

# NUST Business Review

NBS

# PSYCHOLOGICAL CONTRACT BREACH, JOB ATTITUDE AND BEHAVIOURS ACROSS CULTURES: A META-ANALYSIS

Page 1

Received: 01 Oct 2019 Revised: 24 Jul 2020 Accepted: 31 Aug 2020

A. Thushel Jayaweera<sup>a</sup>

<sup>a</sup> School of Management, University of Bath, United Kingdom **P Matthijs Bal**<sup>b,\*1</sup>, <sup>b</sup> Lincoln International Business School, University of Lincoln, United Kingdom

Katharina Chudzikowski<sup>c</sup>

<sup>c</sup> School of Management, University of Bath, United Kingdom

Simon B. De Jong<sup>d</sup>

d Maastricht University, the Netherlands

## Abstract

Although research on psychological contract breach (PCB) has grown in recent years, most of the studies have taken an individual-level perspective to explain PCB effects on employee behavior, thereby overlooking the possibility that the national cultural context might affect employee responses to psychological contracts. This study, therefore, investigates whether employees in various cultures react differently to psychological contract breaches. Drawing on the GLOBE cultural framework, we expected that national cultural practices moderate the relationship between PCB and a key work attitude (such as organizational commitment) and job behaviors (i.e. in-role performance, turnover intention, and counterproductive behaviours). Using meta-analytic data from 176 studies, we found that the results largely support our hypotheses. The study updates and expands prior meta-analyses on psychological contracts and opens a new area of inquiry by showing that cultural practices at the national level can influence the processes of how psychological contract breaches affect employee behaviors at the individual level.

**Keywords:** Psychological contract breach, in role-performance, turnover intention, organizational commitment, counterproductive work behaviours



NUST Business Review NBR-20-0013 Vol. 02, No. 01 10, 2020 pp. 1-16 © NUST Business School It is well established that psychological contract breach (PCB) has negative consequences for the employee-employer relationship (Guest, 2004). For example, previous meta-analyses showed a clear relationship between PCB and important work outcomes such as in-role job performance, extra-role job performance, and turnover intentions and actual turnover (Bal, De Lange, Jansen, & Van Der Velde, 2008; Jayaweera, Bal, Chudzikowski, & De Jong, 2020; Zhao, Wayne, Glibkowski, & Bravo, 2007). What is less clear is how the context influences perceptions of PCB and even though national culture has long been argued to be relevant for PCB, only a few studies have so far investigated the impact of national culture on the psychological contract (e.g., Rousseau & Schalk, 2000; Thomas, Au, & Ravlin, 2003; Thomas, et al., 2010).

Such an influence of cultural can occur as cultural practices include socially acceptable and routinized individual behaviors (Frese, 2015), which are likely to shape employee attitudes and behaviors (Autio, Pathak, & Wennberg, 2013; Fischer & Mansell, 2009). Furthermore, research has indicated that key work attitudes such as job satisfaction, organizational commitment and job behaviors (Papademetriou & Masouras, 2014), including job performance (Jaramillo, Mulki, & Marshall, 2005; Kraimer, Wayne, & Jaworski, 2001) and counterproductive behaviours can differ across cultures. Therefore, in the current meta-analysis, we focus on understanding how national culture influences the relationship between PCB and key work attitudes and behaviors. To align with prior meta-analyses on PCB (i.e., Zhao et al., 2007), we will focus on four outcomes associated with PCB, namely: organizational commitment, in-role performance, turnover intention and counterproductive behaviours.

This study will make two significant contributions to the PCB literature. Firstly, this study will examine the impact of national culture at the national level as a moderator on the relationship between individual-level PCB and outcomes. Second, to understand the impact of national culture on individual work behavior, we will apply the widely researched – and practically used – GLOBE framework (House, Hanges, Javidan, Dorfman, & Gupta, 2004), and are thereby the first to examine the impact of national cultural practices on PCB and outcome relations.

## THEORETICAL BACKGROUND

Societal culture plays a role in shaping exchange relations (Levinson et al., 1963), and there is ample evidence that psychological contracts vary across cultures (Rousseau & Schalk, 2000). Thomas and colleagues (2003) suggested that national culture can influence an individual's psychological contract formation, perceptions of violations, and responses to perceived violation through two mechanisms, namely via cognitive and motivational mechanisms. Cognitive mechanisms refer to "those that operate through neuropsychological information processing channel" (Thomas et al., 2003, p. 456) and represent the role played by an individual's mental representation in understanding and organizing information related to people and events happening in society. Culturally different individuals tend to develop different sets of schemas, which help them organize information in their respective environments (Fiske & Taylor, 1984). Thomas et al.'s (2003) argued that people pay attention to different stimuli and provide different meanings to them based on schemas when dealing with PCB. Motivational mechanisms refer to mechanisms

NBR 2,1

which "operate through preferable end states or modes of behavior" (Thomas et al., 2003, p. 456). From a motivational perspective, individuals tend to formulate different motives when they form social exchange relations in line with their cultural values. Employee motives, desires, and behaviors are shaped by culturally desirable self-concepts (Fiske & Taylor, 1984). Thus, individuals desire to fulfill different motives in line with their culture and this will lead to various behavioral outcomes.

