

# Impact of Psychological Contract on Organisational Citizenship Behavior

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## Abstract

*In this global era of competitiveness understanding the psychological facet of job and its impact on the performance of the individual is very important due to ever changing relationships that emerge in an organization. One such facet is the psychological contract that exists in the individuals working in an organization, and other important facet regarding human behaviour towards his job is organization citizenship behaviour of the employee towards his organization which leads to positive outcomes. The present study is aimed to draw the inference regarding the relationship that exists between psychological contract and organizational citizenship behaviour of employees of Infosys Ltd located at Bangalore, Bhubaneswar, Chandigarh, Chennai, Hyderabad, Jaipur, Mangalore, Mysore, Pune and Thiruvananthapuram. The data was collected from a total of 145 employees of Infosys Ltd. selected using snowball sampling. To measure psychological contract of the employees, psychological contract inventory by Rousseau (2000) and for measuring organizational citizenship behaviour the scale developed by Podsakoff et al (2000), was used. The results of the study revealed that a significant correlation exists between psychological contract and organizational citizenship behaviour ( $r=0.416$ ,  $p=.000$ ) at significance level less than .01; with respect to dimensions of psychological contract it was found that relational dimension ( $r=.330$ ,  $p=.000$ ) and balanced dimension ( $r=.454$ ,  $p=.000$ ) had a significant relationship with organizational citizenship behaviour, as  $p$  value as less than .000; whereas transactional dimension ( $r=.050$ ,  $p=.762$ ) and transitional dimension ( $r=.014$ ,  $p=.418$ ) did not had a significant relationship with organizational citizenship behaviour as  $p$  value was found greater than .05. The results of the study were consistent with the studies of Robinson & Morrison (1995), Turnley & Feldman, (2000), Kickul & Lester, 2001), Jacqueline & Coyle-Shapiro (2002), Rousseau, et al., (2004), Zagenczyk et al. (2014), Kamil et al. (2014), Paille, P. (2015) Brown & Roloff (2015) and others.*

*This study will help HR managers to find the reason on the basis of which breach of psychological contract is perceived by the employees and the reasons on the basis of which employees reduce their organizational citizenship behaviour. Further recommendations provided will help the organization to ensure appropriate steps for the fulfilment of psychological contract and hence increased organizational citizenship behaviour.*

## Introduction

A reduction in functioning of an employee which results due to his perception of breach of psychological contract may also adversely affect his organization citizenship behaviour. There lies an important relationship between psychological contract and organizational citizenship since the underlying premise of organizational citizenship behaviour theory is that for employee to engage in organizational citizenship behaviour, there should be a relationship based on mutual social exchange (Blakerly,

Andrews, & Moorman, 2005). Also the entire theory of psychological contract is based on the perception of mutual exchange where the employee feels that in return of their work and loyalty towards the employer, the employer also owes him something in return. There has only been a limited research in this field with one important research being that of S.L Robinson and E.W Morrison in which it was established that breach of psychological contract results in withdrawal of organizational citizenship behavior (Robinson & Morrison, 1995). But nothing so far has been done in the Indian context and this study will focus on that.

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This research will be carried out in Infosys Ltd. In the latest rankings by NASSCOM, Infosys has been placed in 2nd position in Top 20 players in IT services (NASSCOM, 2015). Infosys has often been considered as a bellwether of Indian IT industry. But the period of the past few years has been a very difficult time for the Indian IT industry because of recession, downsizing, high attrition rates and, blocked increments and promotions. Even Infosys has not been isolated from the global trends and is facing a difficult financial times for the past few years. The impacts of global crisis have affected Infosys to a great extent thereby causing shifts in the psychological contracts between employees and employers. It will be interesting to see whether this changing global scenario will have any impact on the perceived fulfilment of psychological contract will that in return impact the organizational citizenship behaviour of the employees of Infosys. This study will aim at finding the answer to the above mentioned question.

