# RELATIONSHIP BETWEEN PSYCHOLOGICAL CONTRACT BREACH AND PERCEIVED ORGANIZATIONAL SUPPORT TOWARDS INTENTION TO QUIT – A CASE STUDY AMONG EMPLOYEES AT SAPURA SECURED TECHNOLOGIES

By

#### ABAZAZILAH BT MOHD ABBAS

#### **Dissertation Submitted to**

Othman Yeop Abdullah Graduate School of Business, Universiti Utara Malaysia, in partial fulfillment of the requirement for the Master Degree of

**Human Resource Management** 



**Othman Yeop Abdullah Graduate School of Business** 

Universiti Utara Malaysia

# PERAKUAN KERJA KERTAS PROJEK

(Certification of Project Paper)

Saya, mengaku bertandatangan, memperakukan bahawa (I, the undersigned, certified that) ABAZAZILAH MOHD ABBAS (810131)

Calon untuk Ijazah Sarjana (Candidate for the degree of) MASTER OF HUMAN RESOURCE MANAGEMENT

telah mengemukakan kertas projek yang bertajuk (has presented his/her project paper of the following title)

2

#### RELATIONSHIP OF PSYCHOLOGICAL CONTRACT BREACH AND PERCEIVED ORGANIZATIONAL SUPPORT WITH INTENTION TO QUIT - A CASE STUDY AMONG EMPLOYEES AT SAPURA SECURED **TECHNOLOGIES**

Seperti yang tercatat di muka surat tajuk dan kulit kertas projek (as it appears on the title page and front cover of the project paper)

Bahawa kertas projek tersebut boleh diterima dari segi bentuk serta kandungan dan meliputi bidang ilmu dengan memuaskan.

(that the project paper acceptable in the form and content and that a satisfactory knowledge of the field is covered by the project paper).

Nama Penyelia (Name of Supervisor) DR. FAIS AHMAD

Tarikh (Date)

Tandatangan (Signature)

22 MEI 2013

#### PERMISSION TO USE

In presenting this dissertation in partial fulfillment of the requirements for a Post Graduate degree from the Universiti Utara Malaysia (UUM), I agree that the Library of this university may make it freely available for inspection. I further agree that permission for copying this dissertation in any manner, in whole or in part, for scholarly purposes may be granted by my supervisor(s) or in their absence, by the Dean of Othman Yeop Abdullah Graduate School of Business where I did my dissertation. It is understood that any copying or publication or use of this dissertation parts of it for financial gain shall not be allowed without my written permission. It is also understood that due recognition shall be given to me and to the UUM in any scholarly use which may be made of any material in my dissertation.

Request for permission to copy or to make other use of materials in this dissertation in whole or in part should be addressed to:

Dean of Othman Yeop Abdullah Graduate School of Business

Universiti Utara Malaysia

06010 UUM Sintok

Kedah Darul Aman

#### ACKNOWLEDGEMENT

I would like to convey my utmost gratitude to Allah S.W.T for giving me the drive and motivation to complete this study.

I would like to express my sincere gratitude to my dissertation supervisor, Dr. Fais Ahmad, for his continuous support, patience, motivation, enthusiasm and time in providing proper guidance, assistance and effortless support throughout the entire process of the dissertation. I could not have imagined having a better supervisor for completing my dissertation.

My sincere thanks also go to my colleagues and friends, for the moral support and encouraging environment throughout this dissertation process. I am deeply indebted to all my friends for the assistance and encouragement made this work possible towards the end.

Again, my sincere appreciation to the management of Sapura Secured Technologies (SST) for granting permission to carry out this study especially to Puan Mailina Ismail for her assistance, understanding and patience during the process of completing my dissertation.

Last but not the least, I would like to thank my family for the unconditional support, both financial and emotionally throughout my Masters; my mother Hjh. Zaitun Khalid for supporting me spiritually throughout my life.

Thank you.

iii

#### ABSTRACT

The main purpose of this study is to identify the relationship between psychological contract breach and intentions to quit at among the administration and technical employees Sapura Secured Technologies (SST), Kuala Lumpur. Other objective is to include perceived organizational support to examine the mediating towards the relationships between psychological contract breach and intentions to quit. Data was collected through a questionnaire survey of 200 respondents using the approach of quantitative research methods. Analysis of the quantitative data suggests that there is a relationship between psychological contract breach and intentions to quit among the employees. The results suggested that there is a significant and positive relationship. Besides, this research also examines the relationship of perceived organizational support towards the intentions to quit. The finding showed that there is significant and negative relationship. The longitudinal study is advisable for future research.

Key terms: Psychological contract breach, Intentions to quit, perceived organizational support

#### ABSTRAK

Tujuan utama kajian ini adalah untuk mengenal pasti hubungan di antara

perlanggaran kontrak psikologi dan keinginan untuk berhenti di kalangan kakitangan pengurusan dan teknikal di Sapura Secured Technologies (SST), Kuala Lumpur. Objektif lain dalam kajian ini ialah mengkaji hubungan pengantara iaitu sokongan organisasi terhadap keinginan untuk berhenti dari organisasi. Data diperoleh melalui soal selidik terhadap 200 responden menggunakan kaedah penyelidikan kuantitatif. Analisis kuantitatif data mencadangkan bahawa terdapat hubungan di antara perlanggaran kontrak psikologi dan keinginan untuk berhenti. Hubung kait di antara ini didapati signifikan dan positif. Selain itu, hubungkait di antara dua faktor sokongan organisasi terhadap keinginan untuk berhenti juga dikaji. Kajian mendapati hubungan pengantara ini adalah signifikan tetapi negatif. Kajian yang lebih menyeluruh adalah dicadangkan untuk kajian seterusnya.

Kata Kunci: Perlanggaran kontrak psikologi, Keinginan untuk berhenti, Sokongan Organisasi

v

# TABLE OF CONTENTS

PERMISSION TO USE	ii
ACKNOWLEDGEMENTS	iii
ABSTRACT	iv
ABSTRAK	v
TABLE OF CONTENTS	vi
LIST OF TABLES	x
LIST OF FIGURES	xi
LIST OF ABREVIATIONS	xii

## **CHAPTER 1: INTRODUCTION**

2.3Psychological Contract Breach

	1.1 Introduction	1
	1.2 Background	4
	1.3 Problem Statement	5
	1.4 Research Questions	7
	1.5 Research Objectives	8
	1.6 Significance of the Study	8
	1.7 Scope and Limitations of the Study	9
	1.8 Definitions of Key Terms	10
	1.9 Organization of the Dissertation	13
CHAPTER 2: LITERATURE REVIEW		
	2.1 Introduction	16
	2.2 Psychological Contract	16

2.3.1 Theories Related to Psychological Contract Breach 23

20

-

2.3.1.1 Equity Theory	23
2.3.1.2 Social Exchange Theory	24
2.4 Perceived Organizational Support	25
2.5 Intentions to Quit	
2.5.1 Mobley's Model	28
2.6 Relationship between Psychological Contract Breach towards	
Intention to Quit	31
2.7 Relationship between Perceived Organizational Support towards	
Intention to Quit	33

.

# **CHAPTER 3: METHODOLOGY**

,

3.1 Introduction	
3.2 Theoretical Framework	
3.3 Hypotheses Development	38
3.4 Research Design	
3.4.1 Types of Study	39
3.4.2 Unit of Analysis	40
3.4.3 Population	40
3.4.4 Sampling Techniques	41
3.5 Operational Definition	44
3.6 Measurement and Instrument	
3.6.1 Questionnaire Design	45
3.7 Pilot Study	47
3.8 Data Collection and Administration	
3.9 Reliability Test	

3.10 Normality	51
3.11 Techniques of Data Analysis	51
3.11.1 Descriptive Analysis	51
3.11.2 Correlation Statistics	52
3.12 Summary of Test on Hypotheses	53
3.12 Conclusion	54
CHAPTER 4: RESULTS AND DISCUSSION	
4.1 Introduction	55
4.2 Descriptive Statistics of Demographic Factor of the responden	nts 55
4.2.1 Age.	55
4.2.2 Gender	56
4.2.3 Level of Education	57
4.2.4 Length of Service	57
4.2.5 Current Position	58
4.2.6 Quitting from Job in the Last 5 Years	59
4.3 Goodness of Measure	60
4.3.1 Reliability Test	60
4.4 Descriptive Analysis	61
4.5 Hypotheses Testing	62
4.5.1 Hypotheses 1	62
4.5.2 Hypotheses 2	63
4.6 Summary of the Test Results	65
4.7 Conclusion	65

## **CHAPTER 5: CONCLUSION AND RECOMMENDATIONS**

5.1 Introduction	66
5.2 Recapitulation of Results	66
5.3 Research Objectives	66
5.3.1Research Objective 1	66
5.3.2 Research Objective 2	67
5.4 Implications and Improvement Recommendations	69
5.5 Future Research	69
5.6 Conclusion	70
REFERENCES	
Appendix A: Letter to conduct a survey	
Appendix B: Questionnaires	
Appendix C: Reliability Test: Pilot Test	
Appendix D: Reliability Test: Main Study	
Appendix E: Normality Test	
Appendix F: Multiple Regression Main Study	

### LIST OF TABLES

Table 3.1	Population of Employees	42
Table 3.2	Return Rate of Questionnaire Returned	43
Table 3.3	Distribution of Variables	47
Table 3.4	Pilot Study Reliability Test	48
Table 3.5	Date of Questions Sent and Returned	49
Table 3.6	Coefficients Alpha Scales	50
Table 3.7	Cronbach's Alpha for Main Study	50
Table 3.8	Interpretation of Strength of Correlation	52
Table 3.9	Statistical Analysis	53
Table 4.1	Frequency Distribution by Age Group	56
Table 4.2	Frequency Distribution by Gender	56
Table 4.3	Frequency Distribution by Level of Education	57
Table 4.4	Frequency Distribution by Length of Service	58
Table 4.5	Frequency Distribution by Current Position	59
Table 4.6	Frequency Distribution by Quitting from job in the last 5 years	60
Table 4.7	Reliability Value (n=142)	60
Table 4.8	Descriptive Analysis for Major Variables (n=142)	61
Table 4.9	Results of Correlation Analysis (n-142)	62
Table 4.10	Multiple Regression Analysis (n=142)	62
Table 4.11	Multiple Regression Analysis (n=142)	63
Table 4.12	Multiple Regression Analysis (n=142)	64
Table 4.13	The Summary of Hypotheses Results	65

# LIST OF FIGURES

Figure 1.1	An extended Psychological Contract Breach	20
Figure 1.2	Mobley's Turnover Intention Model	30
Figure 3.1	Theoretical Framework	37

.

# CHAPTER ONE INTRODUCTION

#### 1.1 Introduction

Nowadays, competitive business environment is very important in order to keep talents that enable the organization to be successful. A dynamic system is designed as a whole limits for the flexibility of the business. Employees are viewed as the heart of the organization, where they are most important asset for most organizations. One of the most important service-based in organizations in Malaysia is telecommunication industry. This industry is concern on the availability of excellent quality for their employees to deliver, operate, maintain and well-manage their products for a competitive advantage. The performance, attitude and behaviour of employees ensure the successfulness and achievement of the organization.

Organizational support is the most important concepts that could retain the talented employees in the organization and these is a key factor in increasing job satisfaction, organizational commitment and decrease their intentions to leave the organization. This research investigates the relationship of psychological contract and perceived organizational support with intention to quit among the employees at telecommunication sector. The traditional employment features such as job security, promotion based on seniority and stable career path have all been endangered due to the changes of the organization landscapes. Employees are important asset to the organization and the successful organization depends on good relationship between the employee and employer which subsequently develop a harmonious working environment. In today's highly competitive business environment, organizations must have strategies for retaining their best people. If the employees are satisfied with their workplace, the tendency for them to continuously stay with their organizations will be high. Apart from that, it might also the some positive organizational behaviour such as improved performance, decreased absenteeism, enhanced organizational commitment, and increased organizational citizenship behaviour (Meyer, Allen, & Smith, 1993).

