

Role of Work Motivation as Moderator between Breach of Psychological Contract and Workplace Deviant Behavior among Employees

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Abstract

The present study examined the effect of psychological contract breach on workplace deviant behavior with the help of social exchange theory. Furthermore, the current study also investigated the buffering effect of work motivation between the relationship of psychological contract breach and workplace deviant behavior. The current study was quantitative and cross-sectional survey was designed to collect data. Data was gathered using structured questionnaire. Stratified sampling method used to select sample and final sample comprised of 306 employees working in banks of Gujrat, Pakistan. Proposed model was analyzed by using reliability, correlation and hierarchal regressions with the help of IBM SPSS (20.0). Findings revealed a positive association between psychological contract breach and workplace deviant behavior. Moreover, results showed that work motivation significantly moderated the relationship of psychological contract breach and workplace deviant behavior.

Keywords: Breach of Psychological Contract, Workplace Deviant Behavior, Work Motivation, Bank Employees

Introduction

In today's rapid and competitive business world, organizations appreciate the directors, senior executives and managers for improving the organizational effectiveness. Organizational effectiveness is possible when there is a positive relationship among employees and ensuring that employees are not involved in negative behavior (Nurmaya, 2012). Employees with negative behavior can affect the organizational goals of achieving the

effectiveness and moreover, it can be risky for the wellbeing of shareholders (Pulich & Tourigny, 2004; Putney et al; 1992; Nurmaya, 2012). There are different kinds of negative behaviors that employees show at the workplace but deviant behavior has gained much attention from researchers and practitioners. Workplace deviant behavior is a kind of behavior in which employees deliberately violate the norms of the organization (Griffin & Lopez, 2005). There are two categories of workplace deviance interpersonal; that harm organizational employees itself while other type is organizational deviance; that harm organizational reputation and well-being. Many executives, administrators, and social scientists observed deviant behavior as cancer for too many of organizations and it is found in each level of employees that is alarming situation (Sims, 1992). Prevalence of deviant behavior like fraud, theft, aggression, stealing, absenteeism and cost of deviant behavior at workplace is a big challenge for organizations (Peterson, 2002). A study conducted by (Nasir & Bashir, 2012) reported that through the experience it has been observed that in Pakistan workplace deviance has been observed widely in Govt organizations regardless of autonomous or semi-autonomous both are badly affected. In early studies, it was concluded that 33% to 75% of employees are involved in negative behaviors including vandalism, sabotage, more absenteeism, and stealing (Harper, 1990). Since such behavior are associated with heavy cost that is sometimes unbearable for organizations. In United states, the organizations have to bear the loss up to \$200 billion annually just because of workplace deviance (Harris & Ogbonna, 2006). Similarly, Australian organizations have to bear cost of \$2.1 million for the fraud committed by employees. In order to prevent negative behavior from organization and whole society, it is become necessity to identify factors that contribute to such behavior (Peterson, 2002). There are several factors that provoke workplace deviant behavior among employees but most prominent factors is breach of psychological contract.

Psychological contract is a reciprocal relationship and unwritten contract between employer and employee in which one person gives his services and receives some benefits in return (Sebastian, 2015). It is said to be psychological contract breach when employees perceive that employer has not fulfilled promises made with employees (Conway & Bringer, 2005) and this perception provoke employees to take revenge and show negative reactions (Morrison & Robinson, 1997). Therefore, the employer must be proactive and should take initiatives to prevent such kind of harmful behaviors.

The agenda of present study is to extend the work of Ishaq & Shamsheer (2016) by filling gap as recommended for future research direction as well that is to test work motivation as moderator between the relationship of breach of psychological contract and workplace deviant behavior.

Literature Review

In this article, the association between psychological contract breach and workplace deviant behavior will be checked. Furthermore, the moderation effect of work motivation will be explored.

Psychological Contract Breach

In recent years, the word psychological contract has gained considerable importance as it based on the understanding of employees' behaviors in contemporary time (Coyle – Shapiro & Kessler, 2000). Psychological contract means a bonding between employer and employee in terms of unwritten expectations that both parties have from each other (Rousseau, 1994). Psychological contract is simply a reciprocal relationship in which one person provides his services and receives some benefits in return (Sebastian, 2015)

Psychological contract shows a relationship in which both employer and employee are bound to perform their duties and commitments at their end (Agarwal, 2014). Psychological contract breach is the name of employees' perception in which they feel the employer has failed to fulfil their one or more than one obligation and promises (Conway & Bringer, 2005). This concept straightforwardly based on a relationship where one party breaks and breaches the contract and the other party automatically exhibits negative behavior (Conway & Bringer, 2009).