**Psychological Contract**

Psychological Contract can be defined as “an individual’s belief in mutual obligations between than person and another party, such as employer” (Rousseau D., 1989). Concept of Psychological contract arises when one party feels that the other party is obligated to return certain favour in return of the work done by the first party towards the second. Generally in a Job employee feels that a promise has been made by the employer which has to be fulfilled by him and in case he fails to do that than a breach of contract is assumed. For example, in case a person is due for but the organization does not promote him, then a breach of contract is assumed by the employee. In the previous few years good amount of research has been carried out to study the impact of a breach the psychological contract on employee response. A breach of psychological contract often results in employee’s response in the form of reduction in organization commitment (Coyle-Shapiro & Kessler, 2000), reduction in trust (Robinson S. L., 1996), reduction in job satisfaction (Robinson & Rousseau, 1994), in-role and extra-role performance ((Robinson S. L., 1996) & (Robinson & Morrison, 1995)). The psychological contract is defined as “an individual’s beliefs about the terms and conditions of a reciprocal exchange agreement between that person and another party” (Rousseau D., 1989). The important thing to note in the definition of psychological contract is that it talks about individual’s belief about an agreement. Unlike other type of contracts, psychological contract is based on perception of one party and it is an implied contract and therefore both the parties can sometimes not perceive the contract in the same sense and meaning. For example, the employee could feel that it is the responsibility of the employer to provide him continuous opportunities for growth, whereas the employer on the other hand might feel that it is the responsibility of the employee to search for personal growth by acquiring himself

with skills and knowledge from time to time. Hence the entire concept of psychological contract is based on perception of obligations towards each other. The concept of psychological contract has been different from expectations since in expectations an employee hopes to get certain things in his/her job for example a good campus, air-conditioned workplace etc. These expectations are generally motivated by the past experiences, experiences of friends and other social norms. On the other hand, psychological contract is the belief of the employee of what he/she is entitled to receive from the employer. Psychological contract plays an important role in defining the response of the employee in his workplace.

Psychological contract breach can be measured in two ways-one way is in the form of composite breach and other as a global breach. Composite breach generally has a specific reference towards a certain contract or agreement between the parties, whereas on the other hand general or global breach is more subjective in nature. A general breach does not have any specific mentioning in any sort of formal agreement or contract (McInnis, Meyer, & Feldman, 2009).

According to Rousseau (2000), Psychological Contract includes 4 dimensions as follows-

*Relational-* This is long term arrangements of employment and includes stability and loyalty

*Balanced-* It is dynamic and depends upon economic success of the firm. It includes external employability, internal advancement and dynamic performance

*Transactional-* It is short-term and focused on economic exchange. It includes narrow an short term obligations.

*Transitional-* It is the cognitive state due to organizational changes and transition. It includes mistrust, uncertainty & erosion.

The perceived breach of the psychological contract is seen to stimulate negative response from the employees whereas perceived fulfillment of psychological contract is reciprocated with enhanced response from the employees. (Robinson S. L., 1996) observed in his study that the breach of psychological contract was found to have a negative relation with employee’s initial trust in his/her employer. In this study breach of psychological contract was also found to have a negative relation with employee’s contribution towards the organization. It was also observed that breach of psychological contract was negatively related to employee’s willingness to perform organizational citizenship behaviour.

**Organizational Citizenship Behavior**

In the field of organizational behaviour, the behaviour of individuals in the workplace and behaviour like helping others in their work plays a very important role. One of such important behaviour is known as organizational citizenship behaviour. Organizational citizenship behaviour (OCB) refers to employee behaviour that is extra-role, that promotes organizational effectiveness, and that is not explicitly recognized by an organization’s reward system (Organ, 1990). One of the main underlying features of organizational citizenship behaviour is exceeding what is required from a job. For example, if a person stays back to complete certain job where his job ends at 5 p.m. than he is performing something which exceed his job requirement. A great deal of research has also been carried out to understand the factors that predict organizational citizenship behaviour. Some of the important factors in this regard have been found to be employee satisfaction (Bateman & Organ, 1983), leadership style (Podsakoff, MacKenzie, Moorman, & Fetter, 1990) and, employee commitment (O'Reilly & Chatman, 1986). Despite numerous researches in both the fields independently not much has been done to find the relation between the two.