This research focuses on the telecommunication industry in Malaysia where researcher believes organizations in this sector need to retain their talents who will be better able to provide the best services to their loyal customers. However, the main concern is what are the employees expect from their employer?

Here, researcher examines the expectations of the employees' believe such as appreciation in the organization and sharing common values between organization and employees. Human Resource Manager must ensure that their employees feel that they are being appreciated and thus satisfy with their works. Satisfied employees are more likely to make themselves attach with the organization. It has been proven that, employees who are supported by their organization feel that they are valuable and thus may motivate them to improve their positive behaviour and attitudes towards the organization. Here, perceived organizational support has an impact on continuous commitment from the employee to their employer, either positively or negatively.

According to Malaysian Employers Federation, there are 5.5 million of employees who work at private sector. Each of the employees contributes their skills and knowledge to the organizations. Some of them are hoping to get the acknowledgement from the company for their achievement. The other factor that affect the employment relationship is when the management give a pressure to the employees, and it will increase the intention to quit among them (Nor Liza, Noradamzah, Rasidah Arshad, Rosmah Mat Isa & Rohayu Abd Ghani, 2011). An organization can be defined as a social community in creating, sharing and transferring explicit and tacit knowledge (Nor Liza, et. al., 2011).

Psychological contract is an individual's belief in terms of conditions in an exchange relationship between employee and employer (Rousseau, 1989). In the other word, this exchange is focusing on mutual obligations between an employee and the employer. Psychological contract breach can be defined as no recorded and formal written document contract between the employee and employer because sometime it is discussed openly and are accepted by both parties (Suazo, 2011). For example, employees have high expectations such as career opportunities, training and development, promotion, job security and respectful treatment within the working environment from the organization. In return, employer expects their employees to show their loyalty, willing to work extra hours, multitasking or giving the innovative ideas. Since the agreement is not done through written document, it is possible that the employer might unfulfill or amend it at the later stage of an employee's tenure. According to Md. Hassan (2011), psychological contract breach happens between the employee and employer when the employee believes that organization has failed to fulfil their part of obligation Even though organizations may endow in long-term relationships with their employees, still, psychological contract breach can reflect on the impact of work performance (Bal, Chiaburu, & Jansen, 2010).

This study identifies the relationship of psychological contract breach and perceived organizational support towards employee's intention to quit.

#### **1.2** Background of the Study

This research aims to find the answers to the various questions especially when researcher had relating to the nature of the psychological contract of administration and technical employees specifically. While working as an administrator at this company, which is responsible for managing operation and maintenance team at various regional in Malaysia, a variety of attitudes and behaviours are uncovered among staff members. Numerous studies on the relationship between employees and their organization have been done in the past years. However, less study related on the psychological contract between private employees in Malaysia had been done. This research will cover the studies on psychological contract breach and perceived organizational support to the implications towards employee's intentions among the employees at Sapura Secured Technologies. This company main area is telecommunication provider especially for defence and military in government sector.

Most important aspect in telecommunication in on their technology innovation that may affects the competitive environment. According to Malaysian Investment Development Authority (2012), cellular telecommunication services in Malaysia cover up to 96 percent of populated areas, with more than 35.7 million subscriptions. In Malaysia, the major telecommunication network operators are Telekom Malaysia, Maxis, Celcom ad Digi Communications. While the emerging competitors are YTL Communication, U Mobile, Timedotcom, Astro, PacketOne Wimax and others small and medium sized enterprises such as Sapura.

A psychological contract is basically what the employee expects from the organization and what the organizations expect from their employees. The most important aspect in the employer-employee relationship in modern business is psychological in nature, researcher believe that perceived expectations and obligations can drives towards employee's job behaviour significantly (Md. Hassan, 2011). The nature of psychological contract can have a strong influence on organisational outcomes. Psychological contract is a condition when there are is a unwritten and implicit contract held by the organization about what they should offer, and what the employees should be obligated to provide, in the exchange of the relationship (O'Donohue, Sheehan, Hecker, & Holland, 2007). The approach towards the psychological contract is that the belief is informally agreed by the employee and the employer, it exist only based on the employee's perception (Md. Hassan, 2011).

#### **1.3 Problem Statement**

The concept of psychological contract is now of worldwide interest and significance thought it has as yet generated perhaps more questions than answers. It is very important for the organization to take psychological contract breach as important issues in managing their employees. Psychological contract breach happened when employee believe they received less than what was promised by the employer (Suazo, 2011). This situation and issue is reality and happen in many organization, it will give a result in several negative job behaviour, decreased in employee trust and possibility to leave the organization, which it may affect the overall organizational performance (Md. Hassan, 2011).

There has been less study done on the psychological contract breach concerning private sector employees in Malaysia, and as a result there is less current literature on this area of interest. It was found that employees who were more committed to their organizations had lower intention to leave than those with lower organizational commitment. Baek-Kyoo and Park (2010), studied on a relationship of turnover, organizational commitment, job satisfaction and turnover intention. From the result, they believe that employee's satisfaction is occurred when employer are able to provide a god and healthy working environment. Career satisfaction and organizational commitment is the main reason of employee's turnover intention.

Employee turnover is a critical problem to the organization in term of loss of their talent, recruitment and training cost. According to Malaysian Employers Federation (MEF), a survey conducted between June 2010 and July 2010 on executive position with 143 companies across the nationwide showed that Malaysian companies on attrition rate of are between 9.6 percent. In the survey with the industries, the highest annual averages of turnover rate in the non-manufacturing sector are Information Technology and Communication (75.72 percent), Associations and Societies (33 percent), and Hotel and Restaurant (32.4 percent). There are higher cost for the organization in expenses such as training and loss of productivity. Intention to quit is one of the antecedents of employee's turnover. Researchers found out that employee

who are committed to their organization have lower intention to quit from the company.

In this study, researcher would like to highlight the issue of psychological contract breach and perceived organizational support among the employees which raised into the human resource issues such as intention to quit. These problems happened almost in every organization and every employee and employer involved with it.

Therefore, problem statement that may arise is how psychological contract breach and perceived organizational support may cause the intentions to quit within employees at Sapura Secured Technologies.

#### **1.4 Research questions**

In order to accomplish a research, a constructed research question is necessary as a path of the research. The researcher would like to examine the implications that may arise by psychological contract breach and perceived organizational towards intentions to quit. There are two research questions that have been prepared to accomplish the purpose of this research.

- i. Is there a relationship between psychological contract breach and intentions to quit?
- ii. Is there a relationship between perceived organizational support and intentions to quit?

7

#### 1.5 Research Objectives

The aim of this research is to examine the relationship between psychological contract breach and perceived organizational support towards employee's intention to quit among executive and technical employees at Sapura Secured Technologies. It will give a greater understanding for the organization on the current issues. Therefore, the specific objectives of this research work are as follow in order to understand specific relationship between the variables. The following objectives of this study are as below;

- i. To examine the relationship between psychological contract breach and intentions to quit.
- ii. To examine the relationship between perceived organizational support and intentions to quit.

#### **1.6** Significance of the Study

The researcher wishes to establish that there is a relationship between psychological contract breach and perceived organizational support with employee's intentions to quit.

The significance of the research from the employee's perspectives depends on how they identify the implications and it happened due to lack of knowledge in the psychological contract. Here, the literature will help to improve the employment relationship with their employers. This significance from this study will assist organizations in order to identify and develop in increasing employee and employer relationship into harmonious working condition. From the finding, Human Resource Professionals can use it to assist them to gain knowledge on the issue happen in their organization and at the same time they will increase the employee's job satisfaction.

This study is aimed in order to help the employees in identifying the main factors that will help them in being committed and loyal to the organization. The factor will make the employees will feel satisfied and directly, it will make them stay longer in the organization. The longer employee stays with an organization, the more valuable they will be in terms of seniority, skill and knowledge.

With this study, the researcher also hopes to add value to prove that psychological contract breach is a serious issue in the organization where each person in the organization involved with this matter.

#### **1.7** Scope and limitations

The scope of study covers the employees from Sapura Secured Technologies who are based at central region. They are come from various position either executive or technical post. The study focuses on the relationship of psychological contract breach and perceived organizational support with employee's intentions to quit. The limitations are firstly, the findings of the study are limited to the sample only from employees at Sapura Secured Technologies. It may limit the generalizability of the findings that may not represent the whole judgemental.

Secondly, the data gathered only form one type of instrument which was a set of questionnaire. In this research, only three factors that will be studied which are psychological contract breach, intentions to quit and perceived organization support.

Third, researcher is faced with the problem of lack of experience in handling and conducting a good dissertation.

There are still many factors affected by psychological contract breach that are not taken into account in this research.

#### **1.8 Definition of key terms**

#### **1.8.1** Psychological Contract

According to Rousseau (2004), psychological contract can be defined as a mutual agreement or beliefs based upon promises expressed or implied, regarding an exchange agreement between an individual and organization.

#### 1.8.2 Psychological Contract Breach

Rousseau (2004), defined psychological contract breach as one's perception that another has failed to fulfil adequately the promised obligation of the psychological contract.

#### 1.8.3 Job Satisfaction

Job satisfaction is considered to be an attitude, an emotional and psychological response to a feeling of achievement of fulfilment of personal motivations (Matthewman, Rose &Hetherington 2009).

#### 1.8.4 Organization Commitment

Organizational commitment has been defined as the relative strength of an individual's identification with and involvement in an organization (Furnham, 2005).

#### **1.8.5** Intentions to Quit

Intentions to quit can be defined as a psychological process that many employees will go through when they are considering alternative employment options due to some measure of dissatisfaction with their current employment situation (Sadeep & Manjari, 2010).

#### **1.8.6** Perceived Organizational Support

Eisenberger, R., Fasolo, P., and Davis-LaMastro, V. (1990), defined perceived organizational support as 'global belief that employees concern the extent to which the organization values their contributions and cares about their well-being.

#### 1.8.7 Organization Support Theory

Eisenberger (1986), define organizational support theory as a socioemotional needs that give benefits to the increased of work effort, employees from a general perception concerning the extent to which the organization values their contribution and most importantly in cares about employees well-being.

#### 1.8.8 Equity Theory

Equity theory can defined as the sense of fairness commonly for motivation, is dependent on the comparison the employees make between their reward ratio and with enjoy ration by other consideration to be in similar situation (Matthewman, et. al., 2009).

#### **1.8.9** Social Exchange Theory

This theory view relationships as a series of social performances and exchanges and acknowledges that the basic motivation to enter into any relationship whether dyad or group is the expectation of obtaining something from the relationship, some kind of reward (Matthewman, et. al., 2009).

#### **1.9 ORGANIZATION OF THE THESIS**

The whole research is composed of five chapters and has been arranged in accordance with the following chapters starting from chapters one to five as illustrated below:

#### Chapter One

The introduction started in this chapter by discussing the concept of the psychological contract began, in many countries, especially in the Malaysia perspectives. Besides, researcher also discuss about the problem statements regarding on this issue. A various research questions arising regarding on the psychological contract, follow by the uncovering of the attitudes, behaviours and expectations from the employees. Furthermore, the main objective of this dissertation was explained. Next, the justification of this research was illustrated by discussing the rationalization and limitations for undertaking this research. In the next chapter is a research literature review, where it is intended to have a comprehensive discussion on the relevant psychological contract breach and effect towards job satisfaction, organization commitment, intentions to quit and perceived organization support and to review current literature on psychological contract in an effort to investigate the research questions.