Although cognitive and motivational mechanisms of culture proposed by Thomas et al. (2003; 2010) provide two interesting perspectives through which we can understand the impact of culture on psychological contract breach, previous research has hinted towards a third mechanism, namely emotional mechanisms (see Eder & Rothermund, 2013; Markus & Kitayama, 1991). Therefore, we propose to add a third mechanism through which national culture can influence the relation between PCB and individual behavior. Emotions occur along with cognitive and motivational responses to an event, and refer to "an emergent, dynamic process based on individual's subjective appraisal of significant events" (Scherer, 2009; p.1). Culture shapes how an individual experience emotion or express them (Grandey et al., 2010; Lim, 2016; Turner & Stets, 2005). Therefore, we argue that how an individual experiences emotion and displays emotions are shaped by cultural concerns and might thus also affect PCB's relationship with key work behaviors, alongside the above mentioned cognitive and motivational mechanisms.

MODERATING EFFECTS OF CULTURAL PRACTICES

To understand the impact of national culture of psychological contract breach responses, we use the GLOBE framework (House et al., 2004) to argue that six practices – namely, performance-orientation, power distance, future society orientation, uncertainty avoidance, humane orientation and gender egalitarianism – can affect the PCB and work outcomes relationships. Below, we shall discuss the influence of each cultural practice in more detail.

Institutional collectivism practices, PCB, and work outcomes

In the GLOBE framework, institutional collectivism practices refer to "the degree to which organizational and societal institutional practices encourage and reward collective distribution of resources and collective action" (House et al., 2004, p.30). In societies with high institutional collectivism practices, being accepted by other group members is important for individuals. Given that collectivism practices are theoretically related to attachment (Fischer & Mansell, 2009), individuals who live in collectivist cultures are likely to develop schemas that encourage them to display stronger loyalty towards their managers and organizations they work for (Cohen & Hill, 2007; Cohen, Wu, & Miller, 2016; Thomas et al., 2003).

Cognitively, collectivist practices are likely to encourage individuals to process and organize information in line with the context (Thomas et al., 2003) and therefore, when experiencing PCB, they are likely to organize information considering what is best for their team instead of merely focusing on what is best for themselves as an individual. Motivationally, individuals want to achieve a socially desirable self-image (Thomas et al., 2003) and in societies with high collectivism practices, the motivational forces work towards strong group cohesion and are likely to discourage individuals from acting alone (Autio et al., 2013).

NBR 2,1

Emotionally, individuals are likely to feel and express emotions in line with society practices (Autio et al., 2013). Emotional experience and expressions of individuals vary between collectivist and individualist societies. In collectivist societies, emotions are expressed considering relational aspects (Mesquita, 2001) and relational components of the psychological contract (Thomas et al., 2003; 2010). Thus, in line with our theoretical positioning and also in line with previous studies (Thomas et al., 2003), we expect that people in collectivistic cultures will be more tolerant to PCB and will respond more favorably to breach than those who are exposed to less collectivist cultures. We therefore hypothesize:

Hypothesis 1: Institutional collectivism practices moderate the relationship between psychological contract breach and key work behaviors. More specifically, relationships will be less negative for organizational commitment (H1a) and in-role performance (H1b), and less positive for turnover intentions (H1c) and counterproductive behaviour (H1d), the higher the levels of institutional collectivism practices.

## Performance orientation practices, PCB, and work outcomes

NBR

Page 4

2,1

In the GLOBE framework, performance orientation practices refer to the degree to which a society encourages excellent performance and innovation practices (Grove, 2005). This reflects a society practices that support "can-do attitudes" and believe that anyone can achieve success (Javidan et al., 2006). Performance orientation practices at the team level can shape the relationship between psychological contracts and contextual performance (Rahman, Rehman, Imran, & Aslam, 2017).

From a cognitive perspective, Thomas et al. (2003) proposed that individuals who live in societies with high-performance orientations are likely to recognize and process information regarding performance-based schemas. Besides, individuals who live in performance-orientated cultures are likely to display highperformance practices at work to preserve their self-image. Therefore, in societies higher in performance practices, an employee might display high performance even when they experience a breach. From a motivational perspective, Thomas et al.'s (2003) work can be used to argue that individuals who live in societies with highperformance practices are motivated to achieve high performance to maintain a selfimage that fits with their cultural practices. Accordingly, it is likely that in highperformance societies, individuals are likely to respond less intensely to breach. Studies have shown that countries with high-performance cultures have higher turnover (Jackofsky, 1987) as high achievers are continually looking for better jobs (Sturman, Shao, & Katz, 2012). Employees might be less affected by PCB as their attachment to the organization was more fluid to start with and as they are motivated to keep up their performance.