If a particular employee considers helping other co-workers as a part of this job responsibilities, then for him the extra role behaviours will be very different and hence will perceive the incentives associated with such behaviour in a different manner. Therefore in order to understand organization citizenship behaviour in a better it is important to analyze what an employee considers as in-role and what he or she considers as extra-role. In other words it is important to understand the responsibilities conceptualized by the job incumbents (Morrison, 1994). From the organization’s point of view, organizational citizenship behaviour is self-motivated and it is not directly related to the incentive system of the organization and promotes function of organization (Jafari & Bidarian, 2012). From the organization’s point of view, organizational citizenship behaviour is self-motivated and it is not directly related to the incentive system of the organization and promotes function of organization (Jafari & Bidarian, 2012). Organizational citizenship behaviour is defined as “those organizationally beneficial behaviour and gestures that can neither be enforced on the basis of formal role obligations not elicited by contractual guarantee of recompense. Organizational citizenship behavior talks about extra-role behaviour of an employee which includes helping other employees with their work-related problems, minimizing interpersonal conflicts during work at organization, displaying concern for and protecting resources of the organization etc. Organizational citizenship behaviour is one such response of an employee which is very beneficial for the organizations and organizations should put special emphasis on leveraging this response.

Measurement of organization citizenship behaviour can be done with the help of scale given by Podsakoff et al., (1990). This scale is used to measure the organizational citizenship behaviour of the employee from the supervisor’s perspective and it can also be used for self-reporting. This is based on the five factor model given by (Organ, 1990). The five dimension of organizational citizenship behaviour are discussed below-

*Altruism:* It is the tendency of people to help others with their work related problems which is relevant to the organizational problems and tasks.

*Sportsmanship:* It is defined as the employee’s willingness for tolerating non-ideal situations without complaining excessively. It involves less participation in certain negative behaviours.

*Courtesy:* It is the demonstration of courtesy by carefully considering the impact of actions on others and is therefore aimed at preventing organizational problems.

*Civic Virtue:* It is defined as participating in the political life of the organization and being responsible and concerned about it. It also involves keeping yourself updated about what is happening in the organization.

*Conscientiousness:* It involves going beyond what is required by the organization under minimum role requirements of the organization.

The main purpose is to study the relationship between psychological contract and organizational citizenship behaviour with a view to find the impact of breach of psychological contract on organizational citizenship behaviour of an employee. A reduction is response of employee as a result of breach of psychological contract as discussed above ensures than it will also impact the organization citizenship behaviour of the employee. The relationship between psychological contract and organizational citizenship is an important one since the underlying premise of organizational citizenship behaviour theory is that for employee to engage in organizational citizenship behaviour, there should be a relationship based on mutual social exchange (Blakerly, Andrews, & Moorman, 2005). Also the entire theory of psychological contract is based on the perception of mutual exchange where the employee feels that in return of their work and loyalty towards the employer, the employer also owes him something in return. There has only been a limited research in this field with one important research being that of S.L Robinson and E.W Morrison in which it was established that breach of psychological contract results in withdrawal of organizational citizenship behaviour (Robinson &

Morrison, 1995). But nothing so far has been done on the Indian context and this study will focus on that.

Review of literature

Relationship between Psychological Contract and Organisational Citizenship Behaviour

The relationship between psychological contract and organizational citizenship behaviour is an important one since it is based on the underlying concepts of both the variables. Psychological contract is based on the underlying premise of perceived mutual obligations towards each other and organizational citizenship behaviour is based on the premise that, for an employee to engage in organizational citizenship behaviour there should be a relationship of mutual exchange. The available literature on the relationship between the two variables psychological contract and organizational citizenship behaviour has been discussed below:

(Robinson & Morrison, 1995) conducted a research to study the impact of psychological contract breach (unfulfilled obligations) on employee’s civic virtue behaviour which is one of the dimensions of organizational citizenship behaviour and found that if the employee feels that the employer has not fulfilled the terms of the psychological contract then there are less chances of employee to involve in organizational citizenship behaviour. It was also observed that this relation was mediated by trust which means that on breach of psychological contract there is a feeling of broken trust which results in decreased organizational citizenship behaviour. (Jacqueline & Coyle-Shapiro, 2002) studied the effects of perceived obligations (psychological contract) on the employee’s organizational citizenship behaviour and found positive relation between psychological contract and two dimensions of organizational citizenship behaviour. (Turnley & Feldman, 2000) studied the relationship between psychological contract violations with intent to quit and neglect of in-role duties and responsibilities but they also studied the impact of psychological contract violations on the willingness of employee to engage in organizational citizenship behaviour and found that the degree of psychological contract violation was negatively related to employee’s willingness to perform organizational citizenship behaviour. Hence if an employee feels that the employer has failed to fulfil his obligations then the employee reciprocates by reducing his organizational citizenship behaviour. (Rousseau, et al., 2004) conducted a research to differentiate between the associations of relational and balanced psychological contract with organizational citizenship behaviour and that of association of transactional psychological contract with organizational citizenship behaviour. The results of the study revealed that the association of relational and balanced psychological contract with organizational citizenship behaviour did not differ

