“Influence of psychological contract fulfillment on job outcomes: A case of the academic sphere in Jordan”

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Abstract
Changes in the economy, politics, competitors, customers, and even the weather affect the trust relationship between employers and employees. Most organizations are striving to strengthen such relationships by focusing on psychological contract fulfillment that allows for trust leading to job stability and career advancement. An integrated framework was used to investigate the role of psychological contract fulfillment on academic employees in two Jordanian universities (Yarmouk and Jadara Universities).

The research area is determined in universities due to a breach of psychological contracts. Using a quantitative method, responses from academic employees were collected to examine their perception of the influence of psychological contract fulfillment on job outcomes. Hypotheses were tested using the partial least square structural equation modeling (PLS-SEM) method on data gathered from 90 academic employees. The findings indicated that psychological contract fulfillment positively influences both employee productivity and satisfaction. In addition, the results revealed that psychological contract fulfillment negatively influences employee turnover. Furthermore, the study findings have managerial implications through enhancing organizational citizenship behavior that leads to increased employee productivity and satisfaction.

INTRODUCTION
Psychological contract fulfillment (PCF) refers to the expectations in the relationship between employer and employee, such as reciprocal pledges and obligations, expectations of gains and duties, and sanctions and incentives connected with such expectations (van Den Heuvel et al., 2017). It is also defined as promises of self-commitment to a future transaction required to maintain the employer-employee relationship (Conway et al., 2011). Unfortunately, the concept of psychological contract is an aspect that has been frequently disregarded by firms (Shi & Gordon, 2020). Moreover, such firms are sometimes apprehensive since the correct implementation of psychological contracts can be costly, and determining a specific ROI is challenging to evaluate. Therefore, organizations must review their employees’ psychological contracts to effectively attain their goals (Herrera & Las Heras-Rosas, 2021).

Psychological contract fulfillment depends on employee wishes and expectations regarding promotion, remuneration, training, job stability, and career advancement. It can also influence to a greater extent if an employee is willing to work extra hours, volunteer, or be patriotic at work (Birtch et al., 2016). An employee’s psychological contract can assist a corporation in examining con-
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Constraints to value-creating by improving operations, improving performance, reducing turnover, and increasing job satisfaction (Zacher & Rudolph, 2022).

Due to various organizational issues like Covid-19, globalization, and changing economic conditions, employees’ psychological contract is unavoidable for any organization focused on dealing with competitiveness and company survival (Said et al., 2021). However, several studies have explored psychological contracts and focused their efforts on discovering and exploiting the major drivers of psychological contract fulfillment (Estreder et al., 2021; Karatepe et al., 2021; Khurshid et al., 2021; Sachdeva, 2022). They resulted in a slew of research articles that take a variety of methodologies in different areas and discover a variety of elements influencing psychological contract fulfillment.

According to the prior debate, the critical research question tackled in this study is: to what extent can psychological contract fulfillment affect employees’ attitudes?

1. LITERATURE REVIEW

1.1. Psychological contract fulfillment

Psychological contracts refer to a written contract that consists of a set of obligations between employees and the organization to which both parties are supposed to owe each other (Turnley et al., 2003). The fulfillment of a psychological contract is one of the main issues influencing employee behavior, where better fulfillment of the psychological contract in the relationship between employer and employee leads to a positive influence on employee performance (Al-Gasawneh et al., 2022; Sachdeva, 2022). Thus, fulfillment of a psychological contract is related to behavior toward the organization more than a behavior of citizenship toward their colleagues (Bataineh et al., 2017; Wibowo, 2022). Furthermore, such fulfillment can occur through management tools like performance evaluations that help continuously improve employees’ performance through a periodic review of individual achievements (Newaz et al., 2021).

On the other hand, several empirical studies reported that breaching a psychological contract is one of the primary reasons influencing workers’ performance (Amoah et al., 2021; Gulzar et al., 2021; Said et al., 2021). The breach of a psychological contract occurs when the fulfillment of one of the obligations interferes with a psychological contract between employer and employee, which leads to adverse consequences influencing satisfaction and mutual trust (Jayaweera et al., 2021). It also negatively affects the behavior of workers through continuous absenteeism and neglect of job duties, which may lead to increased employee turnover (Hammouri et al., 2015; Liu et al., 2020).

This study examines the influence of psychological contract fulfillment on employee turnover, employee satisfaction, and employee productivity. Therefore, the paper adopted the social exchange theory, as several empirical studies confirmed the effectiveness of such a theory in explaining the relationship between psychological contract fulfillment and the three proposed constructs.