From an emotional perspective, we argue that individuals who live in high performance-oriented societies are likely to feel good in performing and are expected to display emotions appropriate to maintain their performance because of their cultural concern regarding performance (Lazarus, 1999) and because they will get positive feedback from others on this. Research has shown that individuals who perform better are likely to feel and display more positive emotions (Quoidbach, Mikolajczak, & Gross, 2015; Rispens & Demerouti, 2016). Lowering important work behaviors in response to PCB is thus a less viable option for such individuals as they will quite literature 'feel' the pain associated with this themselves.

Thus, we expect that people who are exposed to high-performance orientation practices will respond less negatively to PCB than those who are exposed to low-performance orientation cultural practices. We therefore hypothesize:

Hypothesis 2: Performance orientation practices moderate the relationship between psychological contract breach and key attitudes and work behaviors. More specifically, relationships will be less negative for organizational commitment (H2a) and in-role performance (H2b), and less positive for turnover intention (H2c) and counterproductive behaviour (H2d), the higher the levels of performance orientation practices.

## Power distance practices, PCB, and work outcomes

In the GLOBE framework, power distance practices refer to "the extent to which the community accepts and endorses authority, power differences, and status privileges" (House et al., 2004). In high power distance societies, followers are expected to obey the commands of their leaders without questioning of any of their actions (House et al., 2004), and managers possess much power and authority over subordinates (Ghosh, 2011). Power distance practices can have an impact on work behaviors such that people display less favorable behaviors in lower power distance cultures than in high power distant cultures (Gul et al., 2018; Rafiei & Pourreza, 2013). Moreover, it has been suggested that people who are encouraged to accept power distance will be more tolerant to poor employment relations than those who are not encouraged to do so (Sturman et al., 2012).

From a cognitive perspective, we argue that individuals who live in high power distance societies are likely to focus more on power and status when processing and organizing information. Thus, it is expected that an employee accepts a manager's decisions without questioning (Daniels & Greguras, 2014). Research has shown that those who value power and authority are likely to put more efforts in maintaining better relationships with the leaders (Ghosh, 2011) and prefer to follow leaders passively (Khatri, 2009). As such, PCB is more likely to be reasoned away as being part of the prerogative of influential leaders. From a motivational perspective, individuals who live in high power distance societies are likely to want to maintain the socially acceptable self-image which is characterized by an acceptance of authority and obeying commands in line with the cultural practices of high power distance societies (Daniels & Greguras, 2014). Publicly reacting negatively to PCB by lowering one's work behaviors is, therefore, less likely. From an emotional perspective, emotions will signal to an individual who lives in high power distance society to accept authority. Those who are willing to accept power will show less aggression and suppress emotions to obey commands (Farh, Hackett, & Liang, 2007; Ford & Mauss, 2015). Thus, we hypothesize that those who are encouraged to tolerate power distance will display higher levels of job performance and lower level of turnover in response to breach compared to those who belon belong to the societies with lower power distance. We hypothesize:

Hypothesis 3: More specifically, relationships will be less negative for organizational commitment (H3a) and in-role performance (H3b), and less positive for turnover intention (H3c) and counterproductive behaviour (H3d), the higher the levels of power distance practices.

NBR 2,1

## Future orientation practices, PCB and work outcomes

In GLOBE, future orientation refers to the degree to which society collectively encourages and rewards future-oriented behaviors such as planning and delaying gratification (House et al., 2004). In societies high in future orientation, individuals are encouraged to plan, and look forward to the future (Trommsdorff, 1983), and give priority to work on long term success (Grove, 2005). Future-oriented individuals are likely to have goals that shape how an individual responds to a breach (Aspinwall, 2005; Sadowski & Schranger, 2016).

From a cognitive perspective, individuals who live in future-oriented societies are likely to select and process information regarding past, current, and future events. As such, if PCB occurs this would indicate that any other future promises, and thus that individual's long-term plans, are also at jeopardy. From a motivational perspective, we argue that individuals who live in future-oriented societies are more likely to motivate to maintain the socially acceptable image by planning for long-term career success and planning for the future. For instance, people are likely to see a breach as an obstacle for career growth or future prospects (De Hauw & De Vos, 2010). From an emotional perspective, we suggest that people who live in societies that encourage future perspectives will be more likely to feel and display emotions concerning future orientation. For example, following the breach, people are likely to feel more job insecurity at work and lack of job security can significantly reduce job performance or increase turnover (Avital, 2000; Pettigrew, 1997). Thus, we expect that those who live in cultures that encourage to plan for the future will have lower levels of job performance and higher levels of turnover following PCB, in comparison to those individuals who live in cultures that encourage less to plan for future. Our fourth set of hypotheses there reads:

Hypothesis 4: Future orientation practices moderate the relationship between psychological contract breach and key work behaviors. More specifically, relationships will be more negative for organizational commitment (H4a) and inrole performance (H4b), and less positive for turnover intention (H4c) and counterproductive behaviour (H4d), the higher the levels the higher the levels of future orientation practices.

