracts.

Since the 1990s, Universities in New Zealand and Australia not only followed the managerialist and market-oriented revolution so evident in the public sector, they have become increasingly responsive to government and public service demands. Through increased audit and performance management practices, universities and individual academics are ever more accountable for outcomes that they have less ability to determine. Government funding comes with ever more strings attached, and university managers now commonly apply conditions and controls as they allocate funds internally. More rigorous benchmarking, auditing, and administrative compliance, are often experienced negatively as managerialist imperatives rather than means to support pursuit of quality research and teaching outcomes. The Performance Based Research Fund (PBRF) in New Zealand, and the introduction of the Research Quality Framework (RQF) in Australia are, for example,

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strongly indicative of the growing audit of, and control over, the direction and outcomes of universities and their academics. The associated compulsion to increase 'quality' research publications in a context of ongoing academic work intensification is adding greatly to the pressure academics feel. However, despite this increased responsiveness and accountability, universities, and academics, are regularly criticised for being out-of-touch with, or unresponsive to, the needs of industry and clients.

Many of the changes and problems that New Zealand and Australian universities and academics have experienced have also been experienced by UK universities and academics. As in the UK (see Jarvis 2001), New Zealand and Australian academics are working longer hours, experiencing greater stress, and have declining morale. Governments and industry see universities as a resource to be utilised in the service of the economic needs of the nation. Once alien to universities, we now see greater strategic planning, cost reduction, application of user pays and 'client' orientation principles. University priorities and practices that were often linked to government policies of growth and access in higher education are rapidly shifting to support strategic reorientations that emphasise diversification and differentiation. A truly worrying paradox at the heart of much of the change has been the decline in government funding of higher education at a time when knowledge and learning are deemed to be more central to work and life ever before (Jarvis, 2001).

Such changes reflect, and have contributed to the emergence of, the increasingly dominant view of university education as a matter of private investment rather than a public good (Jarvis, 2001). Further, Australian research (Winter and Sarros, 2000) has indicated that many academics perceive that the important cultural and ethical contributions that universities make to society (Coady, 2000) are being undermined. The PBRF and RQF are, arguably, indicative of the further demotion of teaching and learning relative to a more narrowly focused research agenda. Staff/student ratios are at all time highs in many universities and value conflict between principles and practices associated with marketisation and managerialism and those traditionally associated with a commitment to teaching, learning and scholarship has become a well noted problem experienced by academics (see, for example: Winter and Sarros, 2000; Marginson and Considine, 2000; Jarvis, 2001).

Evident in innumerable management and leadership initiatives, and growing top down control, universities are less collegiate and more bureaucratic and corporate. Lewis, Marginson and Snyder (2005: 62) note the emergence of "a university climate increasingly dominated by accountability and performance-oriented decrees from the university executive". Collegial governance and academic autonomy continue the decline that was noted as a matter of great concern in 2000 (Marginson and Considine, 2000). The language and practice of business has become the language and practice of university leaders and managers, further adding to the ongoing erosion of professional control within universities (Curtis and Mathewman, 2005). More powerful administrators and managers are holding faculties, departments and individual academics more accountable for outcomes.

As universities have become more reliant upon private sources of income, commercialisation and competition for funds and students continues to grow (Abbott, 2006). 'Elite' universities are busy pursuing strategic benefits from marshalling their considerable resources in a competitive market for research and teaching funds, and funded and fee-paying students, while some universities face a very uncertain future. Add to this industrial relations environments that have seen many university workplace conditions and protections stripped away, and increasingly rigorous performance management of academics may see greater numbers of relative 'poor performers' facing redundancy.

It is in the context of such change and uncertainty within New Zealand and Australian universities that the following paper addresses the formation, content and effects of academics' psychological contracts. We argue that in this era of diminished funding, greater

competition, and heightened hierarchy and accountability, the content and effects of psychological contracts are critically important for academics and universities. We initially address key conceptualisations and prior studies of the psychological contract, before focusing more specifically upon empirical research into psychological contracts within academia. Through exploration of the formation, content and effects of the psychological contracts of academics at Lincoln University, New Zealand and Charles Sturt University, Australia, the potential of the psychological contract as a means of understanding, and managing, contemporary academic workplace relations and performance will be established.

Psychological Contracts

The employment relationship can be conceived of as having two components: the legal contract of service, which covers the legal relations between the employer and the employee; and the psychological contract, which covers the behavioural relations between the parties (Tipples, 1996). The legal obligations of this relationship are observable and quantifiable outcomes, while the psychological expectations are invisible, but nonetheless real.

There have been a variety of definitions of the psychological contract since the term was first used by Chris Argyris in 1960 (Conway and Briner, 2005) with a central area of debate being to do with whether a psychological contract should be understood as a mutual agreement between two parties' perceptions of their mutual obligations (Herriot et al. 1997) or whether it can be more rightly understood as a subjective construct based on an individual employee's perceptions of an actual agreement (Robinson and Rousseau, 1994). It was based on social contract and social exchange theories, and the idea of reciprocity (Roehling, 1997). Levinson et al. (1963, p. 21) defined it as follows:

> "The psychological contract is a series of mutual expectations of which the parties to the relationship may not themselves be even dimly aware but which nonetheless govern their relationship to each other."