1.2. Impact of psychological contract fulfillment on employee turnover

Several studies reported that an organization that can keep skilled and talented employees would be able to compete and sustain itself (Abou-Moghli & Dandis, 2021; Govender et al., 2021; Kryscynski, 2021; Mitosis et al., 2021). Moreover, turnover is one of the main obstacles influencing organizations, where the breach of psychological contracts is considered to increase employees’ turnover rates due to the lack of fulfillment of psychological contracts from employers (Sachdeva, 2022). Such a type of turnover occurs more often with junior employees than seniors (Said et al., 2021). The breach of psychological contracts creates psychological stress and emotional exhaustion for employees (Duran et al., 2021). Such a breach may lead to loss of organizational resources, where an employee is considered one of the main organizational resources.

Several empirical studies approved that there is a positive relationship between the breaching of the voluntary psychological contract and the turno-
ver rates, where the workers’ turnover occurs as a result of breaching the psychological contract (Langerud et al., 2022; Wibowo, 2022; Zacher & Rudolph, 2022). Furthermore, employers’ violation of the psychological contract increases the employees’ suspicion rate of benefits, promises, and obligations in the relationship between the organization and employees (Gadomska-Lila & Rogozińska-Pawełczyk, 2022; Hammouri & Altaheer, 2020). In addition, the breach of the psychological contract is negatively related to job satisfaction, organizational commitment, confidence in the organization, task performance, and citizenship behavior. It is positively related to employee turnover intentions (Ampofo, 2021).

Most organizations are striving to meet their employees’ expectations. Therefore, if there is a high commitment from the employer in relation to its employee in terms of promises, employees will feel that they are obligated to fulfill the terms of the contract, and the employer will also feel that they should be obligated to fulfill the terms of that contract (Herrera & Las Heras-Rosas, 2021). Such a balanced relationship positively affects workers’ attitudes and leads to minimizing the rate of employee turnover (Arasli et al., 2019; Liu et al., 2020).

1.3. Impact of psychological contract fulfillment on employee satisfaction

Workers feel a sense of work insecurity when they believe they may lose their jobs in the future (Almaaitah et al., 2021; Hammouri & Abu-Shanab, 2017). Employees concerned about job security have a stressful existence at home and work (Soelton et al., 2019). Two types of job insecurity include quantitative and qualitative job insecurities (Hellgren et al., 1999). Quantitative job insecurity relates to the loss of a job, whereas qualitative job insecurity refers to the loss of specific employment characteristics (Long et al., 2022). Quantitative job insecurity is concerned with the construct’s overall conceptualization. In contrast, qualitative job insecurity is concerned with the perceptions of potential loss in the employment relationships, such as deterioration of working conditions, lack of career advancement, and low levels of salary improvement (Fischmann et al., 2021).

The psychological contract fulfillment is an effective strategy that has a favorable impact on the employee-employer relationship. As a result, a psychological contract between an employee and employer must be activated (Rao, 2021). This would overcome many of the consequences employers may face in dealing with employees so that it goes beyond just employees’ job satisfaction to the employees’ organizational engagement. In this regard, Milanović et al. (2018) found that fulfillment of psychological contracts between employees and employers leads to a positive impact on employees’ behavior, as it increases the probability of their satisfaction with their organization. It also drives them to achieve their duties effectively (Liang et al., 2022; Nayak et al., 2021).

On the contrary, the breaching of psychological contracts has many negative influences and goes beyond just job dissatisfaction as this breach can affect employees’ outcomes or even, in some cases, force employees to leave their work (Balogun et al., 2022; Griep et al., 2021). Therefore, this study utilizes the social exchange theory in agreement with researchers who have confirmed such a theory in proving the relationship between psychological contract fulfillment and employee satisfaction.

1.4. Impact of psychological contract fulfillment on employee productivity

Several empirical studies approved that fulfillment of psychological contracts is an effective strategy used to improve employees’ efforts to increase their productivity (Ahmad et al., 2019; Nnaji-Ihedinmah et al., 2020; Sobaih et al., 2019). Organizations are seeking to improve employees’ productivity; such improvement is expected to occur when organizations succeed in fulfilling the obligations promised to employees. Social exchange theory is most widely used to investigate the relationship between the fulfillment of psychological contracts and employee productivity (Anggraeni, 2018).

Furthermore, employee productivity is considered a management approach utilized to measure organizational citizenship behavior (Alhashedi et al., 2021; Hanandeh et al., 2021; Widiani et al., 2019). Therefore, workers are likely to express a high level
of citizenship behavior, especially when the size of the fulfillment of the psychological contract conditions meets their expectations (Ahmad & Zafar, 2018; Rubab et al., 2021; Song & You, 2021).

2. AIM AND HYPOTHESES DEVELOPMENT

The aim of this study is to explore the influence of psychological contract fulfillment on academic employees in Jordanian universities. Based on the literature review, the current study formulated the following hypotheses:

H1: Psychological contract fulfillment negatively affects employee turnover.