## Uncertainty avoidance practices, PCB, and work outcomes

According to GLOBE, high uncertainty avoidance societies show a high level of resistance to change, where most people live a structured life, and where society rules are well established so citizens are aware what to expect and society has rules to cover most situations (House et al., 2004). How this affects the three mechanisms is described below.

Cognitively, individuals who live in societies with high uncertainty avoidance will likely pay more attention to and process information related to uncertainty (Thomas et al., 2003). This is because the uncertainty avoidance mindset is likely to reduce risk-taking when there is uncertainty (Ambos & Schlegelmilch, 2004). Thus, it is likely that people who are encouraged to accept uncertainty will be more tolerant to breach than those who are not encouraged to do so (Kimberly, 2013; Sturman et al., 2012). From a motivational perspective, individuals who live in societies with high uncertainty avoidance will be wanting to avoid risks to achieve socially desirable self. PCB is a risk as it means past promises were not kept and future ones might thus also not be kept, motivating individuals to pursue other career goals and change their pattern of work (Sadowski & Schrager, 2016).

NBR 2,1

From an emotional perspective, we suggest that the individuals who live in high uncertainty avoidance societies are likely to feel and display emotions concerning more about uncertainty. Individuals who want to avoid risks such as loss of employment because losing a job can cause financial risks (Sturman et al., 2012) will experience more stress when faced with negative work events (Kalleberg, 2009; Rispens & Demerouti, 2016). Thus, we expect when a society favors consistency and orderliness, it is likely that individuals implement strategies to manage PCB and try to maintain performance and avoid turnover. We therefore hypothesize:

> Hypothesis 5: Uncertainty avoidance practices moderate the relationship between psychological contract breach and key work behaviors. More specifically, relationships will be more negative for organizational commitment (H5a), in-role performance (H5b), and less positive for turnover intention (H5c) and counterproductive behaviour (H5d), the higher the levels of uncertainty avoidance practices.

### Gender egalitarianism practices, PCB, and work outcomes

Finally, one of the often neglected dimensions of GLOBE framework is gender egalitarianism. Gender egalitarianism in GLOBE refers to "the degree to which a collective minimizes gender inequality when there is high gender egalitarianism" (House et al., 2004 page number). Societies that practice high gender egalitarianism encourages individuals to play less gendered oriented roles and responsibilities. (Grove, 2005). This could affect PCB's relationship with key work outcomes.

For example, cognitively, in a gender-egalitarian society, factors intrinsic to the job such as poor relations with the managers (Hellum & Olah, 2018; Joshi, 1993; Orpen, 1995) due to PCB, will lead individuals to rethink their efforts at work. From a motivational perspective, individuals will likely to want to achieve socially desirable self-image by accepting high gender egalitarianism and act accordingly. Those who are motivated to have a career and live in high gender-egalitarian societies will likely be more ambitious and look for more job opportunities (Kossek, Su, & Wu, 2017). As such, PCB should have stronger effects. From an emotional perspective, we expect individuals who live in high equal gender society practices will feel and express emotions with concerns for gender-egalitarianism (we feel individuals who lives in a society where equality of gender is high will fee and express emotions with concerns for gender egalitarianism). Traditionally, men are supposed to be aggressive, and women are supposed to act reserved or shy (Hellum & Olah, 2018). In societies with high gender-egalitarian practices, we expect individuals to feel and display less gendered emotions. A breach is an adverse event and individuals are likely to feel and express negative emotions to breach (Zhao et al., 2007), and in a gender-egalitarian society, it is expected that people will feel and display more negative emotions to breach.

Thus, we expect that also this last dimension of the GLOBE framework could affect PCB's relationship with key work outcomes. More specifically, we hypothesize:

Hypothesis 6: More specifically, relationships will be less negative for organizational commitment (H6a) and in-role performance (H6b), and less positive for turnover intention (H6c) and counterproductive behaviour (H6d), the higher the levels of gender egalitarianism practices.

NBR 2,1

## Methods Meta-Analytic Search Strategy

We used the following search strategy to identify studies measuring "psychological contract breach" from the studies which were conducted from the 1980s to 2019. We searched on the key databases of Web of Science, Psycinfo, EBSCO and Google Scholar for studies. Akin to prior meta-analyses, we also searched manually through OB and HRM journals. We also started by retrieving the studies from the reference lists of previous meta-analyses (Bal et al., 2008; Zhao et al., 2007). We also searched for PhD theses available online. We contacted members of both OB and HR division of Academy of Management requesting for unpublished studies. As a final check, we contacted the authors who presented at the Academy of Management or Society of Industrial and Organizational Psychology meetings and requested unpublished papers.