#### Chapter Two:

This chapter presents a broader literature review of the psychological contract, and discusses the contextualizing of the focus of research and brings out the gap in the psychological contract literature. Researcher will focus on the relationship of

psychological contract breach with the employee's intentions to quit and perceived organization support. Here, will give a various definitions and concepts from others scholar's view regarding the issues in psychological contract breach and violation and why the subject is important. Finally, the impact of the psychological contract breach and employee response to it is explored

#### Chapter Three:

This is the research methodological chapter. In this chapter, the description of the method is utilized. It is where the theoretical framework, research design, measurement and data analysis was conducted. This chapter demonstrates how the research design was conducted and shows its compatibility with the research methodology. A primary concern is to discuss the place where research fieldworks will be undertaken. Later, a strategy is explained with the extent to which the methodology adopted is able to explore the phenomenon. Then, the concept of quantitative is discussed.

#### Chapter Four:

Chapter four presents the analysis result of the study. A set of questionnaires were distributed to 200 technical and administration employees in the selected organization. All the respondents had work experience ranging from one to five years. A structured questionnaires consisting of scales on psychological contract breach, intention to quit and perceived organization support was used to collect the data. It includes the result of respondent's characteristics, the result of Pearson Correlation and Multiple Regression.

Chapter Five:

This is the final chapter which will be presented the research findings and discussion. Then, the conclusion of this research outlining the implications of the findings between the employees are been discuss. The limitations of this research are also outlined, and the contributions this research has made are assessed. Finally, recommendations of potential areas for future research are offered.

#### **CHAPTER 2**

#### LITERATURE REVIEW

#### 2.1 Introduction

This chapter reviews the literature on psychological contract, psychological contract breach, intentions to quit and perceived organizational support. The literature review focuses on

- 1. The psychological contract breach and intentions to quit
- 2. The perceived organizational support and intentions to quit.

It begins by presenting some empirical studies on the topic which includes the definition of psychological contract and psychological contract breach. Besides, a theory related will be discussed for in depth information.

#### 2.2 Psychological Contract

The concept of the psychological contract has becomes more and more mysterious, particularly over the past ten years ago. The relationship between the individual and the organization may be described as the psychological contract. Recently, the issue of psychological contract and implications towards the employees and employer become familiar with the researcher. However, there still less research conducts with technical staff especially in Malaysia. There are a numbers of researches done in psychological contracts that has focused on the way employees respond to the issues of psychological contract breach in which employees believe that they have received lower incentives than they expected or promised.

Nowadays, every year there are increasing numbers of university graduates and many of them are willing to work in professional sector. Thus the issue of psychological contract become an important issue to the employer and employee. The graduate students have less knowledge on this issue and this issue become serious topic in the working environment. There is a gap where less research conduct in Malaysia either in public or private sector. It is important for both employee and employer to understand on this issue and the consequences towards it. Researcher believes that relationship towards employer-employee relationship is when what the employee expect from the organization and what the organization expect from them. Most of the expectation may not found in the conventional contract employment

"Employees and employers need to agree on the contributions that employees will make to the organizations and vice versa" (Rousseau, 2004)

The term psychological contract was applied in the early 1960, but became more well-known in the early 1990 (Suazo, 2002). It can be defined as the awareness of employee – employer relationship on the mutual obligations on each other. The contracts will often be informal, unwritten and vague. For example, there are such promises made during the recruitment process or in performance appraisal by the employer but it is unrecorded. The employee had seen it as the promises and expectations made by the employer as they believe that they are part of the relationship with the employer.

Psychological contract is as a set of expectations held by individuals specifying what the employee and organization expect to give and receive from each other in the working relationship (Furnham, A., 2005). In the other word, it is establishing an exchange of promises and contributions between employer and employee. It may take many forms such as employees tend to be long, open-ended and dynamic, and take into consideration diffuse responsibilities. Once the employees enter the organization, most of them have some sort of psychological contract with their employer. However, some of them have vague information and my not know that their employer broke down the contract. The concept of psychological contract is easy to understand but difficult to define. From the perspective of employee psychological contract is promissory that researcher believe it was made by the employer to the employee when they entering the organization. However, they were no written contract towards the promises. There are vary definitions but mostly researcher defined it as promissory, implicit, reciprocal, and perceptual that is based on expectations. In the other word, management believe that psychological contract can be discriminated from the legal contract of employment, so that they promised of an uncertain expression in the reality of employment relationship.

Besides, psychological contract has been identified as a useful concept for manage day to day relationships between employers and employees subsequently consequences including work attitudes and performance. Researcher believe that if the organization succeeds in giving an inclusive on the working relationship, the psychological contract can still can lead to job satisfaction, higher levels of commitment and more intentions to remain. However, if employees notice that the organization has failed to fulfil one or more of their obligations, indirectly the psychological contract breach may occur. There are a variety of studies on the relationships between breaches of psychological contract and lower job satisfaction, organization commitment, organization citizenship behaviour, turnover intentions and turnover behaviour. According to Rousseau (1998), the psychological contract is a give-and-take situation as both employee and employer are beliefs of mutual obligations existing in context of the employee and employer relationship. Employees are more concerned on the exchange agreement with their organizations. Besides, it binds the employee and employer relationship to underlying effective work performance, increase employee commitment and loyalty towards the organization's goal. Guest (1998), had proposed a model of psychological contract and the consequences.

There are two types of psychological contracts either transactional or relational contracts. Transactional contracts are applied on a short-term basis that focuses on the concrete content of the contract (George, 2009). Typically, transactional contracts are based on a pay incentive as a primary with employees focus more on extrinsic outcomes, such as pay or benefits, and less on intrinsic outcomes, such as the job satisfaction or acceptance in the workplace. Relational contracts are used on a long-term basis and emphasize the degree of social exchange between workers and employers (George & Jones, 2005). Relational contract include emotional involvement and more open-ended relationship where employees guarantee their loyalty to the organization if there is an exchange for security, career development and membership in the organization.

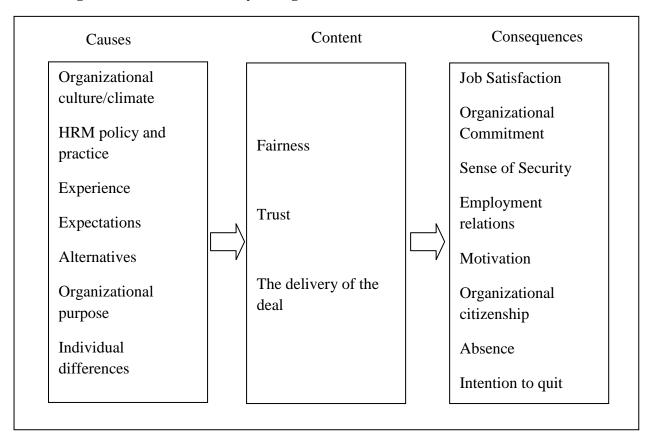


Figure 1.1: An extended Psychological Contract. Based on Guest (1998)

Source: Adapted from George, C. (2009) *The psychological contract: managing and developing professional groups*.

#### 2.3 Psychological Contract Breach

Many researchers found out that when employers are failed to deliver or broke the promises, there are negative impacts on employee's job satisfaction and psychological contract as a whole. In this case, employers are responsible for the breaches because they are the failed to fulfil the promised contract or sometimes performance reviews are badly handled.

Psychological contract breach happened when there is vague or implicit contract is that the employer may not know when they have broken the contract. When an employee believes they have been unfairly overlooked for promotion, the psychological contract that has been established may undergo a radical version (Furnham, 2005). A broken psychological contract may lead to employee feeling less committed to the organization. Previously, many studies revealed the relationship between psychological contract breach and organization commitment, turnover or intentions to leave or remain, job satisfaction and performance revealed that when the organization less meets the expectations of its employee, there are more consequences towards it. Schalk and Robert (2007), found out that a psychological contract breach is related to lower commitment to the job and organization, less identification with the organization and higher turnover intentions.

A study by Robinson (1996) revealed there are a negative relationship between psychological contract breaches and organizational citizenship behaviour, job performance and intentions to stay with the organization and a positive relationship with turnover. Some scholar defined psychological contract as an implicit because it is unspoken, unwritten and only becomes noticeable when breached is occurred (George, 2009). Research has found that breach of the psychological contract between employer and employee can decrease job satisfaction, lowered organizational citizenship behaviour, low perceived organizational support and high intention to leave. Psychological contract specifies what individual believe they owe to the organizations and what they believe they will get in return. While, psychological contract breach occurs when an employee perceives that the organization has not live up to its promises or obligations.

21

In the other word, psychological contract breach happened when an organization failed to fulfil the obligations and promises towards their employees. Past research recognized that employees who believed that their obligations to them were unfulfilled, they will display a negative impact towards their work outcomes, such as lower work performances and attitudes (lower level on job satisfaction, organizational commitment, trust in the organization, and a greater intent to leave the organization). Researcher believes that employees who received more than they expected in terms of promises delivered, they tend to increase their work performance, and show a continuous commitment to the organization.

The effects on the employee's achievement and work outcomes may be subjected to the perceptions and reactions on how promises are fulfilled or unfulfilled by the employer. Each employee may have different reaction towards the promises made and conveyed by the employers. Breach has been found to have a direct and indirect negative impact influence in job behaviour. Here, research will focus on intentions to quit among the employees at Sapura Secured Technologies based in central region of Malaysia.

Psychological contract breach is expected to be negatively related to intention to stay with organization. When employers do not fulfil their promises and obligations, the employee's may respond by altering their contributions to the organization by reducing their efforts and performance (Bal, Chiaburu, & Jansen, 2010).

#### 2.3.1 Theories Related to Psychological Contract Breach

There are two similar theories that can be perceived with psychological contract breach which are equity theory and social exchange theory. Equity theory states that individual determine equity by comparing their contribution (investment) and their rewards (outcomes) to those of their comparisons (Morand & Merriman, 2012). While social exchange theory proposes that exchange to minimize costs and maximize benefits for either tangible or intangible goods. Researcher found out that both theories have a relationship between employees and the employers based on what the employees expect in return.

#### 2.3.1.1 Equity Theory

Equity theory focus on the social comparisons resulting from interactions or exchange among people makes it relevant to many aspects of behaviour in organization, especially those involving the effects of compensation on individual level of motivation for task performance (Ryan & Deci, 2000). The main role in equity theory is that employees are motivated to secure what they perceive to be a fair return for their efforts (McKenna, 2000). Equity theory is emphasizing the role that perceived cost is not just a rewards, but together with motivational processes. The theory is founded on as assumption that employee are likely to be motivated to perform particular behaviours to the extent that they are perceived to be just (Haslam, 2004). The sense of inequity could motivate people to do more or less work depending on the nature of inequity. In the other word, the greater of inequity, the stronger level of motivation. Here, it clearly stated that equity theory indicates individual to respond to a positive action with another positive action such as rewarding kind actions. While, psychological contract also based on the belief in an obligation of reciprocity. Both psychological contract and equity theory are concerned with the formula of give and take from both employee and employer relationship. However, equity theory believes that there should be proportional balance between what the individual give and what they will get back in future. While, psychological contract do not consider that there should be a balance in the inputs and outcomes of the relationships, only that the other party promised should be fulfilled.

The psychological contract is a scope of expectations of rights and privileges, duties and obligations, which is occur of informal agreement, but still have an important influence on employee's behaviour (Furnham, 2005).