significantly with the association of transactional psychological contract with organizational citizenship behaviour. This study was also used to generalize the PCI (Psychological Contract Inventory) for measurement of psychological contract and it is important since we will also be using PCI for conducting our study. (Kickul & Lester, 2001) conducted a research to find out the role equity sensitivity plays in moderating the relationship between organizational citizenship behavior & psychological contract breach and found that equity sensitivity played a moderating role in the relationship between psychological contract and organizational citizenship behavior. Further the relationship between given variables was established by studies such as: Zagenczyk et al. (2014), Kamil et al. (2014), Paille, P. (2015), Brown & Roloff (2015) and others.

From the analysis of literature of both the variables it was seen that not a great deal of research has been done on psychological contract breach and its impact on employee response and various factors that affect an employee’s organizational citizenship behaviour. Organizational citizenship behaviour is considered to be a very good response from any employee as it gives proof of good health of an organization and if it is affected by breach of psychological contract, then the relation between the two becomes very important for the organization and the HR managers. It is the responsibility of management of the organization to provide a conducive environment to the employees so that they can display organizational citizenship behaviour and if breach of psychological contract negatively impact organizational citizenship behaviour than HR managers and top management shall take corrective measures to ensure that there is no such breach and employee’s potential in both in-role and extra-role performance is realized. This makes the relation between these two variables very important.

Methodology

Present Study

The base for the present study has been developed by literature review of the above mentioned and other similar studies available. The authors attempt to study the importance of psychological contract in today’s changing work environment and to see whether the breach or fulfillment of psychological contract has any effect on organizational citizenship behavior. This study endeavours to find out whether there is any relation between psychological contract and organizational citizenship behavior of the employees of Infosys Ltd.

Objectives

- 1. To find out the relationship between psychological contract and organizational citizenship behaviour of employees of Infosys Ltd.

- 2. To examine the impact of psychological contract fulfilment on organizational citizenship behaviour of employees of Infosys Ltd.

Conceptual Model

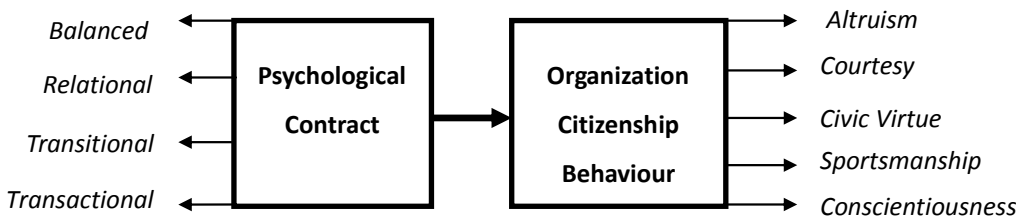


Figure 1

Source: Author

Hypothesis of the Study

H<sub>1a</sub> There is a significant relationship between psychological contract & organizational citizenship behaviour in employees of Infosys Ltd.

H<sub>2a</sub> Fulfilment of psychological contract has a significant effect on organizational citizenship behaviour in employees of Infosys Ltd.

Research Design

This research will be carried out using a descriptive quantitative study. For the purpose of this study, target population was the employees of Infosys Ltd. Infosys has been selected mainly because the current scenario of Infosys is changing rapidly with increments being on hold, joining of employees being delayed and new hiring being put on hold. In this dynamic scenario the underlying psychological contracts are also changing, thereby causing changes in employee’s responses and one such important employee response is organizational citizenship behaviour. The questionnaire was administered using online Google forms. The questionnaire was sent to approximately 240 Infosys employees out of whom around 154 responses were received. Out of there 154 responses 9 responses were not appropriate because all of them had same answer for each question suggesting that they were not filled carefully. So after removing these 9 responses, the final sample size came out to be 145 with a response rate of 60.4%. One of the reasons of this response rate was non availability of the respondents to access the online questionnaire during office timings because Infosys network does not allow access to Google forms. This resulted in delayed responses and a relatively low response rate.