To be included a study must report psychological contract breach or fulfillment. We initially identified 2897 studies. Second, we retained only empirical studies, and this resulted in 2436 studies. Third, we retained only those following quantitative methods, resulting in2088 studies. Fourth, we retained those studies that investigated PCB or fulfillment, and this resulted in 1791 studies. Fifth, we removed duplicates and retained 838 articles. Sixth, only studies measuring the relations between PCB and fulfillment and the relevant work outcomes (Organizational commitment, in-role performance, intention, turnover counterproductive behaviours) were included, and this resulted in 215 studies. Seventh, only the studies reporting in English, French, or Dutch languages were included, and we retained 172 studies. Finally, studies which reported the statistical information that we required to calculate the correlations among the selected variables of this study were only included, and eventually, above exclusions resulted in a final set of 113 published scholarly work or articles. Out of these 113 published papers, there were studies reporting more than one variable we included in our study and total, there were 64 studies reporting organizational commitment, 34 studies reporting in-role performance, 61 studies reporting turnover intention, and 17 studies reporting counterproductive behaviours. As proposed by Hunter and Schmidt (2004), when multiple sample data that are presented in a single paper, we treated these samples as separate studies by assuming that samples are independent in the meta-analysis.

**Measures.** When breach or fulfillment was measured in a study it was included and coded. Akin to the meta-analysis of Zhao et al. (2007), we reversed the signs of the correlations between fulfillment and job behaviors to indicate psychological contract breach. Measures of psychological contract violation were not included, as violation constitutes a separate concept from psychological contract breach or fulfillment were measured in a single study, a composite score was calculated using the formulas of Hunter and Schmidt (2004). Longitudinal studies typically reported findings at various time points and we, therefore, examined the correlations between the effects sizes across various time points for those studies.

Organizational commitment was coded when a study measured the degree to which organizations members are attached to their organizations. In-role performance was coded when the performance outcome measure of a study reflected an employee performing activities that are directly contributing to the

technical core of a job or one's in-role tasks (Borman & Motowildo, 1997). Counterproductive behaviours were coded as employee behaviour that goes against the interest of the organization. Turnover intentions were coded as intentions of employees leaving their positions and actual turnover was measured following employees leaving their positions (Schyns, Torka, & Gossling, 2007). Globe cultural practices scores were measured as given in House et al. (2004).

**Statistical Procedure.** The formulas of Hunter and Schmidt (2004) were used to test the hypotheses. We applied the Fisher Z-transformation to all correlations. We tested our hypotheses using SPSS. Moderator analysis in the metaanalysis was conducted using a Weighted Least Squares (WLS) estimation. This is because Weighted Least Squares (WLS) estimation allowed us to correct for differences between samples sizes, as well as unreliability in the variables measured (Hunter & Schmidt, 2004).

## RESULTS

Our first aim was to assess overall effect sizes by looking at the correlations between PCB and the four work behaviors (i.e., organizational commitment, in role-performance, turnover intention, counterproductive behaviour). Table 1 shows the results of the main-effects meta-analysis. Our findings show PCB significantly related to organizational commitment (true score correlation Q = -.35), in-role performance (true score correlation Q = -.22), counterproductive behaviour (Q = .26), turnover intention (Q = .34) and actual turnover (Q = .18). As can be seen in Table 1, none of the 95% confidence intervals contained zero indicating that all of these correlations were significant.

						95% Co	nfidence	90% Cr	edibility		
						Inte	erval	Inte	rval		
Outcomes	k	N	r	Q	SDQ	Lower	Upper	Lower	Upper	Q	Fail safe <i>k</i>
Organizational commitment	64	30393	-0.34	-0.35	0.14	0.34	0.36	0.08	0.62	863	159
In-role performance	34	8287	-0.21	-0.22	0.12	-0.26	-0.17	-0.42	-0.01	138	54
Turnover intention	61	20753	0.32	0.34	0.18	0.29	0.39	0.02	0.7	947	79
Counterproductive behavior	17	5035	0.25	0.26	0.1	0.22	0.28	0.07	0.43	67	22

Note: k = number of studies; N = number of observations; r = mean uncorrected correlation;  $\rho = true$  score correlation;  $SD\rho = standard$  deviation of true score correlation; Q = Cochran's Q test; fail safe K = the number of additional studies

