

Managing People & Performance
Managing individual performance
Psychological contract (22)
 Patrick Galig / HB41 / Henley Business School

Dimension 2: career directedness	Active	<p><i>Kim – I come to work to earn money</i></p> <ul style="list-style-type: none"> • 'a fair day's work for a fair day's pay' • extrinsic rewards • career happens to you • pushed by others/events • formal relationship 	<p><i>Jo – It's not broke</i></p> <ul style="list-style-type: none"> • long service • inertia • enjoyment • achievement/recognition • organization manages career • decisions based on avoidance • psychological contract intact
	Passive	<p><i>Alex – I know what I'm talking about</i></p> <ul style="list-style-type: none"> • building skills • move organizations • self-reliance • identity from skills • previous 'downfall' • wary of organizations 	<p><i>Sam – A desire to get on</i></p> <ul style="list-style-type: none"> • challenge • recognition • actively manage career • in control • lifestyle and balance • contributes at high level
		Individual	Organization

Dimension 1: focus of employment relationship

Figure 4.2 Expectations of the employment relationship (adapted from Parkinson, 1999a). © Ann Parkinson, 2003.

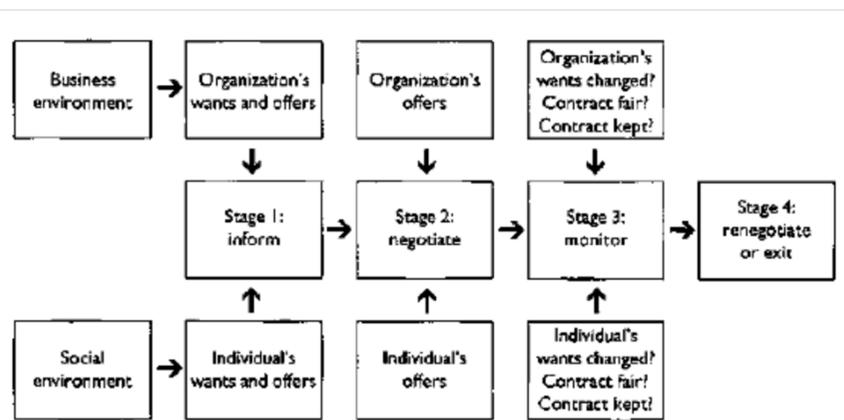


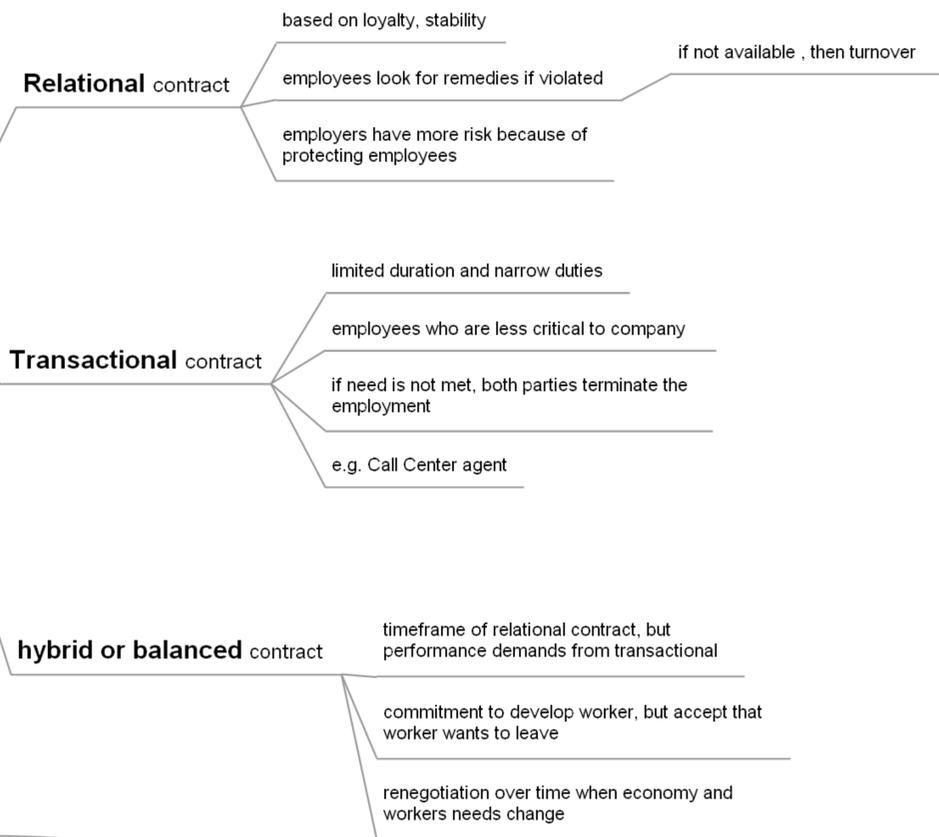
Figure 4.4 The four stages of psychological contracting (Herriot and Pemberton, 1996).

6 features of a psychological contract

- 1 Voluntary choice commitment made voluntary
- 2 Belief in mutual agreement Individuals act as if agreement mutual
- 3 Incompleteness agreement need to be renewed over time
- 4 Multiple contract makers contract with different people within organisation
- 5 Managing losses when contract fails offer other possibility if contract is violated
- 6 The contract as model of the employment relationship mental model which delivers stability

Psychological contract
 Rousseau, D M (2004), Psychological contracts in the workplace

Types of contracts



changes appear, be ready for it
 problem-solving behaviour
 Build as an employer **flexibility**

clear rules about the rules of the contract
 Meta contract

most important role here:
LINE MANAGER

Mutuality in what company wants from employee and employee from company essential = GOLD STANDARD