Data Collection

For the purpose of this study two variables were used which are-

**Independent variable-** Psychological Contract, which will be measured using Psychological Contract Inventory consisting of 42 items developed by Rousseau (2000) and includes 4 dimensions as - *Relational, Balanced, Transactional, and Transitional*.

**Dependant variable-** Organizational citizenship behaviour, which will be measured using organizational citizenship behaviour scale consisting of 24 items developed by Podsakoff et al., (1990) and includes 5 dimensions as- *Altruism, Conscientiousness, Sportsmanship, Courtesy, Civic Virtue*.

Data analysis & Results

Data Analysis

The data was analyzed using SPSS. Necessary tables encompassing SPSS output is included in the paper at the appropriate places. The Confidence Level of 0.05 is assumed for the study.

Correlation

**H1a- There is a significant relationship between psychological contract & organizational citizenship behaviour.**

The results of correlation analysis shown in the table I given below shows that the table that the correlation coefficient between psychological contract and OCB is (r=.420, p<.01) at significance level less than .000 hence it is proved that there is a significant correlation between psychological contract and organizational citizenship behaviour. This correlation was then expanded to study the relationship between the dimensions of psychological contract and organizational citizenship behaviour to see which dimension had more effect on the organizational citizenship behaviour of the employees. The output sheet of SPSS for the same is shown below-



Table I: Correlation between Psychological Contract dimensions & OCB

		1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.	12.
1.	Psychological Contract	1	.652**	.708**	.241**	.226**	.618**	.420**	.289**	.353**	.098	.350**	.300**
2.	Relational		1	.778**	-.299**	-.357**	.493**	.401**	.251**	.373**	.020	.313**	.354**
3.	Balanced			1	.013	-.284**	.479**	.309**	.464**	.150	.342**	.328**	
4.	Transactional				1	.645**	-.352**	.095	-.169*	.139	.072	.077	-.188*
5.	Transitional					1	-.351**	-.068	.203*	-.018	.045	-.054	
6.	Psychological Contract Fulfilment						1	.418	.862	.015	.827	.590	.518
7.	Organization Citizenship Behaviour							1	.090	.363**	-.004	.128	.262**
8.	Altruism								1	.485**	.190*	.570**	.288**
9.	Conscientiousness									1	.018	.477**	.398**
10.	Sportsmanship										1	.194*	.061
11.	Courtesy											1	.285**
12.	Civic virtue												1
Correlation is significant at the 0.01 level (2-tailed)***													
Correlation is significant at the 0.05 level (2-tailed)*													

Source: Author

From the analysis of the table II shown above following conclusions could be made-

The results revealed that a significant correlation exists between psychological contract and organizational citizenship behaviour (r=0.416, p=.000) at significance level less than .01. The results of this study indicate that the respondents appear to acknowledge the role of psychological contract in enhanced organizational citizenship behaviour from their side. This is also consistent with the other studies that have done in this area which is covered in the literature review. Psychological contract is based on the underlying premise of perceived mutual obligations towards each other and organizational citizenship behaviour is based on the premise that, for an employee to engage in organizational citizenship behaviour there should be a relationship of mutual exchange. Both these concept give a clear linkage of relationship between psychological contract and organizational citizenship behaviour. Organizational citizenship behaviour is considered to be a very good response from any employee as it gives proof of good health of an organization and since it is affected by breach of psychological contract, then the relation between the two becomes very important for the organization and the HR managers. As the underlying assumption of our study was that in the changing time like these for the IT major Infosys there will be changes in the perceived obligations of the employees. This change in the perceived affects the perceptions of fulfilment and breach of psychological contract by the employer. Since now we have established a significant relation between psychological contract and organizational citizenship behaviour it becomes all the more important for the organizations to take care of the perception of fulfilment of psychological contract because it will have an impact of the employee’s practice of organizational citizenship behaviour.

On further expansion of correlation with respect to dimensions of psychological contract it was found that relational dimension (r=.330, p=.000) and balanced dimension (r=.454, p=.000) had a significant relationship with organizational citizenship behaviour, as p value as less than .000; whereas transactional dimension (r=.050, p=.762) and transitional dimension (r=.014, p=.418) did not had a significant relationship with organizational citizenship behaviour as p value was found greater than .05.

Hence Hypothesis H1a: There is a significant relationship between psychological contract & organizational citizenship behaviour proves to be true.