H2: Psychological contract fulfillment positively affects employee satisfaction.

H3: Psychological contract fulfillment positively affects employee productivity.

3. METHODOLOGY

This study explored the literature and attempted to demonstrate the factors influenced by the psychological contract fulfillment. The previous discussion explained the relationship between the fulfillment of a psychological contract and job outcomes, including employee turnover, employee satisfaction, and employee productivity. To validate the proposed research model of this study, a self-administered questionnaire was employed to collect data. The questionnaire comprised three sections. It begins with an explanation for the respondents about the objectives of the study. The second section is developed to collect respondents’ demographic data. The last section included 18 items to collect data about the independent and dependent variables. Respondents were asked to evaluate the level of agreement with the proposed items based on a five-point Likert scale ranging from 1 = strongly disagree to 5 = strongly agree. All the questionnaire items used for predicting the research constructs were adopted from previous studies (Nayak et al., 2021; Nnaji-Ihedinmah et al., 2020; Sandhya & Sulphey, 2021; Sobaib et al., 2019) with minor modifications to reflect the Jordanian context. In addition, the modifications were made to fit the language issue (Arabic vs. English).

The study population included university employees from all departments and divisions. The study covered three universities in Jordan, including Yarmouk University and Jadara University. A total of 90 usable questionnaires were returned after printing and distributing 115 ones. Smart-PLS 3.0 and SPSS were used in the data analysis. The structural equation model (SEM) method was selected to determine the relationship between variables (Hair et al., 2019).

4. DATA ANALYSIS

4.1. Demographic data

Of the total respondents, 70% were men, and 30% were women. The majority of them were between the age groups 35-45 years (51.2%). In addition, most participants (78.9%) have completed a bachelor’s degree. Table 1 shows the demographics of the sample used.

<table>
<thead>
<tr>
<th>Table 1. Demographic analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Item</strong></td>
</tr>
<tr>
<td>Gender</td>
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<tr>
<td></td>
</tr>
<tr>
<td>Age</td>
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<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Education</td>
</tr>
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<td></td>
</tr>
</tbody>
</table>

4.2. Measurement model

The findings of the measurement model are depicted in Table 2. The measurement model was affirmed by identifying the convergent and discriminant validity. Composite reliability was used to determine the reliability of the construct. Hair et al. (2010) reported that composite reliability and factor loading values should exceed the threshold recommended (above 0.70). In addition, the recommended value of the average variance extracted (AVE) is greater than 0.50. However, the value of factor loading, composite reliability, and AVE have all been accepted. Such indicates that the instruments and the variables used in this study...
are reliable and can be used to test the structural model and examine the proposed hypotheses.

**Table 2. Measurement model**

<table>
<thead>
<tr>
<th>Construct</th>
<th>ITEMS</th>
<th>FL</th>
<th>CR</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Psychological Contract</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fulfillment (PCF)</td>
<td>PCF 1</td>
<td>0.896</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>PCF 2</td>
<td>0.888</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>PCF 3</td>
<td>0.862</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>PCF 4</td>
<td>0.886</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>PCF 5</td>
<td>0.906</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>PCF 6</td>
<td>0.700</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Employee Turnover</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(ET)</td>
<td>ET1</td>
<td>0.888</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>ET2</td>
<td>0.901</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>ET3</td>
<td>0.864</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>ET4</td>
<td>0.861</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Employee Satisfaction</strong> (ES)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>ES1</td>
<td>0.883</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>ES2</td>
<td>0.891</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>ES3</td>
<td>0.864</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>ES4</td>
<td>0.861</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Employee Productivity</strong> (EP)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>EP1</td>
<td>0.840</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>EP2</td>
<td>0.813</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>EP3</td>
<td>0.885</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>EP4</td>
<td>0.860</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The Fornell-Larcker and cross-loadings criteria were applied to measure the constructs’ discriminate validity. According to the Fornell-Larcker criterion, the value of square root of AVE should be greater than the correlation values among all constructs, while the cross-loading stipulates that the loading of each construct must be greater than all cross-loadings (Fornell & Larcker, 1981). Table 3 shows that all values support the discriminant validity of the measurement based on the Fornell-Larcker (in bold) and cross-loadings.

**Table 3. Discriminant validity**

<table>
<thead>
<tr>
<th>Construct</th>
<th>PCF</th>
<th>ET</th>
<th>ES</th>
<th>EP</th>
</tr>
</thead>
<tbody>
<tr>
<td>PCF</td>
<td>0.948</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ET</td>
<td>0.784</td>
<td>0.961</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ES</td>
<td>0.976</td>
<td>0.761</td>
<td>0.957</td>
<td></td>
</tr>
<tr>
<td>EP</td>
<td>0.651</td>
<td>0.639</td>
<td>0.792</td>
<td>0.964</td>
</tr>
</tbody>
</table>

4.3. Structural model

The structural model results are shown in Table 4 and graphically described in Figure 1 and Figure 2. The psychological contract fulfillment was found to be a significant predictor of minimizing the rate of employee turnover (β = 0.679, p < 0.05).