In these unwritten expectations, the employees expect from employer that promises will be fulfilled made with employees in return of what they provide as services like hard work, loyalty, and commitment. Its employer duty to fulfil duties for employees that are at their end like opportunities for skill development, career growth, competitive compensation, healthcare benefits, among others (Coyle-Shapiro & Kessler, 2000).

Work Motivation

Motivation is taken from the word "motivate" (Green & Butkus, 1999), which means to take a step, having power and influence for getting and accomplishing the thing that is desired (Kamalian, Yaghoubi, & Moloudi, 2010). It is an accrual of diverse routes that handle and exhibits our activities to achieve some specific goal (Khan, Farooq, & Ullah, 2010). There is no generally accepted definition of work motivation and there are several reasons for explaining the term motivation in different ways. Work motivation is a set of energetic forces that begins with both internal and external factors that help an individual to start any work and determine its form, direction, intensity and the tenure of that work which he is going to start (Pinder, 1998).

There are two main factors that provoke an individual and push him towards some goal. Those motivating factors are known as intrinsic and extrinsic factors (Bakay & Huang, 2010). Motivation can be attained through two types of rewards intrinsic and extrinsic that is totally depends on the quality of performance an employee gives (Thakor & Joshi, 2005). Intrinsic motivation means feelings of involvement, taking supervisor's help for personal problems, exciting work, promotion or career growth, and receiving appreciation on performing a good job (Wong et al., 1999). Whereas extrinsic motivation includes most of the times the appreciation in the form of money other forms of extrinsic motivation are job security, handsome pay, discipline, and proper working conditions (Curtis et al., 2009).

Workplace Deviant Behavior

Workplace deviant means an intentional behavior of employees which they violate norms of organizations having the aim to harm the employees and organization (Omar et al., 2011). According to Robinson and Bennet's (1995) definition of workplace deviance, which has served as a comprehensive framework for numerous subsequent studies. The workplace deviance is divided into two broad categories: organizational and interpersonal deviance. Under this typology, organizational deviance includes acts such as sabotage or theft of a company's assets and behavior such as an unwillingness to work or to meet targets and deadlines. Whereas, interpersonal deviance includes instances such as blaming another coworker without reason, or physically or verbally abusing a colleague. According to (Appelbaum et al., 2005) due to workplace deviance organizations have to bear the massive loss. Stealing, scam, sabotage, absenteeism, spreading false information, aggressive behaviors are some of the examples of deviant behavior.

Such behaviors are the threat to the reputation of the organization (Bennett & Robinson, 2003). Moreover, if does not stop it will become an economic threat for the organization. E.g. more than one-third of all retail shrinkage was because of the employee's stealing as mentioned in the study conducted in 32 countries including Europe, Asia Pacific, and North America (Bamfield, 2007). Bullying is also a form of deviant behavior, due to this negative behavior of employees, Australian employers have to bear 6-13 billion Australian dollars per annum (Chappell & Martino, 2006). Deviant behavior in the United States is becoming the reason of organizational losses up to \$200 billion per year (Harris & Ogbonna, 2006).

Breach of Psychological Contract and Workplace Deviant Behavior

Breach of psychological contract is an observation of employees when they perceive the employer has failed to fulfil obligations. When this happens automatically react and try to take revenge by performing negative and harmful activities. (Bordia et al., 2008). Positive relationship association between psychological contract breach and deviant workplace behavior has been observed many times in early studies. Which shows reciprocal relationship provokes employees to show negative behaviors when they are cheated by employers. (Jensen, Opland, & Ryan, 2010).

In the past numerous studies have been conducted in Europe or North America, whereas only few have been conducted in the Middle East taking this relationship (Hussain, 2014). A couple of researchers (Alias, 2013; Glomb & Liao, 2003; Mitchell & Ambrose, 2007) have employed Social Exchange Theory to explain the term workplace deviant behavior with respect to a breach of the psychological contract. Emerson (Emerson, 1987) suggested that social exchange involves the relationship of two parties in a working environment; employer and employee and when anyone other party react negatively (Colquitt et al., 2006).

A study conducted in Pakistan and results revealed that when employees of any organization perceive that organization has not fulfilled the psychological contract, automatically employees' loyalty and commitment towards organization become low and employees show deviant behavior (Hussain, 2014). If employers' terms are not good with employees by means of keeping promises and obligations employees frequently exhibit diverse and unethical activities towards organizations (Bolino & Turnely, 2009; Kim et al., 2012). A study conducted by (Restubog et al., 2008) showed that if employers fulfills obligations and promise with employees tend to show less negative behaviors.