After assessing main effects, we investigated moderation effects. For moderation to be possible, there needs to be heterogeneity in the findings and Table 1 shows that Q-statistics are all sizeable. Therefore, the relationships are moderated by specific characteristics of the studies (Hunter & Schmidt, 2004). Table 2 shows that a society's institutional collectivism practices moderated the relationship between PCB and in-role performance ( $\beta$  =.37, p< .05), turnover intention ( $\beta$  = -.29, p < .05) and counterproductive behaviours ( $\beta$  =-.54, p< .05). Institutional collectivism practices did *not* moderate the relationship between contract breach and organizational commitment ( $\beta$  = .03, *ns*). Given that the correlations between PCB and in-role performance is negative (see table 1), the positive beta indicates that negative correlation between PCB and in-role performance ( $\beta$  =.37, p< .05) becomes smaller when their institutional collectivism practices are higher. Given that the correlation

NBR 2,1

Page 9

## Table 1

Meta-analysis results of the main effects of psychological contract breach

	Outcome	k	n	Coef.	s.e.	F	р	R <sup>2</sup>
	Organizational commitment	64	30393	0.035	0.096	0.073	0.788	0.016
	In-role performance	34	8632	0.375	0.01	5.223	0.029	0.14
NBR	Turnover intention	61	20753	-0.288	0.014	5.322	0.025	0.083
2,1	Counterproductive behaviour	17	5035	-0.545	0.012	6.764	0.019	0.297
	Organizational commitment	64	30393	-0.308	0.151	6.092	0.016	0.296
Page 10	In-role performance	34	8632	0.329	0.01	3.876	0.058	0.109
	Turnover intention	61	20753	-0.034	0.01	6.168	0.792	0.001
	Counterproductive behaviour	17	5035	0.086	0.183	0.097	0.761	0.086
	Organizational commitment	64	30393	0.084	-30	0.052	0.82	0.001
	In-role performance	34	8632	0.373	0.01	5.172	0.03	0.139
	Turnover intention	61	20753	-0.235	0.014	3.443	0.069	0.055
	Counterproductive behaviour	17	5035	0.489	0.098	5.029	0.039	0.239
Table 2	Organizational commitment	64	30393	0.372	0.072	9.357	0.001	0.124
Meta-analytic results	In-role performance	34	8632	0.373	0.01	5.172	0.03	0.139
of the moderating roles	Turnover intention	61	20753	0.266	0.014	4.495	0.038	0.071
of national cultural factors in the	Counterproductive behaviour	17	5035	-0.113	0.212	0.169	0.668	0.013
relationships between	Organizational commitment	64	30393	0.362	0.084	3.127	0.036	0.137
contract breach and	In-role performance	34	8632	0.189	0.011	1.187	0.284	0.036
job behaviors	Turnover intention	61	20753	0.089	0.015	0.471	0.495	0.008
<i>joo octimotoro</i>	Counterproductive behaviour	17	5035	-0.217	0.203	0.693	0.419	0.015
	Organizational commitment	64	30393	0.122	0.058	0.196	0.66	0.003
	In-role performance	34	8632	-0.442	0.01	7.776	0.009	0.195
	Turnover intention	61	20753	0.261	0.014	4.327	0.042	0.068
	Counterproductive behaviour	17	5035	0.159	0.558	0.361	0.558	0.159

between PCB and turnover intention and counterproductive behaviour is positive (see table 1), the negative beta indicates that that positive correlation between breach and turnover intention ( $\beta$  =-.28, p< .05) and counterproductive behaviour ( $\beta$  =-.54, p< .05) becomes smaller when institutional collectivism practices are higher. Overall, these findings provide support for H1, by showing that institutional collectivism practices can shape the PCB to work outcome relationships.

Performance orientation practices moderated the relationship between PCB and organizational commitment ( $\beta$  =-.30, p < .05 ) but did not moderate the relationship between in-role performance ( $\beta$  =.33, ns), turnover intention ( $\beta$  =-.03, ns), and counterproductive behaviour ( $\beta$  =.08, ns). Given that the correlation between PCB and organizational commitment is negative (see table 1), the negative beta indicates that negative correlation between PCB and organizational commitment ( $\beta$  = -.30, p< .05) becomes larger when high-performance orientation practices are higher.

Overall, these findings provide some rejection for H2, by showing that performance orientation practices can shape the PCB to work outcome relationships.

Power-distance practices moderated the relationship between PCB and in-role performance ( $\beta$  =.37, p< .05) and counterproductive behaviour ( $\beta$  =.50, p< .05). Given that the correlation between breach and in role performance is negative (see table 1), the positive beta indicates that negative correlation between the breach and in-role performance ( $\beta$  =.37, p< .05) becomes smaller when power-distance practices are higher. Given that the correlation between breach and counterproductive behaviour is positive (see table 1), the positive beta indicates that positive correlation between the breach and counterproductive behaviour ( $\beta$  =.50, p< .05) becomes larger when power-distance practices are higher. However, power-distance practices did *not* moderate the relation between PCB and organizational commitment ( $\beta$  =.08, *ns*), turnover intention ( $\beta$  = -.23, *ns*). Overall, these findings provide some support for H3, by showing that power-distance practices can shape the PCB to work outcome relationships.