Research on psychological contracts has been largely survey based, with the use of increasingly sophisticated designs and quantitative analysis techniques, particularly researchers following the lead provided in America by Denise Rousseau and colleagues, or based on scenario methodologies, critical incidents, diary studies, interviews or case studies (Conway and Briner, 2005). From the earliest research there has been a focus on the multi-facetted advantages of the construct.

Levinson et al. (1963) distinguished managers' roles as preventive agents, diagnostic agents, remedial agents, and iatrogenic agents (a medical term which refers to symptoms or illnesses caused by the physician himself in the course of his treatment of the patient) and promoted the psychological contract as a helpful managerial tool. Later Lorsch advocated the psychological contract construct and highlighted its diagnostic and therapeutic uses for managers. (Lorsch, 1979). By September 2006 some 2680 publications on psychological contracts were listed in a search of the term on Google Scholar. From an overview of those papers Tipples and Verry (2006) recently suggested that useful guidance for managers is offered by some of the earlier research on the subject (e.g. by Levinson et al., 1963), as we seek to understand employment relationships. Such research focuses more on expectations than current researchers' fixation on the more transactional aspects of contracts, obligations and what the employee alone believes. It picks up on the more need focused facets of psychological contracts, originally highlighted by Levinson et al. (1963), more recently re-emphasised by Meckler, Drake and Levinson (2003), and specifically distinguished from Rousseau's position by Conway and Briner (2005).

Psychological contract research was slow to get underway in New Zealand and Australia with few mentions of the construct in papers before 1995. Since then, up to five percent of

papers mentioning the construct have also included the terms Australia or New Zealand. Psychological contracts are particularly important in shedding light on the effects of many modern management policies using a more transactional approach to contract such as forced redundancies, performance management systems, the increasing use of temporary workers and because of the decreasing power of unions and the greater diversity of the workplace (Guest, 1998).

Various typologies have been developed in order to categorise the vast range of contract elements listed and measured in the literature (Thomas and Anderson, 1998; Kickul and Lester, 2001; Guest and Conway, 2002; Thompson and Bunderson, 2003). One such typology that has dominated the literature on the psychological contracts is the transactional-relational distinction. Transactional contracts involve highly specific exchanges describing perceptions that employment obligations are more short-term, work content based and less relational (Rousseau, 1990; 1995). Relational contracts, on the other hand, are concerned with ongoing relationship, and so lead to the creation of less defined, socioemotional obligations, which may be characterised by attributes such as trust and commitment (Shore and Tetrick, 1994).

Another typology discussed by Bunderson (2001) is particularly pertinent to this research. Bunderson suggested that the psychological contract between a professional and his/her employing organisation is shaped by professional and administrative work ideologies. In this ideologically pluralistic work setting, the obligations of the administrative psychological contract bump up against the ideologies of professional work. The administrative role of the organisation is to be a coordinated and efficient bureaucratic system organised to pursue common goals as well as a competitive business with market legitimacy and presence. The role of the organisation as a professional body is to be a collegial society to further the profession and to apply such professional expertise for the benefit of the community and wider society (Bunderson, 2001). Those contrasting ideologies describe much of the academic work in a university.

Other research which has shed some light on the murkier conceptual areas of the psychological contract include Sutton and Griffin's (2004) longitudinal study of new entrants to the professional group of occupational therapists. They sought to clarify the conceptual distinctions between several key concepts, distinguishing between pre-entry expectations, post-entry experiences and psychological contract violations. They found met expectations, as measured by the interactions between pre-entry expectations and post-entry experiences, were not a predictor of violations of the psychological contract. Nor were they a predictor of levels of job satisfaction, when psychological contract violations were taken into account. The met-expectations hypothesis (Wanous *et al*., 1992), that unmet expectations result in job dissatisfaction and consequently turnover of staff was not supported. Guest (1998) had argued that the distinction between psychological contract violation as shown in unmet obligations and unmet expectations was unclear and perhaps more of a matter of degree reflecting the seriousness of the break and the strength of the reactions to it.

Recent research indicates that elaboration of the psychological contract construct has not developed much (Conway and Briner, 2005; Cullinane and Dundon, 2006). There was not much empirical research in earlier years (1960-1988), for which reasons are not difficult to suggest. The psychological contract is dynamic - it is continuously changing, as Herriot put it:

> At any one point in time we can take a snapshot of the contract, but that's merely a fix on a moving target. Organisations' expectations change and so do individuals' - which is why a contract that meets some of both today may meet few of either in a year or two's time" (Herriot 1992: 7).

Also, an individual may have a number of psychological contracts at the same time, perhaps

as many as the social roles he/she occupies and may have different psychological contracts with various agents of the employing organisation. Further, those individual psychological contracts may be mutually incompatible and unclear (Guest, 1998). Consequently researchers have found focusing on in depth empirical investigation both time consuming and difficult.