#### 2.3.1.2 Social Exchange Theory

Social exchange theory can be defined as the mutual benefit that has been agreed with parties, employee and employer (Robinson, 1994). Social exchange theory proposes that employees are motivated to increase their work productivity when their employment contract is based upon a fair social exchange. Social exchange theory gives a clear understanding on the importance of employees' motivation and achievement of organizational goals. The approaches to organizational behaviour incorporate employee's motives to carry out the activities within the mutual obligations between employees and employers. The idea is that, when employees enter the organizations they voluntarily do as they please, say exactly what they think and act as necessarily in return for certain rewards (Haslam, 2004). Psychological contract involve the employees that recognize that their organization may provided them with more incentives than they expected such as job security, career development and better welfare package. Employee believes when they have met the obligations to their employer, they may increase their sense of obligation to the employer (Turnley, Bolino, Lester, & Bloodgood, 2003). Negative imbalances can create the inequalities on the employment relationship. It involves a process of both giving and receiving by the individual and their organization.

Social exchange theory is an exchange process to maximize benefits and minimize cost in social behaviour (Cherry, 2012). According to this theory, when the social relationship is broken, people will terminate or abandon that relationship. As an employer, need to understand that a good relationship give a lot of benefits to both such as companionship and social support.

# 2.4 Perceived Organizational Support

Perceived organization support can be expressed as perception of importance by the organization in contributing the employees (Colakoglu, Culha & Atay, 2010). According to Eisenberger, Fasolo and Valeria (1990), perceived organizational support can be labelled as willingness of the organization to reward their diligent employees to which the organization cares about employee's well-being and contributions. Employee may expect the perception such as considering employee

goodness by the organization, appreciation and sharing common values between employee and employer. Employee who is supported by the organization may feel that they are valuable towards the organization and feel the sense of belonging. To this effect, they may satisfy with their job and stay with the organization for a long time.

According to Waung (1995), new employee's have a positive perception about the perceived organizational support that related with high commitment to the organization and indirectly it will lower the cases of intentions to quit. Besides, it is very important to understand that, perceived organization support had a big impact in remaining the employee. Waung (1995), believed that perceived organizational support can be as a mediating factor towards the organization commitment and intentions to quit.

Perceived organizational support created a reason of positive employee's attitude and behaviour by creating a harmonious job conditions and provide necessary human resource practice (Eisenberger, Huntington, Hutchison, & Sowa, 1986). The main role of perceived organizational support is fair treatment, supervisory support and rewards also a favourable job conditions. It will help to strengthen the employeeemployer relationship and as the result employees will give greater efforts for fulfilling the organization's goals.

The social exchange theory maintains the relationship of employer-employee to maximise the benefits. It is important to understand the factor of employee's motivation and the achievement of organizational goals. Here, it will generate the

26

feelings of belonging towards the organization, which in turn employees may repay the organization through the norm of reciprocity (Eisenberger, et.al., 1990).

#### 2.5 Intentions to Quit

The term intentions have a very broad definition by many researchers. Intention is something that people intend to do (Longman dictionary, 2010). While Ajzen (1991), in the theory of reasoned action describes an intention as person's behaviour. Intention is a person's judgment to perform positive or negative behaviour. This intention is determined by a specific behaviour, subjective norms and perceived behavioural control.

According to Sadeep and Manjari (2010), intention to quit is a situation where the employees plan to discontinue the relationship with their organization. When the employees are planning to leave their organization, there are many consequences happened such as absenteeism and lower job performance. It was happened when the employees feel unhappy and dissatisfied with their work. There are many reasons due to employee's intention to quit especially when they feel the employer failed to fulfil their needs and rewards for their work outcome.

As an employer, they need to understand, when an employee leaves the organization, it will affect the other remaining employees in completing their duties and indirectly will decrease their job satisfaction. It is important to satisfy the remaining employees in order to decrease the intention of quit from their job (Chan, Sok, Chee-Leong & Syuhaily, 2010).

Social exchange theory and equity theory can provide a clear understanding of the outcomes of intentions to quit. All the theories provide an explanation of employee's desire to quit from the organization based on the lack of rewards of their efforts by the organization, poor supervisory, lack of justice and unmet expectations especially in job promotion or security (Sandeep & Manjari, 2010). There are many researches that found out there are significant gap that related to the consequences of intentions to quit. The unhealthy organization is the factor that employees always think of to quit from the organization. Employees who are stay with their organization against their tendency may caused a poor quality of work and affect their morale of their unexpected behaviours. Employee high intentions to quit may have deviant behaviours that can be a negative impact to the organization.

Many researchers believe that psychological contract breach is the mainly reason of employee's intention to quit. A studied by Suazo (2009), found out that psychological contract breach develop a sense of anger and betrayal because of broken promises. So that, it was found that psychological contract breach to be positively related with intentions to quit.

#### 2.5.1 Mobley's Model

According to Mobley's model, there is a process that related to the intentions of employees to quit from job. A systematic of turnover decision process is shown in figure 1.2 in the next page.

Here, the process of quitting or intention to quit from job mostly is based on the satisfaction or dissatisfaction of the employees. Dissatisfaction factor is the main factor of quitting from job. If the employees are able to find an alternative job, they may think about the quitting and start to search the alternatives. After the evaluation and comparison of alternatives with the present jobs, intentions to quit will be stimulated. The last stage is decision on quit or stay form the organization

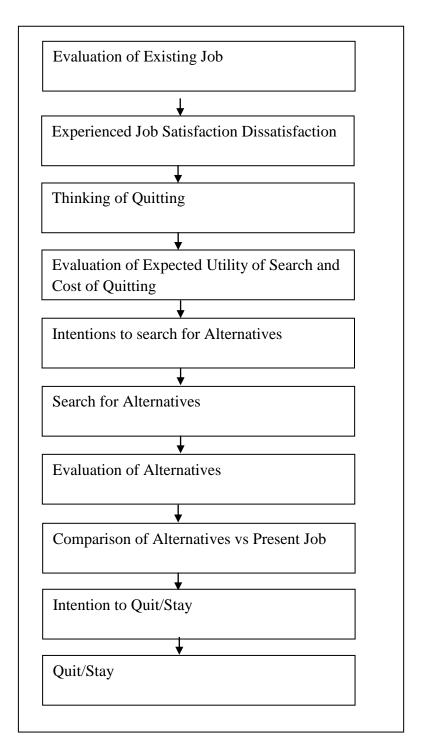


Figure 1.2: Mobley's Turnover Intention Model

Source: Adapted from Mobley, W.H. (1977). Intermediate linkages in the relationship between job satisfaction and employee turnover.

# 2.6 Relationship between Psychological Contract Breach towards Intentions to Quit

Attitudes at work are important for a number of reasons because it will affect job satisfaction, cooperation with others, an image on the organization is presented to client, work motivation and the employee's psychological and physical well-being. Work attitude may be shaped by strongly held social values and belief. When the employee quit from the organization, they takes with them an attitude that affects others employee personal as well as workplace environment. It is important for the employer to understand the meaning of attitude because it is related on the way an individual performs. Attitude is a reaction of positive and negative evaluation, emotional feelings, and action tendencies with respect to an individual's social world. Previous research suggests that psychological contract breach can have a negative impact on employee's attitudes. Those attitudes that have typically been associated with psychological breach is intention to quit. The consequences of breach may be seen at the individual and organizational level. Individuals may experience emotional reactions to breach including disappointment, anger and distress (George, 2009) that may make the employees to have the intention to quit from their job. In this study, two areas of work attitudes will be discussed with psychological contract breach; intentions to quit, and perceived organizational support.

The major outcome that will be examined in this study is intentions to quit by the employees due to psychological contract breach. It is important to understand psychological contracts breach as it is related to the organizational outcomes. The type of psychological contract influences whether an employee decides to leave or stay with the organization (Meyer, Allen, & Smith, 1993), whether an employee accepts the organization's values and goals, and how much effort an employee will put forth (Porter, Bigley, & Steers, 2003). Many researchers found out that there is relationship between psychological contract breach and organization the commitment, turnover intentions, job satisfaction and job performance revealed that when organization do not meets the expectations towards the employees, the more significant on the consequence. It can be concluded that when psychological contract is highly positive, it is related with employee's lower commitment to the job organization and higher turnover intentions. Robinson (1994), concluded that the psychological contract breaches was negatively related to trust, job satisfaction, and intentions to stay and was positively related with turnover. There are many factors that lead to employee from quitting from the organization. First, researcher suggested that an employee would be expected to stay if they have no attractive alternatives. There are employees who like to stay with their current organization if the labour market was especially unfavourable or if they could not make as rewards elsewhere.

According to equity theory, when the psychological contract is fulfilled, employees may respond positively towards the employment relationship. Hence, employees who are satisfied with the incentives that have delivered by the employer may increase their dependence with the organization. This will lead to a lower intention to quit with the organization. Previous study shows that, psychological contract breach has been found to be positively related to intentions to quit. In the study by Susanna and Samuel (2003), found out that between Hong Kong Chinese employee there is positive relationship between psychological contract breach and turnover intentions. This study is supported by social exchange theory in the Chinese context. It

highlighted that reciprocity is an important concept in Chinese culture where they believe when one has did a good deed, there is a good expectation will be paid back soon. In line with this finding, researcher believes that there are a strong evidence relationship between perceived organization support and intentions to quit.

# 2.7 Relationship between Perceived Organization Supports toward Intentions to Quit

In this study, a relationship on perceived organizational support towards intentions to quit is being studied. Prior research, found that perceived organizational support is negatively related to intentions to quit (Suazo, 2011). Perceived organizational support is an important element to the maintenance of the relationship of employeremployee because it is a vital element why employee might executes their jobs effectively. Perceived organizational support can be defined as the favourable treatment that the employee has received from their organization such as healthy working conditions, merit pay, training development and career opportunities (Winter, & Jackson, 2006). However, it does not involve the promises in the contract to employees by the employer. Many researchers believed that perceived organizational support positively increase the work conditions and employees may feel that the organization values and respects them (Parzefall & Coyle-Shapiro, 2011). As a result, employees who have received more encouragements than what is promised to them may view perceived organizational support as a favourable action from the organization. Social exchange theory is also related to perceived organizational support, where employees with high perceived organizational support believe that the organization cares about them and values their contributions towards

the organization. As a result, high perceived organizational support employees tend to a greater attachment with the organization. Furthermore, higher perceived organizational on employees have an expectancy that greater effort will lead to greater reward.

Perceived organizational support is more concerns about employee's commitment to the organization when the employers are concerned about their needs. According to organizational support theory (Eisenberger, et. al. 2002), assume that the relationship between employee and employer is strengthened through the trade of positive outcomes. It means that, perceived organizational support would require employees to increase their positive outputs, attendance and punctuality (Eder & Eisenberg, 2008). Perceived organizational support was found to be related to employees felt obligation to stay in the organization and employee-employer relationship will be greater.

Perceived organizational support can be defined as employee's perception in concerning the organization values their contribution and cares about the well-being (Aselage & Eisenberger, 2003). If managers are concerned with their employee's commitment to the organization, employees are focused on the organization's commitment to them.

Organizational support theory defined the development, nature and outcomes of such perceived organizational support. Organization theory suggested to 'employment as the exchange of employees effort and loyalty for the organization's provision of socioemotional benefits where organization values their contributions and cares about their well-being' (Aselage & Eisenberger, 2003). Past research believed that perceived organizational support would increase employee's obligation to help the organization to reach the objectives, and their expectation that improved performance would be rewarded. Employees are seen to act with the norm of reciprocity, trading and dedication their effort to the organization for perceived organizational support and its promises of future benefits. Employees with high levels of perceived organizational support judge their jobs more favourably such as increased job satisfaction and are more engage in their organization by increase their commitment and reduced intention to quit.

In this research, it is suggested that perceived organizational support is also likely to be negatively to intentions to quit. It means that, when employees feel fairly treated, they are likely to be motivated, while if they feel unfairly, the sense of dissatisfaction and demotivation are high and it caused the feeling to leave the organization. This is related with the sense of fairness of equity theory.