Future society practices moderated the relationship between PCB and organizational commitment ( $\beta$  =.37, p< .05), in-role performance ( $\beta$  = .37, p< .05) and turnover intention ( $\beta$  =.27, p < .05). Future society practices did *not* moderate the relationship between contract breach and counterproductive behaviour ( $\beta$  =-.11, *ns*). Given that the correlation between PCB and organizational commitment and in-role performance is negative (see table 1), the positive beta indicates that negative correlation between PCB and organizational commitment ( $\beta$  =.37, p< .05) and in-role performance ( $\beta$  =-.35, p< .05) becomes larger when future society practices are higher. Given that the correlations between PCB and turnover intentions are positive, the positive beta indicates that these positive relations become larger when future society practices are higher. Overall, these findings provide substantial support to H4 by showing that future society practices can shape the PCB to work outcome relationships.

Uncertainty avoidance practices moderated the relationship between PCB and organizational commitment (( $\beta$  =.36, *ns*). Uncertainty avoidance practices did *not* moderate the relationship between PCB and in-role performance ( $\beta$  =.19, *ns*), turnover intention ( $\beta$  =.09 *ns*), and counterproductive behaviour ( $\beta$  = -.21, *ns*). Overall, H5 showed some support.

Gender egalitarianism practices moderated the relationship between PCB and in-role performance ( $\beta$  =-.44, p< .01) and turnover intention ( $\beta$  = 26, p<.05). Given that the correlation between PCB and in-role performance is negative (see table 1), the negative beta indicates this negative correlation between breach and turnover intention is positive (see table 1), the positive beta indicates that the correlation between breach and turnover intention is positive (see table 1), the positive beta indicates that this positive correlation becomes larger when gender egalitarianism is higher. Given that the relationship between breach and turnover intention becomes larger when gender egalitarianism is higher. Gender egalitarianism practices did *not* moderate the relationship between PCB and organizational commitment ( $\beta$  =.12, *ns*), and also counterproductive behaviour ( $\beta$  = .15, ns). Overall, these findings provide moderate support for H6.

## DISCUSSION

We expand on prior research by investigating the moderation effect of cultural practices. This revealed that national cultural practices moderate the relationships

between PCB and work behaviors. Based on cognitive and motivational mechanisms (Thomas et al., 2003), as well as emotional mechanisms (Eder & Rothermund, 2013; Markus, & Kitayama, 1991), we expected that job behaviors following a breach is partly influenced by national cultural practices. We expected people to be less affected by breach when there are higher institutional collectivism practices, performance-oriented practices, and power-distance practices. Moreover, we expect people to be less affected by a breach in countries with lower future-orientation, uncertainty, and gender egalitarianism practices. Overall, our results support the notion that society's cultural practices shape PCB-behavior relationships, although some specific relationships were found to be non-significant. Most strikingly, we found that *most* of the three relationships between PCB and the work behaviors were moderated by institutional collectivism, future society practices and gender egalitarianism practices.

## **Theoretical implications**

Our study provides several theoretical implications. First, PCB scholars have mostly assumed that individual psychological contract evaluations are influenced by their immediate environment (e.g., Morrison & Robinson, 1997). However, our findings indicate that the cultural practices of a society can influence behavioral outcomes. Although individuals may not be aware that they are practicing cultural elements associated with the society they live in, it appears that national cultural practices can shape individual behavior at work (Thomas et al., 2003, 2010) and our findings show that this should be taken into account in future PCB research.

More specifically, as our findings showed, the impact of national cultural practices may not follow a uniform pattern in how they signal to individuals how are expected to cope with psychological contract breaches but may depend on both the type of cultural dimension and the specific behavioral outcome about the workplace. Based on our findings we suggest that psychological contract theory would benefit from taking a wider perspective on the coping processes of people following the breach and incorporate national cultural dimensions into consideration. While social exchange theory perspectives (Blau, 1964) predict that employees actively restore a balance when PCB occurs, cognitive, motivational and emotional mechanisms of social exchange theory predict how national culture influence individual-level behavior. These three perspectives offer insights into how individuals process information based on schemas, are motivated to achieve culturally appropriate self-image and feel and express emotions based on cultural concerns.

Moreover, our study also offers implications for HRM literature. There is now increasing evidence that individual decision making does not just occur in isolation, but is increasingly dependent on the context (Johns, 2018). Previous studies have examined cultural values particularly focusing on individualism and collectivism dimensions, and the impact of other cultural practices was not understood clearly. Our study addressed these limitations by developing a theoretical framework to establish an association between national culture and PCB and behavioral outcomes at the individual level. We proposed three mechanisms through which national level society can impact individual perceptions of by extending the theoretical framework of Thomas et al. (2003) and in doing so, we also tested our hypotheses using several studies which were conducted during the last two decades.