Researching Psychological Contracts within Academia

Empirical research on psychological contracts has developed significantly during the past decade (Coyle-Shapiro and Conway, 2005; Freese and Schalk, 1996; Cavannaugh and Noe, 1999; Turnley and Feldman 1999). However, the empirical research on psychological contracts within academia has been very limited. It is represented by the studies of Dabos and Rousseau (2004), Newton (2002), and the work at Australasian universities initiated in the middle 1990s (Tipples and Krivokapic-Skoko, 1997; Tipples and Jones, 1998) and recently renewed by O'Neill, Krivokapic-Skoko, Foundling (2007).
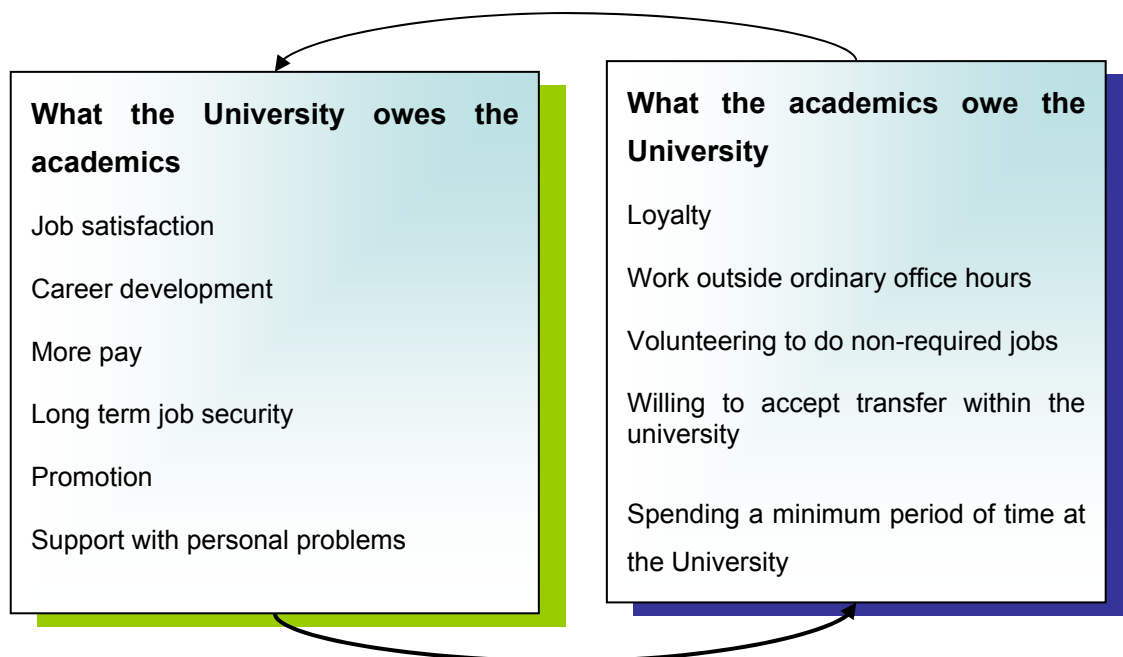
Dabos and Rousseau (2004) examined mutuality and reciprocity in psychological contracts by surveying the academics employed by a leading research-oriented school of bioscience in Latin America. Employees and their employers demonstrated convergence in their perception regarding the terms of their psychological contracts. This mutual understanding of the obligations resulted in positive outcomes for both researchers (career advancement and promotion) and the employers (increased research productivity). This is only one of the few empirical studies on psychological contracts which tried to expand beyond the research focusing on the downside of psychological contracts (such as violations, low morale, high turnover) to investigate the positive side of mutually beneficial contracts. In a slightly different context Newton (2002) used the concept of psychological contracts to discuss collegiality, professional accountability, reciprocity and mutual trust at a UK college of higher education. Based on in-depth empirical research, the author argued that a lack of reward and recognition for academic work as perceived by staff, can be explained also by not taking into account the existence of psychological contracts. At the same time, knowledge about the contents and dynamics of the academics' psychological contracts may be very instrumental in maintaining staff morale and commitment.

Similarly, the empirical research done by Tipples and Krivokapic-Skoko (1996; 1997) at Lincoln University, New Zealand, indicated that the psychological contracts at that institution were in a very poor state. In terms of the empirical assessment the authors used a number of different approaches to explore the individual psychological contracts at the University. Besides qualitative interviews and the use of documentary sources, the authors conducted a questionnaire survey of academic colleagues to explore the staff members' beliefs and expectations about their relations with the University.

While analyzing only the employee's side - academics at the University – the research identified low morale and disappointment amongst the academics. Generally, Lincoln academics were not satisfied with the extent to which the University had met what were perceived as its promised obligations. That dissatisfaction was consequently associated with a low level of job satisfaction. As shown in Figure 1 academics believed that the University owed them above all else "Job Satisfaction". "Loyalty" and "Work outside ordinary Office hours" were the most important factors academics believed they owed to the University. Apart from low job satisfaction, the academics identified career development, payment, long term job security and promotion as common areas for violation of the psychological contract. More specifically, the University respondents noted matters relating to promotions (26.0%), research and resources (17.0%), and weak management support (19.0%) in which the issues of confidentiality and honesty were singled out.

In terms of the obligations facing employees, the content of psychological contracts appeared to be concerned with the traditional issues of quantity and quality of work done, time applied to that work and loyalty to the employer. Obligations of the employer to employees centred around providing a suitable work environment, supportive management, appropriate recognition for special achievements, adequate consultation, fairness and job security. Employer/managers and employees had different views on the most salient features of psychological contracts. The differences between the University employer/manager group and the employee group in terms of their perceptions of the mutual obligations, promises, and expectations forming the reciprocal exchanges of psychological contracts was a continued cause for concern for both groups, with a lack of match causing unstable psychological contracts and employment relationships.