Relational dimension of psychological contract is concerned with the long term employment relations based of loyalty and mutual trust (Rousseau D. M., 2000). So on the basis of the

analysis of the results it could easily concluded that if there is a long term trust and loyalty between an employer and an employee then it results in increased organizational citizenship behaviour from the employee’s end and the absence of such trust and loyalty results in decreased organizational citizenship behaviour from the employees.

Balanced dimension of psychological contract is concerned with the financial position of the organization and opportunities to develop good career opportunities in the organization (Rousseau D. M., 2000). Since in our study there is a significant relationship between balanced dimension and organizational citizenship behaviour it could be concluded that if the economic condition of the organization is good and there are plenty of career opportunities for the employees in the organization then they tend to exhibit enhanced organizational citizenship behaviour towards their organization and in absence of these conditions the employees reduce the citizenship behaviour towards the organization.

Transactional dimension of the psychological contract is concerned with the short and limited time obligations of the employer towards the employee (Rousseau D. M., 2000). In this study it is found that since there is no significant relationship between the transactional dimension and the organizational citizenship behaviour this means that employees are not concerned much about the short term obligations and their fulfilment and they rather look towards the long term obligation and as a result they do not reduce their citizenship behaviour towards the organization in cases were short term obligations are not met.

Transitional dimension of psychological contract is concerned with the changes in the employment arrangements and the transitions that take place during organizational changes (Rousseau D. M., 2000). The results of this study indicate that there is no significant relationship between transitional dimension and citizenship behaviour of the employees of Infosys. This suggests that employees do not reduce their citizenship behaviour towards an organization in organizational changes and transitions. This means that despite the changing scenario and the management transitions in Infosys, employees still exhibit high levels of organizational citizenship behaviour. This is the implication of correlation analysis and if HR managers concentrate on these dimensions of psychological contract they will be able to keep the employee’s citizenship behaviour to an optimum level.

The results of the study were found consistent with previous studies of (Robinson & Morrison, 1995), (Robinson & Morrison, 1995), (Robinson & Morrison, 1995), (Rousseau, et al., 2004) ,

(Rousseau, et al., 2004) , Zagenczyk et al. (2014), Kamil et al. (2014), Paille, P. (2015), Brown & Roloff (2015) and others.

Multiple Regressions

The multiple regression tests shows that the balanced dimension of psychological contract is included in the model for organizational citizenship behaviour and it directly and positively related to organizational citizenship behaviour with a coefficient of .323. Balanced dimension of psychological contract talks about career opportunities inside the organization, external employability and opportunities to enhance one’s skills. So a relationship between these two suggests that these obligations of the employer play a direct positive role in defining citizenship behaviour of the employees. This further supports the conclusion of correlation test which indicated the role of balanced and relational dimension in enhancing citizenship behaviour of the employees.

Next multiple regression analysis was conducted to find out the effect of psychological contract on organizational citizenship behaviour of the employees of Infosys. For this purpose stepwise regression analysis was conducted to see the effect. The regression analysis is basically conducted to see what all dimensions of psychological contract will be predictor of organizational citizenship behaviour. The basic regression equation which studies the effect of psychological contract on the organizational citizenship behaviour of the employees of Infosys is shown below-

Organizational Citizenship Behaviour = function (Relational, Balanced, Transactional, Transitional)

Where Relational, Balanced, Transactional & Transitional are the four dimensions of psychological contract. The output sheet of SPSS for regression analysis is shown below-

It is clear from the above shown table III that balanced dimension of psychological contract account for 23.1% of organizational citizenship behavior since its R-square value is .231. Also since there is no other dimension in the model summary table it could be said that other dimensions do not have a significant impact on the organizational citizenship behavior.

From the table IV and table V shown above it is clear that balanced dimension of psychological contract is included in our model since in this case alpha value (0.05) is greater than the p-value (.000) and hence the null hypothesis is rejected. This means that balanced dimension is a significant predictor of organizational citizenship behavior and hence will be included in the model equation shown below-

Organizational Citizenship Behaviour = 2.586 + .323 (PC\_Balanced) = equation (1).

From equation (1) shown above it is clear that to predict organizational citizenship behavior of the employees of Infosys balanced dimension of psychological contract plays a significant role with coefficient of .323 and constant value of 2.586 entered into the equation.