According to organisational support theory, when an employees are perceived organizational support from the organization, they may increase their positive attitudes and behaviours towards the organizations (Eisenberger, et. al., 1986). Researcher believes that if there is high level of perceived organizational theory, it will reduce the feelings of leaving the organizations (Eisenberger, et.al., 1990). It showed that perceived organizational support will encourage as strong feeling for the employees to stay longer with the organizations. When employees with low perceived organizational support, they will actively seeking for the alternatives job and desire to leave the organizations is high. Employees believe that the organizations do not value their contribution and it may low their job performance. On the other hand, when an employees who feel that the organization is care for them, their motivation in staying with the organization is high.

In the study by Newman, Thanacoody and Wendy (2012), showed that relationship between organizational and intentions was established. The findings viewed that resources provided by the organization, may lead to employee's intention of stay.

#### **CHAPTER 3**

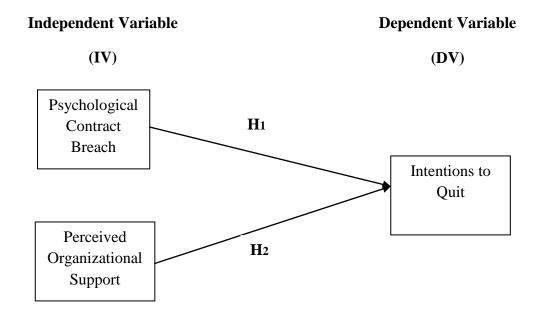
#### METHODOLOGY

#### 3.1 Introduction

This chapter contains the following sections relating to methodology with the research framework and hypotheses development, research design, measurement and instruments, data collection and administration, data analysis techniques and chapter summary.

# **3.2** Theoretical Framework

Framework of the study in shown as below;



**Figure 3.1: Theoretical Framework** 

The dependent variable for this study is intention to quit. The independent variables are psychological contract breach and intention to quit.

The relationship between psychological contract breach and intention to quit will be represented with  $H_{1}$ .

 $H_2$  in this study is representing the relationship between perceived organizational support and intentions to quit.

#### **3.3** Hypotheses Development

The proposed hypotheses of this study are as follows:

- H<sub>1</sub> There is a relationship between psychological contract breach and intentions to quit among
- H<sub>2</sub> There is a relationship between perceived organizational support and intentions to quit

#### 3.4 Research Design

Research design is a specific outline or plan on how the research had been investigated. Basically, research design will include how the data will be collected, the types of instruments that will be used and how the process of analyzing the data collected. In the other words, research design is important to obtain the evidence in ensuring the research questions are able to be answered as clearly as possible. Here, a descriptive research is being used because a structured, specified and the characteristics of research questions can be measured accordingly.

Researcher distributed out a set of questionnaire to the organization through their Head of Department and a cross-sectional study is used. This research will use the cross-sectional study. It is a particular research design and the used of questionnaire is referring to the data collection form that is used to ask questions of research participants. All the questions are relevant and understandable to the purpose of the research. The respondent may refuse to participate in the conversation and answer to a particular question. But there is an agreement between researcher and participants that the data remain privacy. To that extend, respondent has the responsibility to answer questions truthfully.

In this research study, a subset of population is selected, and from these individuals the data are collected to help answer research questions of interest. A cross-sectional study was used because the information is gathered represents what is going on at only one point in time. In a cross-sectional study, researcher might be determined whether there is a relationship between psychological contract breach and employee's intentions to quit because researcher believed that employees who faced with psychological contract breach might affect their intentions to quit from their work.

#### 3.4.1 Types of Study

This research study was designed to identify the relationships among the psychological contract breach and perceived organizational support towards intention to quit. This is a correlation study because it involves the relationship between psychological contract breach, intentions to quit and perceived organizational support. There are possible results either negative or positive correlation or no correlation between the variables (Cherry, 2012).

In gathering information pertaining to the research questions, a questionnaire was used as the main instrument for data collection from the respondents. It is a common methods used in the psychological research. The advantage of using questionnaire, it is relatively low in cost. Besides, it is fast and easy way where researcher can collect an amount of data in a short time. The questionnaire forms were either sent personally to the respondents or sent it through the Head of Department.

#### 3.4.2 Unit of Analysis

Unit of analysis for this study is individual. This study will be conducted within the employees from Sapura Secured Technologies. All employees may be more sensitive to psychological breach than in less stable organizational settings.

# 3.4.3 Population

The population of this study are 400 executive and technical staff at Sapura Secured Technologies. They consist of permanent and contract basis employees. Participants represented a variety of job types at a different department. They are Manager of Department, Assistant Manager, Associate Executive, Senior Executive, Engineer, Technical Executive, Senior Technician and Technician.

#### 3.4.4 Sampling Techniques

Sampling method that has been used in this research is probability. Simple random sampling is selected randomly some units from unknown and well define population. In this method, the sampling frame should be known and all units should have same chance for being selected (Osooli, 2000). The population to be studied is too large that it is almost impossible to reach all of the employees. Simple random sampling make possible of the study because sampling only in small portion of the population involved in the research. Researcher includes employees from Network Centric Operations (NCO), Simulation Team (SIM), Network Facilities and Services (NFS), Contract and Cost Procurement (CCP), and Information Communication (INFOCOMM) department only in the company to be part of the sample because they have the experience directly or indirectly with psychological contract with their employer. Researcher also includes employees on both permanent and contract positions. However, data will be collected to the employees who serve not less than one year in the company. It will ensure that the employees have experience and understanding about the psychological contract breach.

All participants were told that the purpose in conducting this research is to have a better understanding on the relationship between employee and their organization. The participants were told that all their answers would be kept confidential and not affect their employment with their organization in any way. The final sample consisted of 200 employees who worked at various positions in the department. These employees comprised 71 percent employees who received questionnaires and returned them completed during working hours. In encouraging employees, researcher gave employees verbal assurances that their data would not be reported to the organization.

Questionnaire form were distributed and collected by the researchers in sealed envelopes. Besides, researcher also emails a set of questionnaire to employees who are not available during the distribution of the questionnaire. Researchers found the extraordinarily high return rate in this and to the favourable long-term professional relationship between the researcher and the employees. When employees believe their identities would be kept as confidential, they were willing to give an accurate data in accessing the information towards to organization. The number of employees that will be participated will be shown in the table 3.1

Department	No. Employees	Percentage (%)
ССР	44	10.45
NCO	36	8.95
INFOCOMM	55	13.08
SIM	83	19.7
NFS	202	48
Total	420	100

Table 3.1:Population of employee

Procedure involving the use of small number of items or portion of a population to make a conclusion relating to the whole population is defined as sampling (Zikmund, Babin, Carr, & Griffin, 2010). Sample size of population is determine by Krejcie and Morgan (1970) table, that helps researcher to determine almost 95 percent certainty what the results would have been if the entire population had been surveyed. Therefore, for this study the minimum number of sample size are 200 were considered as accepted. Based on Roscoe (1975), propose the rules of thumb for determining sample size is larger than 30 and less than 500 are appropriate for most research.

A total number of 200 questionnaires are distributed to the selected company. It took almost 2 weeks to get back the set of questionnaire from each department. All together, the totals of 142 questionnaires were returned. The percentage of return rate was 71 percent, it can be shown as below table 3.2.

#### **Table 3.2:**

#### **Return Rate of Questionnaires Returned**

Department	Sent	Returned	Return Rate
			(%)
ССР	20	15	75
NCO	17	17	100
INFOCOMM	26	26	100
SIM	40	26	65

Department	Sent	Returned	Return Rate
			(%)
NFS	97	58	59.8
Total	200	142	71

# 3.5 **Operational Definition**

The following definitions are used in this research:

#### 3.5.1 Psychological Contract Breach

There are vary definitions from the scholar but there is some general agreement concerning the nature of the psychological contact breach.

Psychological contract breach is operationalized and it happened when employee's perception towards the employer has failed to fulfil the promised obligations such as salary increment, promotions, job security, training and career development (Robinson, 1996). It is breach of contract either the employees do not get what they have been promised or having less than what was promised by the organization. In a simple word, psychological contract breach has a straightforward negative relationship with the outcomes.

#### 3.5.2 Intentions to Quit

Intention to quit can be defined as the degree to which an employee is planning to quit or discontinue their relationship with their employer (Sandeep, & Mandari, 2010). Employee who is thinking about quitting their job may reveal undesirable behaviour and it will affect the organization. Indirectly, this employee can cause damage in term of poor quality of work and affect other employee's morale.

#### 3.5.3 Perceived Organizational Support

Perceived organizational support can be defined as employee's perception towards the how the organization values their contribution and care about their well-being (Eisenberger, et. al., 1986). In the other word, it is how much the organization understands and value their employee's contribution and take a special condition about them.

#### **3.6** Measurement and Instruments

Researcher used a descriptive research for this study. It was a cross-sectional survey design where data were collected at one time. The researcher used a survey questionnaire method for collecting data.

#### 3.6.1 The Questionnaire Design

The questionnaire in this research is divided into four (4) sections. All questions were close-ended. The respondents were required to tick a suitable answer for each question. All sections in the questionnaire were conducted in English.

Sections A of the questionnaire were questions regarding to the demographical background of the respondents. The questions were asked

about age, grade, level of education, length of service, current position and how many times they quit of their job in last 5 years.

Meanwhile, Section B, C, and D of the questionnaire are part of the instruments that were aimed to test the variables constructed. The items in these sections were taken from the journals published in English. Section B was intended to measure the psychological contract breach (independent variable). The instrument is created by Robinson and Morrison, 2000. A likert-scale is anchored by (1) Strongly Disagree and (5) Strongly Agree to indicate agreement with each item.

Section C on intentions to quit that being assessed with 4-items measure developed by Becker, 1992. There are using Likert-type scale and were anchored from (1) Strongly Disagree to (5) Strongly Agree.

Last Section is Section D that measure perceived organization support that was developed by Eisenberg, 1986. It was assessed with 5-items and used Likert-type scale, anchored by (1) Strongly Disagree and (5) Strongly Agree to indicate agreement with each item.

# **Table 3.3:**

## Distribution of variables

Variables	Total no. of items	Scales	Sources
Psychological Contract Breach	4	Likert Scale 1-5, which rank from 1 (strongly disagree) to 5 (strongly agree)	Robinson and Morrison, 2000
Perceived Organizational Support	7	Likert Scale 1-5, which rank from 1 (strongly disagree) to 5 (strongly agree)	Eisenberger, 1986
Intentions to Quit	4	Likert Scale 1-5, which rank from 1 (strongly disagree) to 5 (strongly agree)	Becker, 1992

# 3.7 Pilot Study

Pilot test was conducted for the study to confirm on the reliability consistency and stability of the research process. This research was conducted a pilot study with 20 selected employees from the various position at Administration Office, College of Business, Universiti Utara Malaysia. According to Zikmund (2003), pilot study

will serve as a guide and it collected data from the definitive subjects of the research project in a small scale sampling technique without exact standard.

The reliability of the instruments is done through Cronbach's Alpha Coefficient test. Usually, the suitable croanbach alpha is 0.6 to test the reliability.

The reliability test of the instruments used is summarize in the table 3.6

#### **Table 3.4: Pilot Study Reliability Test**

The Cronbach Alpha for pilot test (n = 20)

Variables	No. of Items	Cronbach's Alpha
Psychological contract breach	4	0.58
Intentions to quit	4	0.97
Perceived organizational support	7	0.85

# 3.8 Data Collection and Administration

The data was collected using a structured questionnaire, which consists of 16 items. Most of the questionnaires were sent to the administrator of each department together with official covering letter. The questionnaires were send on 14<sup>th</sup> February 2013 and returned back on 25<sup>th</sup> February 2013. Appendix A presents a copy of the said letter. There are some questionnaires for the respondents were sent by e-mail especially to the respondents who are working on-site. The questionnaire was being emailed to the respondents on 25<sup>th</sup> February and they sent back on the same date.