Figure 1. Academic psychological contacts at a New Zealand University

What the University owes the academics	What the academics owe the University
Job satisfaction	Loyalty
Career development	Work outside ordinary office hours
More pay	Volunteering to do non-required jobs
Long term job security	Willing to accept transfer within the university
Promotion	
Support with personal problems	Spending a minimum period of time at the University

Source: Tipples & Krivokapic-Skoko (1997: 110)

In terms of how psychological contracts were evolving, more than a half of the respondents believed that their relationship with the University had changed over the last ten years and seventy four percent believed it would change significantly over the next ten years. Administrative issues were the major concern, followed by the greater demands on academic staff with decreased resources and rewards, which also included promotion related issues. Another theme which was also apparent, as a result of violation, was the increase of auditing type arrangements, and the development of a 'them/us' antagonistic culture, which referred to an increased administrative workload and relation with the bureaucracy at the University (Tipples and Krivokapic-Skoko, 1997).

Later, the content of Lincoln academics psychological contracts were explored by a different method which better reflected the two sides of the employment relationship in universities. The alternative research method was based on critical incidents (Herriot *et al.*,1997; Tipples and Jones, 1998). Then examination of the content of academics' psychological contracts in a new and totally fresh way was possible. Comparison of the results with those obtained formerly in 1996 with Rousseau et al.'s methods was then also possible (Tipples and Krivokapic-Skoko, 1997; Tipples and Jones, 1998). There was a degree of consistency

between the results. In 1996 academic employees believed that the University owed them above all else "Job Satisfaction". In 1997 the major component of the psychological contract was imputed as being concerned with the Work Environment. The Rousseau measure did not differentiate between the components of Job Satisfaction, but data were also collected from each respondent for the Job Descriptive Index (JDI) (Smith, Kendall and Hulin, 1969). One of those JDI elements related to Satisfaction with Work, which was significantly lower than the Satisfaction with Work of an equivalent group of US academics (Ormsby and Watts, 1991). Further, 94 percent of the incidents cited, which were classified in the Work Environment class, were concerned with the University treating its employees in a way that was below that expected. So the two sets of results seemed consistent in that respect.

"Loyalty" and "Work outside ordinary Office hours" were the most important factors academics believed they owed to the University in 1996. Hours and Loyalty were the second and third major components of individual's psychological contracts derived from critical incidents cited by the employee group studied and first and third of those cited by employers. The weakness of Rousseau et al.'s research appeared to be its failure to identify the quality and quantity of employees' work as major components of individuals' psychological contracts. Rousseau et al. developed their questions from talking to a group of Human Resource and Personnel managers. Apparently they did not consult real employees and have appeared to leave out the obvious, causing doubt as to whether Rousseau et al.'s questions were really as adequate as they were thought to be for elucidating the content of individuals' psychological contracts.

Herriot, Manning and Kidd's critical incident approach provided a way to assess the content of psychological contracts de novo. Utilisation of Rousseau's questions was not appropriate without substantial pre-testing to discover if they were applicable to the New Zealand academic situation, and then only after appropriate modification. In terms of the obligations facing employees, the content of psychological contracts appears to be concerned with the traditional issues of quantity and quality of work done, time applied to that work and loyalty to the employer. Obligations of the employer centred around providing a suitable work environment, supportive management, appropriate recognition for special achievements, adequate consultation, fairness and job security. Employer/managers and employees had different views on the most salient features of psychological contracts, but there was no consistency to these differences. In 1998 the differences between the University employer/manager group and the employee group in terms of their perceptions of the mutual obligations, promises, and expectations forming the reciprocal exchanges of psychological contracts was a continued cause for concern for both groups. There was a lack of match causing unstable psychological contracts and employment relationships. For both parties this was undesirable and a concern for future job performance.

One decade after the results of the Lincoln University study were published, another study explored psychological contracts established by academics at an Australian University (O'Neill, Krivokapic-Skoko, & Foundling, 2007). Using a focus group technique the authors tried to elicit insights and subjective interpretations of the psychological contracts and the consequences of perceived breach [†]. It is one of the few empirical studies which has used a

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[†] The empirical data as presented in (O'Neill et al. 2007) were generated through three focus groups with academics employed by the Faculty of Business, Charles Sturt University, Australia in May 2006. Twenty six academics (excluding the researchers) participated across the three focus groups. The focus groups were of the ideal size, being comprised of six to ten academics. While a limitation of focus groups can be the tendency for participants to deviate from their usual thinking and behaviour in order to 'fit-in' with focus group norms (Kenyon, 2004), those three focus groups of academics were relatively homogenous in terms of group of participants who regularly work with each other , and thereby minimising the effects of this tendency.

focus group approach to understand how academics interpret the psychological contract. As the literature suggests (Turnley and Feldman, 1999; Freese and Schalk, 1996; Guzzo and Noonan, 1994) the greater use of idiographic methods to assess individuals' psychological contracts would be appropriate in order to access and understand the varied individual experience of the psychological contract. The focus group questions, along with probes when appropriate, encouraged the academics to discuss: (a) What they feel they bring to their work that is not explicitly stated in the employment contract; (b) What they expect or believe their employer has promised in return; (c) An identification of how the University has fulfilled or exceeded these expectations; (d) How the University has failed to fulfill these promises, and (e) the responses to the psychological contract violation.

In terms of the empirical results the academics cited a range of personal qualities as a defining aspect of what they bring to the University, consistently commenting that their work involves their whole person, their creativity, integrity, values and experience. Some of the categories of contractual elements presented in earlier studies (Thomas and Anderson, 1998; Kickul and Lester, 2001; Guest and Conway, 2002; Thompson and Bunderson, 2003) failed to encompass the breadth of elements the academics named because the academics view their work responsibilities in a much wider context than their immediate institutional environment.