Psychological contract is a perceived obligation between two parties and plays an important role in defining the relationship between the two. This study aims to find the relationship between psychological contract and one such employment relationship attribute- organizational citizenship behaviour. Even if it is proven that there is a significant relationship between the two, one has to see the present belief in the mind of the employees about such a psychological contract and the effect of that belief. In this second hypothesis we wanted to see whether the employees of Infosys believe that their employer has fulfilled the psychological contract or not and the effects of such fulfilment or breach on the citizenship behaviour.

The psychological contract inventory used in this study had a special section to measure the fulfilment of psychological contract. It was found that the mean of the fulfilment dimension was 3.36 which were on a relatively higher end, suggesting that the respondents believe that the psychological contract was being fulfilled by the employer and also the mean of organizational citizenship behaviour was high which was 3.67 suggesting that the respondents exhibit higher level of citizenship behaviour towards their organization. This to some extent proves the point that fulfilment of psychological contract is an important factor in enhancing the citizenship behaviour of employees. But to see whether this relationship between the two is a significant or not and whether breach of psychological contract will reduce the citizenship behaviour we conducted correlation test between the two.

On applying the correlation test between psychological contract fulfilment and organizational citizenship behaviour the correlation coefficient came out to be .292 which indicated a significant correlation between the two at a confidence level of 99%. This supports our point that perceived fulfilment of psychological contract plays a significant role in motivating the employees to exhibit higher levels of citizenship behaviour towards their organizations.

Hence Hypothesis H2a: Fulfilment of psychological contract has a significant effect on organizational citizenship behaviour of employees in Infosys Ltd proves to be true.

It is a clear that organizational citizenship behaviour is very important aspect of employment relationship especially in the changing environment and increasing competition. Organizations these days try to poach top performers of their

rivals and there is strict competition in getting the best talent and retaining them. In the study conducted by Dyne & Ang, 1998, it was found that organizational citizenship behaviour plays a significant role in positive job attitude, motivation and enhanced job loyalty of the employees. Hence if the

organizational take care of fulfilment of the perceived obligation like long-term relationship, trust, career opportunities, external employability, economic stability etc then this would in return result in increased citizenship

Table II: Regression Analysis of Psychological Contract Dimensions (Model Summary)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.420 <sup>a</sup>	.176	.171	.32034
a. Predictors: (Constant), Psychological contract				

Source: Author

behaviour of the employees and hence would result in increased loyalty and positive job attitude which is a must for every organization.

The post-downsizing and restructuring work environment is characterized by work overload, uncertainty, high stress levels and role overload. Due to all these things employees exhibit

Table III: Regression Analysis of Psychological Contract Dimensions (ANOVAa)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3.141	1	3.141	30.605	.000 <sup>b</sup>
	Residual	14.674	143	.103		
	Total	17.815	144			
a. Dependent Variable: Organization citizenship behaviour						
b. Predictors: (Constant), Psychological contract						

Source: Author

Table IV: Regression Analysis of Psychological Contract Dimensions (Coefficients)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
	(Constant)	2.045	.296		6.913	.000
	psychological contract	.510	.092	.420	5.532	.000
a. Dependent Variable: Organizational Citizenship Behaviour						

Source: Author

emotional responses which include fear, anxiety, anger, sense of loss of friendly co-workers and job insecurity. These reactions are often directly related to intention to quit the organization. In such situations if the perceived fulfilment of psychological

contract is there it would result in higher organizational citizenship behavior and there would be less chances of translation of intention to quit to actual voluntary turnover

(Agarwal, 2011). The IT industry faced with an ever increasing and daunting task to reduce attrition level should work to ensure fulfilment of psychological contract and thereby increasing the organizational citizenship behaviour of the employees towards them and hence preventing voluntary turnover.

Limitations

The IT industry overall is going through a tough time and hence it would result in changes in psychological contract of the employees. This study should also be done for other IT companies but since the scope of this study was limited to the employees of Infosys, hence the results of this study could not be generalized to other IT companies.