**Table 4. Hypotheses testing**

<table>
<thead>
<tr>
<th>Path Shape</th>
<th>SB</th>
<th>SD</th>
<th>T-value</th>
<th>P-value</th>
<th>VIF</th>
<th>R²</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>PCF -&gt; ET</td>
<td>0.679</td>
<td>0.221</td>
<td>3.072</td>
<td>0.000</td>
<td>2.050</td>
<td>0.461</td>
<td>Supported</td>
</tr>
<tr>
<td>PCF -&gt; ES</td>
<td>0.620</td>
<td>0.156</td>
<td>3.974</td>
<td>0.000</td>
<td>2.456</td>
<td>0.384</td>
<td>Supported</td>
</tr>
<tr>
<td>PCF -&gt; EP</td>
<td>0.650</td>
<td>0.166</td>
<td>3.915</td>
<td>0.000</td>
<td>2.331</td>
<td>0.422</td>
<td>Supported</td>
</tr>
</tbody>
</table>

![Figure 1. Validated research model](http://dx.doi.org/10.21511/ppm.20(3).2022.05)
Therefore, $H1$ was supported. Both employee satisfaction ($\beta = 0.620$, $p < 0.05$) and employee productivity ($\beta = 0.650$, $p < 0.05$) were affected positively when the fulfillment of the psychological contract by organizations. Thus, $H2$ and $H3$ were supported.

5. DISCUSSION

The study’s findings suggest the following two significant findings. First, there is a significant relationship between psychological contract fulfillment and employee turnover in Jordanian universities. Thus, $H1$ was supported. Moreover, Table 4 demonstrated that the relationship is statistically significant, where the t-test and p-value of 3.072 and 0.000, respectively. The result depicts that psychological contract fulfillment influences the intention of employees to sustain in working within their organizations, thus leading to minimizing employee turnover. Such outcomes are consistent with the findings of Arasli et al. (2019) and Liu et al. (2020), who found a negative relationship between psychological contract fulfillment and employee turnover in the academic sector.

Second, the findings indicated that both employee satisfaction and employee productivity were positively influenced by the psychological contract fulfillment. Therefore, $H2$ and $H3$ were supported. Such findings are statistically confirmed where the p-values in both relations were 0.000 and the t-test of 3.974 and 3.915, respectively. These findings correspond with previous empirical studies conducted by Ahmad and Zafar (2018) and Rubab et al. (2021). This result supports the suggestion that when employees recognize that an effective psychological contract fulfillment meets their needs, it will make them more satisfied and improve their job productivity.

CONCLUSIONS

This study aims to explore the influence of psychological contract fulfillment on employees’ turnover rate, employee satisfaction, and employee productivity in Jordanian academic institutions. Psychological contract fulfillment has a negative impact on employee turnover. Such a finding implies that Jordanian universities should implement their obligations promise to their academic employees to decrease turnover rates.
In addition, the findings indicated that the fulfillment of psychological contracts has a positive and significant effect on employee satisfaction and employee productivity. These results provide recommendations for university management to adhere to the fulfillment of psychological contracts that drive academic employees to be more satisfied and productive. Therefore, decision-makers should endeavor to show high-level fulfillment of psychological contracts that ensure organizational citizenship behavior and boost the opportunities for workers to use their skills to attain organizational objectives. Finally, such outcomes will help the universities through a higher degree of job satisfaction and favorable organizational citizenship behavior, which in turn will help in employee retention and increase employee productivity.

**AUTHOR CONTRIBUTIONS**

Conceptualization: Qais Hammouri, Heba Khataybeh.
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Funding acquisition: Ahmad Rabaa'i, Heba Khataybeh.
Investigation: Qais Hammouri, Asmahan Majed Altaher, Heba Khataybeh.
Methodology: Qais Hammouri.
Project administration: Qais Hammouri.
Resources: Qais Hammouri, Asmahan Majed Altaher, Heba Khataybeh.
Software: Qais Hammouri, Ahmad Rabaa'i, Jassim Ahmad Al-Gasawneh.
Supervision: Asmahan Majed Altaher.
Validation: Heba Khataybeh, Jassim Ahmad Al-Gasawneh.
Visualization: Asmahan Majed Altaher, Jassim Ahmad Al-Gasawneh.
Writing – original draft: Qais Hammouri, Ahmad Rabaa'i, Jassim Ahmad Al-Gasawneh.
Writing – review & editing: Asmahan Majed Altaher, Ahmad Rabaa'i, Jassim Ahmad Al-Gasawneh.

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