The empirical research identified four key foci of academic responsibility that greatly influenced the formation and effects of their psychological contracts and these were: the university, the discipline, society, and students (Figure 2).

Academics join the university with a strong work ethic and this is evidenced by many comments relating to a willingness to work outside 'normal' working hours, and be flexible in taking on various roles and to engage emotionally with their work:

> *'. . . there's this attitude amongst a lot of staff I find that, a willingness to put a huge amount of work into what they're doing and to take it very seriously*.'

> '*. . .a willingness to work beyond the stated hours and a willingness to take on Faculty and University roles that are not sustained in one's duty statement and that aren't remunerated.*'

The academics feel that the breath of knowledge they bring to their work is an important contribution to the University. It was consistently stated that disciplinary knowledge, teaching and industry knowledge and experience, and industry contacts and networks, are highly valuable, but are not equally recognised by management:.

Conscience, personal ethics, integrity and a desire to make society a better place were strong motivators for staff and represented commonly discussed aspects of personal qualities that staff felt they were bringing to their academic work. Motivation and enthusiasm were frequently discussed in terms of 'making a difference', 'making society a better place', and generally expressing a desire to advance social justice and ethics.

> *'There's an ideological underpinning of what some of us are all about. I'm a person who believes in working towards a fairer society that we live in and .. you're doing something that's worthwhile to society as whole.*'
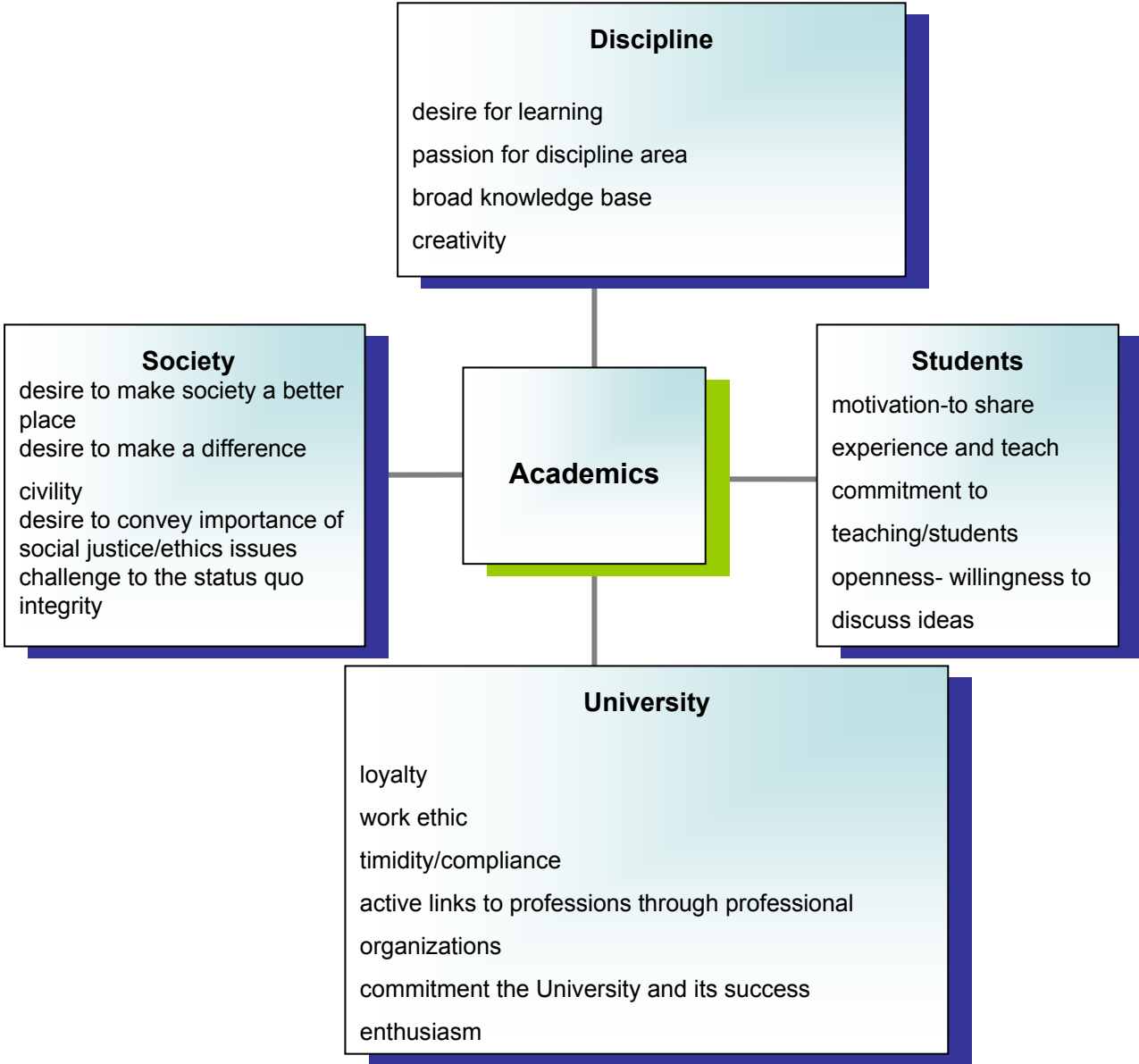
Similar sentiments to those noted above were expressed in relation to facilitating and enhancing student learning through academics giving of themselves personally, sharing their wealth of experience to stimulate and encourage students:

> '*What the students like is that you are actually sharing a part of yourself with them'*.