This study was conducted over a single time frame. The use of longitudinal study would have also captured the effects of changes in the time to the psychological contract of the employees and hence their organizational citizenship behaviour. Future studies could be conducted over a longer period of time with data being collected from the respondent at different period of time. Due to time and resource constraint, the small size of the sample used in the structured questionnaire was set to be 145 which limit the extent to which we can apply the results as a general theory. Moreover, random sampling instead of snowball sampling might have helped in generating a more valid data analysis and improve the accuracy of our results. There is likelihood that respondents may give responses on slightly higher end of the Likert scale to the organizational citizenship behaviour questions. This is because most of these questions measure the behaviour of the respondents towards their organization and self-administration of this questionnaire is likely to produce inflated results (Podsakoff, MacKenzie, Moorman, & Fetter, 1990). Instead this questionnaire could also be filled by the supervisor about the behaviour of his sub-ordinates.

Recommendations

On the basis of summary of results shown above a model has been designed for improvement of organizational citizenship behaviour of the employees of Infosys. This model consists of recommendations regarding specific changes that could be made to ensure improved citizenship behaviour by fulfilment of psychological contract.

Related to Psychological Contract: Relational dimension

Ensure mutual trust & loyalty- The relational dimension of psychological contract is concerned with long term obligations of the employer which include trust and loyalty between the two. The employer can ensure such a thing by providing stable

wages and job security and by commitment to provide support for the interests and well-being of the employee and his family. It is important for the employee to know that his employer is loyal toward him and can be trusted and will not end the employment relation at small problem.

Provide Participation Opportunities- The employer should give opportunities to the employees to take participation in the decision making process. The important decisions of the organization which involve the interests of the employees should not only be communicated to the employees but they should also be involved in making such decisions. This helps the employees to believe that their opinion is valued in the organization and they are merely not servants of the employer but they also have a responsibility towards the betterment of the organization.

Related to Psychological Contract: Balanced dimension

Provide regular training to ensure external employability- It is the responsibility of the employer to keep the employee updated with the latest technologies being adapted by the companies. He should be given regular trainings so that even if he decides to leave the organization and joins a new one, he should have sufficient skills and knowledge to ensure his employability. This is important because otherwise the employee will feel that he is being held captured in the organization and given a choice he will not be able to move to other organization.Establish a proper career plan- If the organization does not care about the career of the employees inside their organization then no employee will be willing to stay in such an organization. So it is extremely important that there is proper career planning done for each employee and sufficient career opportunities are provided to the employees. Things like career counselling, career management and succession planning should be used by the organization to show that they care for its employees’ career.

Enhance skills for internal performance- Most of the organizations have incentives that are linked to the performance of the employees. So every employee wants to improve his/her performance. It is necessary that the organization provides sufficient tools, skills, trainings and a favourable environment to the employee so that he may be able to improve his performance and earn the performance linked incentive. It is like giving an opportunity to everyone to earn more and is one of the long term obligations of the employer.

Related to Psychological Contract: Fulfilment dimension

Feedback for psychological contract fulfilment- As psychological contract fulfilment plays a significant role in improving the citizenship behaviour of the employees it is important to keep a track whether employee perceive the fulfilment of contract or

its breach. One such method is to gather feedback from the employees in a regular manner to keep a check on the perceived obligations in the minds of the employees. If the feedback results show a breach of the contract then necessary steps could be taken by the employer to ensure its fulfilment.

Implement Recommendations- The first two feedbacks given above are for the organization to improve relational and balanced dimension of psychological contract. As it was seen in our study that the relational and balanced dimension of the psychological contract had a significant relationship with the organizational citizenship behavior so in order to ensure fulfilment of the psychological contract and in return increased organizational citizenship behavior it is important to implement the recommendations given above.

Conclusion

In a nutshell, this study was set out to find the relationship between psychological contract and organizational citizenship behaviour of the employees of Infosys Ltd. and to see the effect of psychological contract on organizational citizenship behaviour and then give recommendations on the basis of the results achieved. The results of this study indicated that there is a significant relationship between psychological contract and organizational citizenship behaviour and the balanced and relational dimension of the psychological contract was more instrumental in defining this relation suggesting that long-term obligations are more important than short-term obligations when it comes to increasing the citizenship behaviour. Employers should create an environment of trust and loyalty and provide opportunities of career development to the employees. They should also provided trainings and development programs to the employees to ensure internal performance and external employability. Apart from this additional support to employees with family responsibilities is suggested. A future research in this field should be carried out on the entire IT industry with a large sample size and random sampling technique to increase the accuracy of the results. It would also be interesting to see the relationship of psychological contract on other antecedents of organizational citizenship behavior like positive job attitude and motivation.

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