The covering letter of the questionnaire also stated the purpose of the study. It will help to inform the respondents that their contribution towards the research is needed and would be kept confident.

The respondents were been given almost ten days to complete the questionnaires. Researcher has to follow-ups by telephone calls in ensuring the progress of the survey and number of responses. After about ten days, the representative sent the questionnaire by post. Table 3.5 showed the date the questionnaires were sent out and returned from each department.

Table 3.5	
Date of questionnaires sent and returned	

Department	Date Sent	Date Returned
ССР	14 <sup>th</sup> February 2013	25 <sup>th</sup> February 2013
NCO	14 <sup>th</sup> February 2013	25 <sup>th</sup> February 2013
INFOCOMM	14 <sup>th</sup> February 2013	25 <sup>th</sup> February 2013
SIM	14 <sup>th</sup> February 2013	25 <sup>th</sup> February 2013
NFS	14 <sup>th</sup> February 2013	25 <sup>th</sup> February 2013

# 3.9 Reliability test

A coefficient alpha ranges from 0 - 1. Usually, the range of 0.7 is considered as a minimum. Table below is a rules-of-thumb about Cronbach-Alpha Coefficient size (Hair, Black, Babin, Anderson, & Tatharn, 2010).

Alpha Coefficient Range	Strength of Association
< 0.6	Poor
0.6  to < 0.7	Moderate
0.7 to < 0.8	Good
0.8 to < 0.9	Very Good
≥ 0.9	Excellent

Table 3.6: *Coefficient Alpha* (α) Scales

Based on the analysis performed on the data collected during the main study, the Cronbach's Alpha outputs of the tests and presented in Table 3.7

# Table 3.7

#### Cronbach's Alpha for main study (n = 142)

No.	Elements	Cronbach's Alpha pilot study	Cronbach's Alpha main study	No. of items
1.	Psychological Contract Breach	0.581	0.658	4
2.	Intentions to Quit	0.969	0.931	4

No.	Elements	Cronbach's Alpha pilot study	Cronbach's Alpha main study	No. of items
3.	Perceived Organizational Support	0.847	0.927	7
	TOTAL			15

#### 3.10 Normality

Normality test is a degree that is used to determine the distribution of the sample data corresponds to a normal distribution (Hair. et. al., 2010). In normality, the main interests are tests of normality table and Normal Q-Q plots. In this study it was shown that independent and dependent variables normally distributed. The outputs of the tests done are shown in Appendix E.

#### 3.11 Techniques of Data Analysis

Data were analyzed by using Statistical Package for Social Science (SPSS) version 20. Descriptive analysis and correlational statistics are being used in order to test the hypotheses and objective of the research.

#### **3.11.1 Descriptive Statistics**

Descriptive statistics such as frequency, mean and standard deviations were used to describe the characteristics of respondent. It was applied to describe the sample based on demographic information such as age, gender, level of education, length of service, position and total times they have quit from their job in the last five years.

#### **3.11.2 Correlational Statistics**

In order to achieve the objectives, a correlational statistics that have been used were Cronbach'a Alpha, Pearson correlation analysis and multiple regression. Prior to the study, the level of significant should be less than 0.05.

First, the data analysis should be tested with a reliability test through Cronbach's Alpha which will be the indicating tool to check for the consistency.

Next, Pearson Correlation Analysis was used to examine the relationship between independent variables and dependent variable. The value of the correlation coefficient value will indicate the strength of relationship between two variables. The interpretation of the strength of correlation as shown in table 3.8.

#### Table 3.8

# Interpretation of Strength of Correlation

No.	Correlation value, r	Strength of relationship
1.	$\pm$ 0.70 or higher	Very high
2.	$\pm 0.50$ to $\pm 0.69$	High
3.	$\pm 0.30$ to $\pm 0.49$	Moderate
4.	$\pm 0.10$ to $\pm 0.29$	Low

No.	Correlation value, r	Strength of relationship
5.	$\pm 0.01$ to $\pm 0.09$	Very low
6.	0.0	No relationship

Multiple regressions measure the combined relation between a dependent and a series of independent variables (Ray & Mondal, 2004). Besides, it can also explain the correlation between the observed values of the dependent variable and its estimated values from the independent variable value. Here it will be used in order to determine the relationship between psychological contract breach and perceived organizational support towards intentions to quit.

# 3.12 Summary Test of Hypotheses Test

#### Table 3.9

Statistical Analysis

	Hypotheses	Test
$H_1$	There is a relationship between psychological	Multiple
	contract breach and intentions to quit	Regression
H <sub>2</sub>	There is a relationship between perceived	Multiple
	organizational support and intentions to quit	Regression

#### 3.13 Conclusion

This chapter has explained the overall research design in order to get the clear understanding on the overall picture of how the research is conducted. It started from how data is collected, the framework and important part of population being studied as well as test that being using in order to get the understanding about the correlation research approach.

Besides, the pilot study helps in order to identify the effectiveness of the questionnaires and reliability of the data used for this study. Next chapter will be discussed about the findings of the data collection and further explanation.

#### **CHAPTER 4**

#### **RESULTS AND FINDINGS**

#### 4.1 Introduction

This chapter presents the analysis of response obtained from the survey questionnaires distributed to the respondents. The findings of the analyses will also be covered in this chapter. All data are analyzed using Statistical Package for the Social Sciences (SPSS) version 20 for Windows to perform the statistical analysis.

# 4.2 Descriptive Statistics of Demographic Factor of the Respondents

The total number of respondents selected were 200 and only 142 questionnaires were returned. This made up the return rate to be 71 percent.

# 4.2.1 Age

Out of 142 respondents, the highest frequency from the respondents age group between 25 - 34 years old. They represented 54.2 percent or 77 respondents. Then, respondents who are age group below 24 represented 14.1 percent or 20 respondents, followed by the age group 35 - 44 which are 26.8 percent or 38 respondents. Lastly respondents from age group 45 - 54 represented 4.9 percent or 7 respondents. Table 4.2 showed the breakdown of the respondents categorized by the age.

# Table 4.1

# Frequency distribution by age group

Group	Frequency	Percent (%)
Below 24	20	14.1
25 - 34	77	54.2
35 - 44	38	26.8
45 – 54	7	4.9
Total	142	100

# 4.2.2 Gender

The questionnaires were distributed to the respondents almost equally. 53.5 percent or 76 respondents are female, while 46.5 percent or 66 respondents are male.

# Table 4.2

# Frequency distribution by gender

Group	Frequency	Percent (%)
Female	76	53.5
Male	66	46.5
Total	142	100

#### 4.2.3 Level of Education

There were 44.4 percent (n= 63) with diploma holder, 41.5 percent (n= 59) with degree holder. Besides, 4.2 percent (n = 6) represented Masters, for respondents who got certificate were 1.4 percent or 2 respondents. Lastly, there were 8.5 percent (n=12) with Sijil Pelajaran Malaysia (SPM).

#### Table 4.3

#### Frequency distribution by level of education

Group	Frequency	Percent (%)
Certificate	2	1.4
SPM	12	8.5
Diploma	63	44.4
Degree	59	41.5
Masters	6	4.2
Total	142	100

#### 4.2.4 Length of Service

In respondent's length of service the highest frequency was respondents who had been in their service between 1 - 5 years. They represented 57 percent or 81 respondents. Then, it followed with 6 - 10 years service which was 23.3 percent or 33 respondents. Then, it was 10.6 percent or 15 respondents that

only less than a year service. Lastly, only 9.2 percent or 13 respondents who were determine in the service for 11 years and above.

# Table 4.4

Group	Frequency	Percent (%)
Less than a year	15	10.6
1-5 years	81	57.0
6 – 10 years	33	23.3
11 years above	13	9.2
Total	142	100

# Frequency distribution by length of service

#### 4.2.5 Current Position

The question also asked about the current position of respondents either they are from executive or technical staff. The questionnaires were equally distributed by the highest is technical was 52.8 percent or 75 respondents, while, respondents from executive was 47.2 percent or 67 respondents. (Refer to table 4.5 in the next page)

# Table 4.5

Group	Frequency	Percent (%)
Executive	67	47.2
Technical	75	52.8
Total	142	100

# Frequency distribution by current position

# 4.2.6 Quitting from Job in the Last 5 years

Respondents were also asked how many times they have been quit from job within 5 years. Here, researcher found out that, 52.1 percent or 74 respondents never quit form their job in the last 5 years. Then, 46.5 percent or 66 respondents have quit from their job 1 - 3 times in the last 5 years. Lastly, only 1.4 percent or 2 respondents have quit from their job in last 5 years for 3 - 5 times.

# Table 4.6

Group	Frequency	Percent (%)
1-3 times	66	46.5
3 -5 times	2	1.4
Never	74	52.1
Total	142	100

# Frequency distribution by quitting from job in the last 5 years

# 4.3 Goodness of Measure

# 4.3.1 Reliability Test

The reliability test measured the inter item consistency using Cronbach's Alpha values (Sekaran and Bougie, 2009). Table 4.7 shows the Cronbach's Alpha values of each variable.

## Table 4.7

# Reliability value (n = 142)

Elements	No. of Items	Items dropped	Cronbach's Alpha
Psychological contract breach	4	-	0.658
Intentions to quit	4		0.931
Perceived organizational support	7	-	0.927

Table 4.7 shows the results for the reliability measurement. The alpha value for psychological contract breach is 0.658 which is "moderate". It is means that the all questions can be combined to measure the psychological contract breach. Whereas, the alpha value for intention to quit is 0.931, it is considered as "very good" and all four questions can be used to measure intentions to quit. For the perceived organizational support, the alpha value of perceived organizational support is 0.927 and it is considered "very good". The overall seven questions can be used to define perceived organizational support towards the intentions to quit. As for whole, the alpha value for dependent and independent variables are good and the items in the instrument can be combined together. Therefore, all the reliability alphas for variables are considered good in this study.

#### 4.4 Descriptive Analysis

Descriptive analysis using mean and standard deviation for the independent and dependent variables were shown in Table 4.8.

#### Table 4.8

#### Descriptive analysis for major variables (n = 142)

No.	Variables	Mean (M)	Standard Deviation (SD)	Min.	Max.
1.	Psychological contract breach	10.3838	2.98900	4.00	15.50
2.	Intentions to quit	10.8662	3.45304	3.25	16.25
3.	Perceived organizational support	20.4467	5.51336	6.29	30.71

#### 4.5 Testing the Hypotheses

A Pearson's Correlation and Multiple Regression tests were used in this research in order to determine the relationship between psychological contract breach and intentions to quit. Besides, Multiple Regression test will also be tested the relationship between perceived organizational support and intentions to quit. The outputs of correlations are shown in table below.

## 4.5.1 Hypotheses 1: There is a relationship between psychological contract breach and intentions to quit

### Table 4.9Results of Correlation Analysis (n=142)

Variables	ITQ	РСВ
ITQ	1	.580
PCB	.580	1

#### **Table 4.10**

Multiple Regressions Analysis (n = 142)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta	-	
1	(Constant)	4.909	.745		6.590	.000
	PCB	.651	.077	.580	8.433	.000

Dependent variable: ITQ

F value = 71.123

 $R^2 = 0.337$ 

Adjusted  $R^2 = 0.332$ 

\*p < 0.05, p < 0.00

Pearson Correlation was used to examine the relationship between the variables. As a preliminary test, the Pearson's Correlation indicate that there was significant and high positive relationship between the independent and dependent variables where r = 0.580 and statistical significant is p < 0.00. The Multiple regression analysis showed that there was a high positive significant relationship between psychological contract breach and intentions to quit as  $\beta = 0.651$ . Based on this model, the R square is 0.337 which means that 33.7 percent of intentions to quit will be explained with psychological contract breach.

According to this finding, it will be concluded that when psychological contract breach is high, intentions to quit among the employees is high.