These responses demonstrate that it would be limiting to attempt to understand the formation of the psychological contract only in terms of what the academic feels they owe the university. The commitment and concerns of academics are often directed more toward the students and society with the institution providing a means of serving those higher goals. If they are frustrated with unmet expectations and promises, it is likely that these frustrations will occur in areas that impinge upon their ability to fulfil their personal mission of attaining these higher goals.

Figure 2. Academics' beliefs about what they bring to the University: A case study of an Australian University

Discipline

desire for learning

passion for discipline area

broad knowledge base

creativity

Society
desire to make society a better place
desire to make a difference

civility
desire to convey importance of social justice/ethics issues
challenge to the status quo
integrity

Academics

Students

motivation-to share

experience and teach

commitment to

teaching/students

openness- willingness to

discuss ideas

University

loyalty

work ethic

timidity/compliance

active links to professions through professional

organizations

commitment the University and its success

enthusiasm

Source: (O'Neill *et al.*, 2007)

Building upon perceived promises of mutual exchange the academics spoke at length regarding what they were expecting of the University in return for what they bring to their job.

A common theme that emerged from the statements made regarding employer responsibilities is that academics want to be recognised and treated as professionals. Much of the discussion centred around the expectations of leadership, fairness and transparency in promotion and recognition of one's personal commitment to the profession, the university and the students. The key themes that emerged from discussion of what the academics expected from the university were (Figure 3):

Beyond the more tangible benefits that would normally be associated with employer responsibilities, employees expect good leadership and sound management skills, for example:

> *'What I expect of [the university] in return, I expect the senior executive of [the university] to all have qualifications in management or they can't take on a position at the senior levels of the university'.*

Issues related to leadership such as trust, clear and honest communication, transparency, advocacy, individual consideration and respect were prominent throughout the conversations. Generally, there was a realistic acceptance of the constraints within which management must make decisions, and that such constraints can lead to broken promises and failure to meet expectations from staff. What was not accepted, and this raised considerable emotion, was failure to address such situations in an honest manner and communicate outcomes effectively:

> *'Part of the transparency is the explanation for decisions that are made, clear justification and reasons why the decision was made rather than 'this is the decision' and nothing else.'*

Commitment to teaching and the desire to contribute to society provide powerful motivators for academic staff and the need for academic freedom and job discretion were linked to these motivations. Staff expressed a strong expectation of autonomy, job discretion and inclusion in decision making and this was related to their professional identity:

> *'There's an expectation that our professionalism will be respected, that we're not going to be treated as if we've got nothing to add and that we're just automatons in the machine'*

'Fairness in all things' was an expectation consistently expressed by the academics, which included: equitable pay, impartiality, fairness in promotion, consistency in applying rules, acceptance of union involvement, reciprocity, and an expectation that family and outside commitments should not cause disadvantage.

The expectation of recognition for effort and achievement was another important theme. This goes beyond the desire for a fair promotion and remuneration system, and addresses a basic need to be affirmed, appreciated and acknowledged by others:

'Recognition and acknowledgement particularly when you go beyond …the normal call of duty which I think we do frequently'.

Academics felt the institution was obligated to provide opportunities for development by way of training, provision of teaching and administrative opportunities, support for continuing education, and promotion. The connection between what is given to one's work and what is expected back is evident from the frequency of responses regarding the expectation of flexibility from the university. Allowance for a healthy work-life balance, and the provision of a pleasant social, physical and emotional work environment were other factors listed.

There was not a lot of discussion about pay but any mention of payments and security was with regard to issues of fairness and career development:

> '… *[we expect] a competitive salary structure that's flexible again with regard to the recognition of experience and knowledge gained prior to the University.*'

Key areas where the University was considered to have fulfilled or exceeded its implicit promises of employment included support in such areas as research, outside activities, training and development and with regard to personal and emotional issues. While the support was appreciated, staff recognised that it was a reciprocal relationship:

> '*I think it's a recognition that they are willing to do something for you to help you out, that you will pay them back [agreement from group] tenfold down the track . . . it makes it sound like an exchange relationship but still I think it is more than just that* '

Flexibility was another highly valued feature of working at the university:

> '*[Flexibility in working hours] is a further degree of freedom beyond just the academic freedom*'