H1: There is a positive relationship between psychological contract breach and workplace deviant behavior

Work Motivation as Moderator

Motivated employees are considered an essential element for the success of any organization. When employees are motivated they will work for getting benefits from organizations. but on the other hand, it is quite a challenging task to motivate all employees with same reward. It might be motivation for an employee but for other it is not as important as it is for other (Schacter, 2011).

Two types of motivation factors have been discussed numerously in past studies named Intrinsic and Extrinsic rewards. Intrinsic reward or motivation factor truly deals with a person inner quality and satisfaction. If a person itself is intrinsically motivated aiming that

they have to complete this task they will fully concentrate on their work. another type is the extrinsic reward that may be provided by organizations in the form of promotion, security, bonuses and many more (Moynihan & Pandey, 2007).

Past studies extensively proved that employees with high motivation level are more loyal with organization and tend to show more optimistic behavior not only towards organization but employees as well organization (Colbert et al., 2004). Herzberg two-factor theory to support this moderation effect that explains has motivational factors increase the motivation level of employees and in response employees also exhibit positive behavior (Hulin, 1971).

H2: Work motivation weakens the relationship of breach of psychological contract breach and workplace deviant behavior towards the organization.

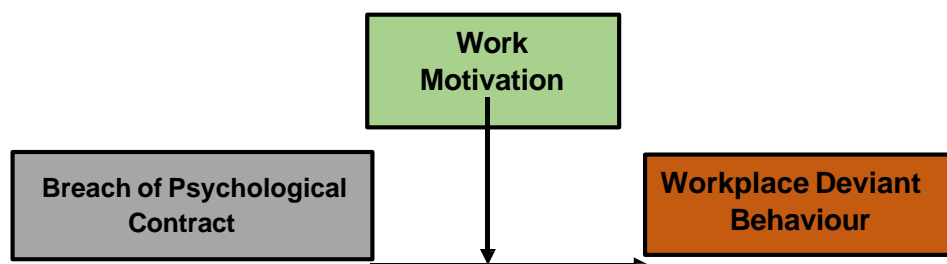


Fig. 1. Breach of Psychological Contract and Workplace Deviant Behavior: Moderating Role of Work Motivation

Research Methodology

For this study, deductive research has been used because hypothesis have been developed with the help of existing theory. Furthermore, current research is quantitative and data has been gathered by questionnaire using cross-sectional method. Employees, working in Gujrat banks, were the target population for this research. The population was

1300 and by using Yamane (1967) sampling formula ($n = \frac{N}{1+Ne}$) 306 sample is derived.

Questionnaire for current research has been adapted from different researchers.

Psychological contract breach 6 items (Rousseau, 1989; Robinson, 1996), Work motivation 18 items. (Eyupoglu & Saner, 2009) and workplace deviant behavior 10 items (Bennett & Robinson, 2000). Data gathered by using stratified sampling technique and for data analysis SPSS 20.0 was used.

Results

Table 1 shows the results of reliability test used to check whether items are reliable or not. Threshold value is $\geq .70$ SPSS software used for this analysis and results show that all variables reliability value is greater than .70 which means instruments are strongly reliable. Below mentioned Table 2 demonstrates the Pearson correlation.

Table 1

Reliability Test

Variable	N of Items	Cronbach's Alpha (≥ 0.7)
(PCB)	6	.880
(WM)	18	.901
(WDB)	10	.957
Whole Scale	34	.924

Table 2

Pearson Correlation (n=306)

	Mean	SDs	BPC	WM	WDB
BPC	20.26	7.23	1	-.456***** .000	.646** .000
WM	44.61	10.59	-	1	-.539** .000
WDB	35.92	9.98	-	-	1

Note: **correlation is significant at $P < 0.01$

BPC= Breach of psychological contract, WM= Work motivation, WDB= Workplace deviant behavior

The below mentioned Table 3 depicts hierarchical regression analysis of breach of psychological contract and workplace deviant behavior with motivation as moderator. There are four different models with different R Square values. Model 1 shows the impact of control variables on workplace deviance. Only education has a significant negative relationship with workplace deviance ($\beta = -0.531^{**}$; $p < .001$) with R square value of .015 which means the more person is educated less deviance will be shown by them and control variables has 15% contribution in this model. Similarly, in Model 2 when PCB added ($\beta = 1.649^{**}$; $p < .01$) R square value increased which shows this variable has 42.5% contribution in this model and positive β value shows 1% increase in psychological contract breach will increase workplace deviance with 1.64. In Model 3 when work motivation added with interaction ($\beta = 1.193^{*}$; $p < .01$) and R square value shows 49.8% contribution hold by this variable. In Model 4 when work motivation treated as interaction R square value surprisingly increased which depicts variables used in this model have 51.7% and there are rest of other variables that contribute to workplace deviance. ($\beta = -5.467$; $p < .01$) final model β value shows the negative relationship between PCB and WDB moreover 1% increase in work motivation will decrease workplace deviance up to 5.46.