Therefore, hypotheses  $H_1$  was accepted. There is a positive relationship between psychological contract breach and intentions to quit.

# **4.5.2** Hypotheses 2: There is a relationship between perceived organizational support and intentions to quit

Table 4.11Results of Correlation Analysis (n=142)

Variables	ITQ	РСВ
ITQ	1	563
PCB	563	1

The table 4.11 explains the coefficients that there is a negative, significant corelations ( $\beta$ =-0.563, *p*=0.00) between perceived organizational support and intentions to quit. Based on this result, perceived organizational support has a significant negative relationship with intentions to quit.

#### **Table 4.12**

Model		Unstandardized Coefficients		Standardized Coefficients	t Sig.	
		В	Std. Error	Beta		
1	(Constant)	18.151	.935		19.406	.000
	POS	357	.044	563	-8.059	.000
De	pendent variab	le: ITQ				
F٧	alue = 64.950					
$\mathbf{R}^2$	= 0.317					
Ac	ljusted $R^2 = 0.3$	12				
*p	< 0.05, p < 0.0	0				

Multiple Regressions Analysis (n = 142)

Therefore, based on this model the table indicates that R square value is 0.317. The value of R square implies that the perceived organizational support of intentions to quit explained about 31.7 percent of the variance accounted by intentions to quit. This value indicates that perceived organizational support explained intentions to quit by 31.7 percent and the remaining 68.3 percent were contributed by other factors that are not included in this study. Based on this finding, it showed that when perceived organization support is high, intentions to quit is low among the employees.

Therefore,  $H_2$  was accepted. There is a relationship between perceived organizational support and intentions to quit.

#### 4.6 Summary of Results of the Tests

**Table 4.13** 

Table 4.13 shows the results of the hypotheses.

The su	mmary of hypotheses results
	Hypotheses

	Hypotheses	Results
H <sub>1</sub>	There is a relationship between	Accepted H <sub>1</sub>
	psychological contract breach and	
	intentions to quit among	
H <sub>2</sub>	There is a relationship between	Accepted H <sub>2</sub>
	perceived organizational support and	
	intentions to quit	

#### 4.7 Conclusion

As conclusion, this chapter presented and discussed the findings and discussion of the study. All the tests were conducted by using SPSS version 20.0 and the results were analyze by specific methods such as Pearson correlation and multiple regressions. The next chapter will discuss the results, conclusion and recommendation of the study.

#### **CHAPTER 5**

#### CONCLUSION AND RECOMMENDATIONS

#### 5.1 Introduction

This chapter will be discussed on the findings of the study and its implications towards it. All the discussion will be answered the research questions and research objectives. Furthermore, there are some recommendations will be given by the researcher for the purpose of future research.

#### 5.2 **Recapitulation of Results**

Based on the finding result from previous chapter, it can be concluded that psychological contract breach was significantly correlated to intentions to quit. The finding on relationship perceived organizational support is significantly related to and intentions to quit.

#### 5.3 Research Objectives

#### 5.3.1 Research Objective 1

To examine the relationship between psychological contract breach and intentions to quit

Based on the output of the findings done on relationship between psychological contract breach and intentions to quit, it showed that the value of  $\beta = 0.580$  which indicate the existence of high positive relationship. So that, hypothesis 1 is accepted because there is a significant positive relationship between psychological contract breach and intentions to quit. The positive relationship means that, when psychological contract breach is high, there was a high level on intentions to quit.

According to Suazo, (2009), psychological contract breach happened when organization is failed to fulfil one or more promises made to the employees. The study from Suazo (2009), showed that there is positive relationship between psychological contract breach and intentions to quit ( $\beta$ =0.35, p=<0.001). When psychological contract breach is high, intentions to quit also increase. It is supported study by Robinson (1994), concluded that psychological contract breach was negatively related to trust, job satisfaction, and intentions to remain and was positively related with turnover intentions.

#### 5.3.2 Research Objective 2

### To examine the relationship between perceived organizational support and intentions to quit

The finding showed that R square is 0.337 which mean that 33.7 percent of intention to quit is predicted by perceived organizational support. It also indicated that there is negative significant relationship between perceived organizational support and intentions to quit ( $\beta$ =-0.563, p<0.05).

A study by Manzoor and Naeem (2011), within telecom sector in Pakistan showed that the regression results of the relationship among perceived organizational support and intentions to quit was negative significant (B = -0.15, p = < 0.01).

There is a supported study by Coyle-Shapiro and Conway (2005) with public employees located in the southeast England showed that there is negative relationship between perceived organizational support and intentions to quit ( $\beta$ =-0.23, p=0.01).

The finding shows that when organization supports the socialization within the employees, it can reduce intentions to quit among them. Researcher believes that this finding will help the manager especially Human Resource department to design an affective program so that they will not lose of their talents. It was proved that when employees perceived organizational support, it will increase their loyalty with the organization.

A program must be designed in order to fulfil the expectations of their employees. Thus, employee's intentions to quit and perceived organizational support can have a great effect on the organization productivity. Here, the finding concluded that there is a significant relationship between perceived organizational support and intentions to quit. Researcher believed that organization needs to provide sufficient support especially in Human Resource Management practices, and create an encouraging working environment in order to retain their employees.

#### 5.4 Implications and Improvement Recommendations

This study is given some implications especially for the academicians because the result of this study has contributed some knowledge for extra understanding. Furthermore, it also gives some information for scholars to conduct another researcher for next study. It gives the implication for the practitioners and managers in order to help them for better understanding about the employee's intentions to quit from their work. By enhancing the knowledge in psychological contract and considering the organizational support and development, a practitioners especially Human Resource Manager could play an important roles in improving the employee-employer relationship. With the intention, it will increase the employee's job satisfaction and decrease the turnover or intention to leave the organization.

The study has also contribute in giving suggestions for the improvements on the study as well as ideas to conduct other related study which will could contribute to the knowledge and practitioners in the future. A research on demographic factor can be discussed in future to get the information on it.

#### 5.5 Future Research

For future research, researcher suggest that to test other mediating factor such as job satisfaction or organization commitment in order to understand on the relationship between psychological contract breach and intentions to quit. It will enhance the knowledge for employees and managers to understand of the relationship.

69

Secondly, a longitudinal research on psychological contract breach is highly recommended for the future research. It will allow the researcher to look at the changes and issues over time. Furthermore, it will help researcher to determine the better effect on the relationship between psychological contract breach and intentions to quit. A qualitative research is advisable in order to get the results from the others side of view.

Lastly, there are still many factors affected by psychological contract breach that are not taken into account in this research. Researcher suggests that, future research will be conducted from a case study to the larger population. It will help the researcher to make their findings more generalisable and widely used.

#### 5.6 Conclusion

All of the research questions had been discussed in this chapter by presented a relationship towards the psychological contract breach and intentions to quit and the information towards it. Besides, the discussion on the relationship between perceived organizational support and intentions to quit has been presented.

In conclusion, the findings from this research can be used to help the organizations understand the impact of human resource practices. This research can creates the upbringing for future research within the academicians or organizations

#### REFERENCES

- Ajzen, I. (1991). The theory of planned behaviour. Organizational behaviour and human decision processes, 50, 179-211.
  doi: 10.1111/j.1559-1816.2012.00989.x
- Allen, N. J., and Meyer, J. P. (1996). Affective, continuance, and normative commitment to the organization: An examination of construct validity.
   *Journal of Vocational Behavior*, 79(3), 252-276. doi: 10.1006/jvbe.1996.0043
- Allen, N., and Meyer, J. (1990). The measurement and antecedents of affective, continuance and normative commitment to the organization. *Journal of Occupational Psychological*, 63(1), 1-8. Retrieved from http://ehis.ebscohost.com.eserv.uum.edu.my
- Aselage, J. and Eisenberger, R. (2003). Perceived organizational support and psychological contracts: a theoretical integration, *Journal of organizational behaviour*, vol.24(5), 491-509. doi: 10.1002/job.211
- Atkinson, C. (2002). Career management and the changing psychological contract. *Career Development International*, 7(1), 14 – 23. doi: 10.1108/13620430210414838
- Atkinson, C. and Cuthbert, P. (2006). Does one size fir all? A study of the psychological contract in the UK working population. *International Journal* of Manpower, 27(7), 647 – 665. doi: 10.1108/01437720610708266

Baek-Kyoo, J. and Park. S., (2010). Career satisfaction, organizational commitment, and turnover intention: The effects of goal orientation, organizational learning culture and developmental feedback, *Leadership & Organization Development Journal*, 31(6), 482 – 500.
doi: 10.1108/01437731011069999

Bal, P.M, Chiaburu, D.S and Jansen, P.G.W. (2010). Psychological contract breach

and work performance: is social exchange a buffer or an intensifier?, *Journal of Managerial Psychology*, 25(3), 252-273. doi:10.1108/02683941011023730

- Baron, R.M., and Kenny, D.A., (1986). The moderator-mediator variable distinction in social psychological research: conceptual, strategic, and statistical considerations. *Journal of Personality and Social Psychology*, 51(6),1173-1182. doi: 10.1037/0022-3514.51.6.1173
- Belllou, V. (2007). Psychological contract assessment after a major organizational change: the case of mergers and acquisitions. *Employee Relations*, 29(1), 68 88. doi:10.1108/01425450710714487
- Bowie, et. al. (2005). *Workplace violence: issues, trends, strategies*. USA: Willan Publishing
- Chan, Y.B., Sok, Y.S., Chee-Leong, L. and Syuhaily Osman.(2010). An exploratory study on turnover intention among private sector employees. *International Journal of Business & Management*, 5(8), 57-64. Retrieved from http://ehis.ebscohost.com.eserv.uum.edu.my
- Chen, Z. X., Tsui, A.S. and Zhong, L. (2008). Reactions to psychological contract breach: a dual perspective. *Journal of Organizational Behaviour*, 29, 527 – 548. doi:10.1002/job.481
- Cherry, K., (2012). Correlational studies: psychology research with correlational studies. Retrieved from *http://correlational.about.com.htm*
- Cherry, K., (2012). What is social exchange theory:. Retrieved from http://psychology.about.com/od/sindex/g/socialexchange.htm
- Cohen, A. (2011). Values and psychological contracts in their relationship to commitment in the workplace. *Career-Development International*, 16(7), 646 667. doi:10.1108/13620431111187272
- Colakoglu, U., Culha, O. and Atay, H. (2010). The effects of perceived organisational supports employees' affective outcomes: evidence from the hotel industry. *Tourism and Hospitality Management*, 16(2), 125-150

Coyle-Shapiro, J.A.M., and Conway, N. (2005). Exchange relationships: examining psychological contracts and perceived organizational support. *Journal of Applied Psychology*, 90(4), 774-781. doi: 10.1037/0021-9010.90.4.774

Cyril, Van de Ven (2007). The psychological contract: a big deal!. *Behavioural Sciences service centre*. The Hague: Ministry of Defence. Retrieved from ftp://ftp.rta.nato.int/PubFullText/

Eder, P and Eisenberger, R. (2008). Perceived organizational support:: reducing the negative influence of co-worker withdrawal behaviour. *Journal of management*, 34(1), 55-68. Retrieved from http://ehis.ebscohost.com.eserv.uum.edu.my

- Eisenberger, R., Huntington, R., Hutchison, S., and Sowa, D. (1986). Perceived organization support. *Journal of Applied Psychology*, 71, 500-507. Retrieved from http://eisenberger.psych.udel.edu
- Eisenberger, R., Fasolo, P., and Davis-LaMastro, V. (1990). Perceived organizational support and employee diligence, commitment, and innovation. *Journal of applied psychology*,75(1), 51-59. doi: 10.1037/0021-9010.75.1.51