Figure 3: Academic's beliefs about what the University owes them: A case study of an Australian University
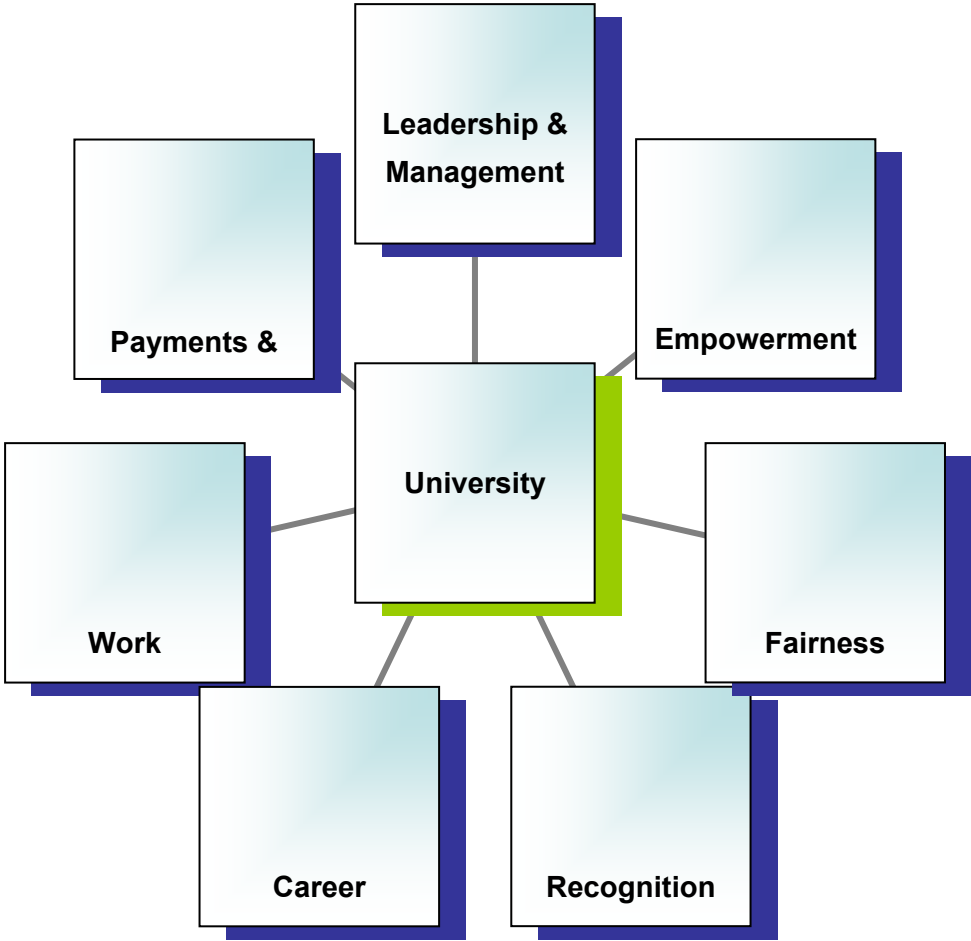
Source: (O'Neill *et al.*, 2007)

This flexibility was valued in practice and as an indication of trust:

> 'There's an awful lot of trust there . . . as long as [the head of school] knows that he can contact me and I'm always logged on with my emails etc there seems to be a real sense of trust there that he knows that if I'm not physically there in my office, that doesn't necessarily mean that I'm not getting the work done so I feel really really lucky to have so much flexibility because my kids are very young at the moment.'

Flexibility and trust are associated with academic freedom and so are valued as recognition of the professional status of the employees. The belief in freedom and autonomy was further highlighted by the sorts of work conditions most highly valued by the academics:

> 'I think everybody does [appreciate the low levels of surveillance], I think there is a degree of trust and obviously there are limits and boundaries and having set those the university is very relaxed about it'

Although many examples of where the university had fulfilled or exceeded expectations were reported, it was obvious that this was not the complete picture. Even the groups who spoke more positively about their psychological contracts had much that they wanted to speak about with regard to when these contracts had been violated.

Different groups had different emphases but the most striking consistency was the unprompted repetition of the phrase 'changing the goalposts' at each of the focus groups. The final stages of the focus group discussions explored perceived sources and implications of contract violations. There were many references to dysfunctional aspects of the organisational culture such as: competitiveness, bureaucratic centralised control, short-term focus, and lack of customer (i.e. student) focus.

> 'We have talked about who are our customers and who we are building relationships with. I have seen [the university] do this and once again I expect it happens at other institutions that the student are not the main focus and I think it's a pity.'

> 'Its part of the whole thing about being a teaching university or research university . . .And that teaching university is about the students and research is about government policy research funds. . and students are at the far end of the stakeholders.'

Some felt that the need for greater research output did not necessarily have such a negative impact on teaching, and that the formulation of clearer strategy, supported by fair and equitable rewards for staff, could do a great deal to reconcile these seemingly competing forces. Further, while so many spoke of a need for change, an observation was made that academics can, in some respects, be unintentionally complicit in sustaining the culture and priorities they criticise because of their broader commitment to the discipline and the students.

Another important area of psychological contract violation was when the expectation of being treated as a professional was met with the seemingly bureaucratic requirements of the University's administrative system:

> 'You're expecting that you bring in a certain amount of professionalism but it's shoved in your face to a certain extent because of the bureaucracy. . . They are trying to treat us as an homogenous group who maybe are not capable of doing something from an administrative perspective.'

Administrative rules and regulations constituted one of the two key issues that were at the heart of most of the reports of psychological contract violation. Many academics perceived

an encroachment of administrative systems stressing compliance, conformity, rationality and efficiency upon their practice as academic professionals who require flexibility, personal discretion and autonomy. For some, a bureaucratic juggernaut was deemed to be a threat to the core competence of the University in teaching excellence and customer focus.

Academics' responses to the violation of their psychological contracts corresponded very closely to the EVLN (Exit, Voice, Loyalty, Neglect) framework as developed by Turnley and Feldman (1999). Consistent with Turnley and Feldman's (1999) findings, empirical research done by (O'Neil *et al.*, 2006) suggested that situational factors strongly moderated the relationship between psychological contract violations and exit. For example, many academics expressed feelings of being trapped in their work situation due to geographical factors and limited job mobility. Further, many academics expressed feelings of goodwill towards, and commitment to, immediate supervisors. In the context of contract violations, they were making separations between the University and particular agents of its authority. An important finding was that the academics possessed a strong continuance commitment (Allen and Meyer, 1990) which is not solely explained by the costs of resigning. This means that some of the ill-effects of poor psychological contracts could, in effect, be masked in the short term because the exit response to psychological contract violation is not strongly evident.