Table 3

Hierarchical Regression

	Model 1	Model 2	Model 3	Model 4
Control Variables	2.011	1.074	.463	.087
Gender				

Age	.245	.491	.114	.401
Education	-0.531**	-1.709**	-1.575**	-1.186*
Marital Status	1.480	.670	.126	.116
Independent variable				
PCB		1.649**	.931*	.290*
WM			1.193*	-5.467**
PCB X WM				
(Interaction)	.015	.425		.517
R Square			.498	

Note: *p<.05; **p<.01; ***p<.001; n=306

Discussion

Results of the study showed that there is a positive relationship between breach of psychological contract and workplace deviant behavior towards organizations. In the past, studies also revealed that when the employer does not fulfil promises made with employees it leads to breach of psychological contract and resultantly employees behave negatively in the organizations. A study conducted in Pakistan and found that when employees of any organization perceive that organization has not fulfilled the psychological contract, automatically employees' loyalty and commitment towards organization become low and employees show deviant behavior (Hussain, 2014). Results of a study taking a sample of MBA graduates, 55% respondents revealed that psychological contract is violated within 2 years of the job (Robinson & Rousseau, 1994). The positive relationship between breach of the psychological contract and workplace deviant behavior is proven by correlation test and regression as well.

Table 2, 3 (.646**, $\beta = 1.649^{**}$). Hierarchical regression analysis showed the R square value for breach of the psychological contract and workplace deviant behavior .425 which depict that 42.5% change in workplace deviant behavior is because of breach of psychological contract. β values show that 1% increase in IV will increase 1.649 percent independent variable. In the relationship of breach of the psychological contract and workplace deviant behavior work motivation which means a set of energetic forces that begins with both internal and external factors that help an individual to start any work, and stay committed with that (Pinder, 1998). Results showed that work motivation weakens the relationship of breach of the psychological contract and deviant behavior. According to table 2, 3 (-5.39** $\beta = -5.467$) R² shows that work motivation as moderator has 51.7% of contribution in minimizing the relationship of breach of psychological contract breach and workplace deviant behavior and β value shows that 1% increase in work motivation will decrease -5.467 percent in the relationship of IV and DV. Moderator analysis and results are in line with past studies stated that motivation and hygiene factors in an organization are crucial for employees, availability of such factors encourage and provokes them to behave positively in the organization (Herzberg, Mausner, & Snyderman, 1959a).

Conclusion

The research concludes that breach of psychological contract has a significant and positive relationship with workplace deviant behavior. When employer/boss of any organization does not fulfil the promises/agreement he has made with employees get annoyed and aggressive and resultantly they perform such activities that are harmful not only

for the organization but for other employees as well. Promises or psychological contract of employer and employee may be like providing security, promotion, increase in increment/incentives, permission for leave, etc. these are few examples of psychological contract. When employees exhibit workplace deviance in the response of breach of psychological contract there must be some factors or steps through which these steps from employees can be stopped. This study suggested work motivation as one of the factors that help to minimize the relationship. If employees are motivated intrinsically and extrinsically, they will less perform negative and harmful activities and will have a friendly relationship with all colleagues. This study would be helpful for the policy and strategy makers, they can take ideas that if the organization needs friendly and positive environment from employees' side at the workplace they must have to redesign policies and strategies that can help employees to be motivated and have a good relationship with all staff and peers as well.

Current study contributed in existing literature by filling gap of psychological contract breach, work motivation and workplace deviant behavior in one model. This research is unique in context of banking sector of Pakistan as well. Employees are considered valuable assets and it plays a pivotal role in productivity of organization. The current study will help managers to have understanding that motivated employees tend to exhibit optimistic attitude towards peers and organization. Additionally, it would be a guideline for policymakers as well to redesign organizational strategies that are in favor of employees that will ultimately help employees to be loyal with organization and create a positive environment.

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