Freese, C. and Schalk, R. (2011). How to measure the psychological contract? A critical criteria-based review of measures. *South Africa Journal of Psychology*, 38(2), 269-286. Retrieved from http://arno.uvt.nl/show.cgi?fid=93082

- Furnham, A. (2005). *The psychology of behaviour at work: the individual in the organization*. Hove: Psychology Press
- George, J. M., and Jones, G. R. (2005). *Understanding and managing organizational behavior*. Upper Saddle River, NJ: Pearson Education.
- George, C. (2009). The psychological contract: managing and developing professional groups. England: McGraw Hill
- Hair, J.F., Black, B., Babin, B., Anderson, R.E., and Tatharn, R.L., (2010).
   *Multivariate data analysis: a global perspective* (7<sup>th</sup> ed.).Pearson Prentice

Hall: New Jersey

- Haslam, S.A., (2004). *Psychology in organizations: the social identity approach* (2<sup>nd</sup>ed), London: Sage Publications
- Hofstede, G. And Mooij, M. (2010). The Hofstede model: applications to global branding and advertising strategy and research. *International Journal* of Advertising, 29(1), 85-110. doi:10.2501/S026504870920104X
- Jones, G. R. (1998). *Organizational theory: text and cases*(2<sup>nd</sup> ed.), Massachusetts: Addison-Wesley Publishing Company
- Kirkpatrick, L.A. and Feeney, B. C., (2011). A simple guide to SPSS for version 17.0. Australia: Wadsworth Cengage Learning
- Krejcie, R.V. and Morgan D.W., (1970). Determining samples size for research activities. *Educational and psychological measurement*, 30,607-610. Retrieved from <u>http://ehis.ebscohost.com.eserv.uum.edu.my</u>
- Lee, C., Liu, J. Rousseau, D.M., Hui, C., and Chen, Z.X. (2011). Inducements, contributions, and fulfilment in new employee psychological contracts. *Human Resource Management*, 50(2), 201-226. doi: 10.1002/hrm.20415
- Lo, S and Aryee, S. (2003). Psychological contract breach in a Chinese context: an integrative approach. *Journal of Management Studies*, 40(4), 1005 1019. doi:10.1111/1467-6486.00368.
- Ray, G.L. and Mondal, S. (2004), Research methods in social sciences and extension education, New Delhi: Kalyani Publisher
- Ryan, R. M. and Deci, E.L. (2003). Conceptual approaches to motivation at work. In Porter, L. W. (7<sup>th</sup> eds), Motivation and work behaviour (pp.46). New York: McGraw-Hill
- Malaysian Employers Federation. (2010), MEF surveys: employees to receive higher wage increment. *Press Release*, 1-2
- Malaysia Investment Development Authority (2012). Investment in Malaysia, Retrieved from <u>http://www.mida.gov.my/env3/</u>

Manzoor, M. and Naeem, H. (2011). Relationship of organization socialization with organizational commitment and turnover intention: moderating role of precived organizational support, *Interdisciplinary journal of contemporary research in business*, 3(8), 515-529

Matthewman, L., Rose, A., and Hetherington, A. (2009). *Work psychology*. New York: Oxford University Press.

McDonald, D.J. and Makin, P.J. (2000). The psychological contract, organisational commitment and job satisfaction of temporary staff, *Leadership and Organization Development Journal*, 21(2), 84 – 91.
doi: 10.1108/01437730010318174

McKenna, E. (2000). *Business psychology and organizational behaviour: A student's Handbook* (3<sup>rd</sup> ed.), Philadelphia: Psychology Press Ltd

Md. Hassan, J. (2011), Influence of psychological contract breach on organizational commitment. Synergy, 9(2),19-29. Retrieved from <u>http://ehis.ebscohost.com.eserv.uum.edu.my</u>

Meyer, J. P., Allen, N. J., and Smith, C. A. (1993). Commitment to organizations and occupations: Extension and test of a three-component conceptualization. *Journal of Applied Psychology*, 78(4), 538-551.
doi: 10.1037/0021-9010.78.4.538

Meyer, J.P., Stanley, D.J., Lynne Herscovitch, L., and Laryssa Topolnytsky, L.,
(2002). Affective, continuance, and normative commitment to the organization: a meta-analysis of antecedents, correlates, and consequences. *Journal of vocational behaviour*, 61(1), 20-52. doi: 10.1006/jvbe.2001.1842

- Michael, M.J., (2011). *Influence of Human Resource Practices on employee intention to quit*. Agricultural and extension education
- Mobley, W.H. (1977). Intermediate linkages in the relationship between job satisfaction and employee turnover. *Journal of Applied Psychology*, 62(2),

237-240. Retrieved from http://ehis.ebscohost.com.eserv.uum.edu.my

- Montes, S.D and Zweig, D. (2009). Do Promises Matter? An Exploration of the Role
  Of Promises in Psychological Contract Breach, *Journal of Applied Psychology*, 94(5,),1243-1260. Retrieved from
  http://ehis.ebscohost.com.eserv.uum.edu.my
- Montes, S. D. and Irving, P.G. (2005). Psychological contract breach: assessing underlying assumptions. *Academy of Management Best Conference paper*, p1-p6. doi:10.5465/AMBPP.2005.18780819.
- Morand, D.A., and Merriman, K.K.,(2012). Equality theory as a counterbalance to equity theory in human resource management, *Journal of Business Ethics*, 11, 133-144. doi: 10.1007/s10551-012-1435-y

Muahammad Farooq Hussain, Muahammad Farhan Younas, Numan Ahmed, Adil Humyaun, Rizwan-ul-haq, Fahim-u;-noor and Hassan Yameen. (2011).
Psychological contract breach and work place deviance: moderating role of relational contract. *Interdisciplinary Journal of Contemporary Research in Business*, 3(1), 574 – 583. Retrieved from

http://ehis.ebscohost.com.eserv.uum.edu.my

Newman, A., Rani Thanacoody and Hui, W. (2012). The effects of perceived organizational support, perceived supervisor support and intra-organizational network resources on turnover intentions: a study of Chinese employees in multinational enterprises. *Personnel review*, 41(1), 56-72.
doi: 10.1108/00483481211189947

Noblet A.J., Rodwell. and Allisey, A.F. (2009). Police stress: the role of the psychological contract and perceptions of fairness. *An International Journal of Police Strategies and Management*, *32*(2), 613-630.

doi:10.1108/13639510911000731

Nor Liza Abdullah, Noradamzah, Rasidah Arshad, Rosmah Mat Isa and Rohayu Abd

Ghani. (2011). Psychological contract and knowledge sharing among academicians: mediationg role of relational social capital. *International Business Research*, 4(4), 231 - 241. doi:10.5539/ibr.V4n4

- O'Donohue, W., Sheehan, C., Hecker, R. and Holland, P. (2007). The psychological contract of knowledge workers. *Journal of Knowledge Management*, 11(2), 73 82. doi: 10.1108/13673270710738924
- Parzefall, M.R. and Coyle-Shapiro, J.A.M. (2011). Making sense of psychological contract breach. *Journal of Managerial Psychology*, 26(1), 12-27. doi: 10.1108/02683941111099592
- Pate, J. Martin, G. and McGoldrick, J. (2003). The impact of psychological contract on emloyee attitudes and behaviour. *Employee Relations*, 25(6), 557 – 573. doi: 10.1108/01425450310501306
- Porter, L.W., Bigley, G.A., and Steers, R.M., (2003), *Motivation and work behaviour* (7<sup>th</sup> ed.). Boston: McGraw-Hill

Restubog, S.L.D., Bordia, P. and Tang, R.L. (2006). Effects of psychological contract breach on performance of IT employees: the mediating role of affective commitment. *Journal of Occupational and Organizational Psychology*, 79, 299-306.

doi:10.1348/096317905X53183

- Robinson, S.L. (1996). Trust and breach of the psychological contract. *Administrative Science Quarterly*, 41, 574-599. doi:0001-8392/9641040574
- Robinson, S. L., and Rousseau, D. M. (1994). Violating the psychological contract:
  Not the exception but the norm, *Journal of Organizational Behavior*, 15, 245-259. Retrieved from http://ehis.ebscohost.com.eserv.uum.edu.my
- Rousseau, D.M. (1998). The problem of the psychological contract considered. Journal of Organization Behaviour, 19, 665-667. Retrieved from

http://ehis.ebscohost.com.eserv.uum.edu.my

- Rousseau, D.M. (2004). Psychological contracts in the workplace: understanding the ties that motivate, *Academy of Management Executive*, 18(1), 120 127. doi: 10.5465/AME.2004.12689213.
- Ryan, R.M., and Deci, E.L. (2000). Intrinsic and extrinsic motivations: classic definitions and new directions, *Contemporary Educational Psychology*, 25, 54–67. doi:10.1006/ceps.1999.1020
- Sandeep, K.K. and Manjari, S. (2010). Outcomes of intentions to quit of Indian IT professional. *Human Resource Management*, 49(3), 421 – 437. Retrieved from www.interscience.wiley.com
- Saunders, M.N.K. and Thornhill, A. (2006). Forced employment contract change and the psychological contract. *Employee Relations*, 28(5), 449 – 467. doi:10.1108/01425450610683654
- Sekaran, U. And Bougie, R. (2010). *Research methods for business: a skill building approach* (5<sup>th</sup> ed.). United States of America: John Wiley & Sons
- Schalk, R. and Robert, E.R. (2007). Towards a dynamic model of the psychological contract. *Journal for the theory of social behaviour*, 37(2), 0021 8308
- Sonnenberg, M., Koene, B. and Paawe, J. (2011). Balancing HRM: the psychological contract of employees: a multi-level study. *Personnel Review*, 40(6), 664 – 683. doi:10.1108/00483481111169625
- Stoner, J.S., Coleman, V.G., and Stoner, C.R. (2011). The interactive effects of emotional family support and perceived supervisor loyalty on the psychological contract breach-turnover relationship. *Journal of Managerial Issues*, 23(2), 124 - 143
- Suazo, M.M. and Stone-Romero, E.F. (2011). Implications of psychological contract breach: a perceived organizational support perspective, *Journal of Managerial Psychology*, 26(5), 366-382. doi:10.1108/02683941111138994

- Suazo, M.M. (2009). The mediating role of psychological contract violation on the relations between psychological contract breach and work-related attitudes and behaviors, *Journal of Managerial Psychology*, 24(2), 136 – 160. doi: 10.1108/02683940910928856
- Summers, D. (Ed.). (2002). Longman dictionary of contemporary English: the complete guide to written and spoken English (New ed.). Britain: Longman Corpus Network.
- Teague, B. and Aiken, K.D. (2011). The relative effects of direct and indirect psychological contract breach. *Allied Academies International Conference*, 16(1), 41 - 43. Retrieved from http://ehis.ebscohost.com.eserv.uum.edu.my
- Turnley, W. H., Bolino, M. C., Lester, S. W., and Bloodgood, J. M. (2003). The impact of psychological contract fulfillment on the performance of in-role and organizational citizenship behaviours, *Journal of Management*, 29, 187-206.doi: 10.1177/014920630302900204
- Waung, M. (1995). The effects of self regulatory coping orientation on newcomer adjustment and job survival. Personnel Psychology, 48(3), 633-650.Retrieved from http://ehis.ebscohost.com.eserv.uum.edu.my
- Winter, R. and Jackson, B. (2006). State of the psychological contract: manager and employee perspectives within an Australian credit union. *Employee Relations*, 28(5), 421 – 434. doi:10.1108/01425450610683636
- Zhao, J and Chen, L. (2008). Individualism, collectivism, selected personality traits, and psychological contract in employment: a comparative study. *Management Research News*, 31(4), 289-304.
  doi:10.1108/01409170810851367
- Zikmund, W.G. (2000). *Business Research Method Sixth Edition*. United States America: Mike Roche