More broadly, the negative effects of the psychological contract violation were shown to be mediated by the nature of the academic work that involved a commitment to the students even when frustration with the institution was high:

> 'there is that third dimension which plays a huge part in [the] psychological contract with the students. . . our responsibility and caring for the students that locks us into that contract …'

The most frequently cited responses to psychological contract violation were loss of loyalty and neglect behaviours. Some said that the decreased loyalty was resulting in their 'giving up' and feeling helpless. Others referred to behaviour that saw them less likely to engage in extra-role behaviour:

> 'You concentrate more on your own interests instead of the broader interests than you have in the past.'

> 'You lose commitment and you withdraw.'

Increased neglect, particularly decreased attention to teaching quality, was a prominent topic of discussion:

> 'It goes back to equity theory of motivation . . . You'll do one of two things. You'll either withdraw your labour totally . . . or you will slow down …'

However, for some academics the violation event gave them impetus to adapt to the new system and even enjoyment of the opportunities it offered. These adaptations to the new priorities and demands of the University support Herriot & Pemberton's (1996) observation that internal and external catalysts during an organisational restructure lead to renegotiations in which the contract evolves. The adaptation response was also related to the professionalism of the academic in that when loyalty to the institution was slipping, loyalty to the discipline and the commitment to students seems to take effect:

> '. . . very few academics slacken off because of their commitment to the students and because of their professionalism [agreement from group] so it doesn't matter how badly they're treated, they will still perform close to their optimal level and if they can't

do this they then leave.'

Whatever the reaction to contract violation, there is no doubt that the emotional experience can be extreme. Many academics gave considerable emphasis to their deep regret and pain over violations that can be masked by the variety responses taken by employees:

> '. . .there has been, on the part of the University, some fairly egregious departures from equity in the promotion process . . . It has wreaked havoc with the morale of a lot people here some of whom I know have moved on as a result and those who have stayed on and coped with it because of their professionalism or had no where else to go.'

The academics further articulated how they perceive the sources and implications of the contract violation. There were many references to dysfunctional aspects of the organisational culture such as: competitiveness; bureaucratic centralized control; short-term focus; and, lack of customer (i.e. student) focus.

> '[The University] has a culture where it does not give itself time to think, they are so pushed for making money that they don't give themselves time to think about what they are doing or what direction they are taking, how they are doing it and the impact it is having on people.'

Conclusions

As noted earlier, changes in the context and conditions of academic work in Australasia (Curtis and Matthewman, 2005) have resulted from increased pressures associated with managerialism, greater external and internal accountability, tighter funding and a higher level of scrutiny by funding bodies. The challenges faced by university leaders and managers have increased considerably and academics are experiencing flow-on effects.

Building upon the empirical evidence gathered from these two studies, this paper has revealed the content and key elements of the psychological contracts formed by academics within Australasian universities. Our empirical research has shown that the professional aspects of commitment to making a contribution to society, their discipline, and student learning frequently play a prominent part in the development, and moderation of, the academics' psychological contracts. The academics very strongly indicated that they have a professional responsibility and spoke to a significant social role which effectively extends beyond the boundaries of the psychological contracts they establish with the university, which in New Zealand is even enshrined in legislation, where academics are to be the critic and conscience of society (Education Act 1989, Bridgman, 2007).

It is critical for the university and the academics to be sensitive to possible differences in expectations, since unrealised expectations may result in de-motivation, decreased commitment, increased turnover, and loss of trust in the organisation. As Turnley and Feldman (1999) found, our empirical research suggests that situational factors strongly moderate the relationship between psychological contract violations and exit, but not the relationship between the violation and voice, neglect behaviour and decreased levels of loyalty to the university. That noted, the academics possessed strong continuance commitment (Allen and Meyer, 1990) and this is not solely explained by the costs of resigning.

Indeed, our survey and focus group research indicated that the commitment of academics to their students and society moderated the effects of many psychological contract violations.

Perceived loss of professional autonomy and control, and work intensification, noted by the academics did not result in withdrawal of labour. Clearly, this offers opportunities to university managers as they seek to effect more change, however, our research also points to the dangers of academics being pushed too hard and too far. Violations of the psychological contract always come at a cost, and while for now it seems that it is the academics who are paying most, the potential costs of further violations to students, universities, and wider society need to be considered in the rush by universities to "do more with less".

In conclusion, it is evident that academics both at Lincoln University and Charles Sturt University deemed their psychological contracts to be in a poor state. They faced similar problems and expressed similar concerns. While low morale and distress were key issues, many discussants expressed hope, and a degree of optimism, that the situation could be improved. After ten years of restructurings at Lincoln University it is not certain that academics there would support that view. Dabos and Rousseau (2004) found that mutual understanding of reciprocal obligations resulted in positive outcomes for employees and the employers. This research indicates that many of the detrimental effects of psychological contract violation could be ameliorated, and even avoided, by ensuring that the mutual expectations or perceptions of 'obligations' of the universities and academics match (Tipples, 1996).

Acknowledgements

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