In sum, our argument is that, it is important that PCB researchers to consider the wider context when trying to understanding individual workplace behavior, and in

particular, we suggest that it is important to try and understand the impact of national cultural practices because cultural practices may profoundly influence how people feel, behave, and make decision in the workplace (Bal & Dóci, 2018).

NBR

2,1

Page 13

## Strengths, Limitations, and Suggestions

Our study has some strengths as well as some limitations. First, one of the strengths was that we undertook an extensive search updating existing knowledge regarding the associations between PCB and work behaviors since the last metaanalysis was conducted by Zhao et al more than 10 years ago. Second, our study combined individual-level data with country-level data, thereby adding multiple sources of information to understand PCB effects, which is – to our knowledge – the first time this has been done. Third, we managed to use a large dataset and large data sets can produce generalization of results to a large population (Van Wely, 2014). This is particularly useful when examining rare evidence related to national culture.

One limitation, however, is that most studies in a meta-analysis are crosssectional in nature. Therefore, it was not possible for us to draw causal conclusions on the impact of relationships. Yet, we recommend that future studies consider the direction of the effects using longitudinal studies. Second, the current study focused on understanding the impact of six cultural practices on psychological contract breach's relationships with work behaviors. However, some scholars might consider other cultural frameworks to be equally – or perhaps even more - relevant, and we hope those researches can use our theory, methodology, and findings as a starting ground for their research.

Moreover, there may be other social factors such as geographical environmental, legal and political factors that shape individual behaviors (Bal & Dóci, 2018; Thomas et al., 2010). Further research may shed more light on how these factors impact psychological contracts at work and we hope that such studies could also use our methodological and analytical strategies for doing so.

## **Practical Implications and Conclusions**

National culture can impact HR activities (Peretz, Fried, & Levi, 2017). Our findings show that national cultural practices can alter how employees respond to psychological contract breaches. Previous studies have shown that employee outcomes such as performance and turnover are influenced by the national culture (Pudelko, 2006). Our study shows that while generally PCB is negatively related with commitment and performance-related outcomes of the individuals, while positively with turnover (intentions) and counterproductive behaviour, these relationships are contingent upon the general state of the cultural practices at the country level. Moreover, organizations and HR managers should be aware that employees may respond differently to PCB depending on their culture. Therefore, organizations and HR managers should consider ways to match with national cultural practices to reduce the increased likelihood of commitment, turnover intension, in-role performance and counterproductive behaviour following breach. Reducing PCB is yet crucial also in economic dire times because although employees would react with higher performance to enhance their employability by performing well, they also deal with the PCB by looking for other jobs at the same time. Therefore, HR managers should be made aware that the influence of culture should recognize when it comes to HR practices such as recruitment practices, training and development opportunities.

In conclusion, both scholars and HR practitioners are encouraged to think of ways in which national culture influence PCB holistically. This is because although some relationships might become attenuated, some others might be heightened. Therefore, more research is required to understand how the culture at the society level shape individual perception and work outcomes. More research on this would be needed, particularly studies which take a longitudinal approach as these have been quite scarce so far.

### References:

- Ambos, B., & Schlegelmilch, B. B. (2004). The use of international R & D teams: An empirical investigation of selected contingency factors. Journal of World Business, 39, 37-48.
- Aspinwall, L. G. (2005). The psychology of future-oriented thinking: From achievement to proactive coping, adaptation, and aging. Motivation and Emotion, 29, 203-235.
- Autio, E., Pathak, S., & Wennberg, K. (2013). Consequences of cultural practices for entrepreneurial behaviors. Journal of International Business Studies, 44, 334-362.
- Avital, M. (2000). Dealing with time in social inquiry: A tension between method and lived experience. Organization Science, 11, 665-673.
- Bal, P. M., De Lange, A. H., Jansen, P. G. W., & Van Der Velde, M. E. G. (2008). Psychological contract breach and job attitudes: A meta-analysis of age as a moderator. Journal of Vocational Behavior, 72, 143-158.
- Bal, P. M., & Dóci, E. (2018). Neoliberal ideology in work and organizational psychology. European Journal of Work and Organizational Psychology: in press.
- Blau, P. (1964). Exchange and power in social life: 1-343. London & New York: Routledge.
- Borman, W.C. and Motowidlo, S.J. (1997). Task performance and contextual performance: The meaning for personnel selection research. Human Performance, 10, 99-109.
- Cohen, A. B., & Hill, P. C. (2007). Religion as culture: Religious individualism and collectivism among American Catholics, Jews, and Protestants. Journal of Personality, 75, 709-742...
- Cohen, A., Wu, M., & Miller, J. (2016). Religion and culture: Individualism and collectivism in the East and West. Journal of Cross-Cultural Psychology. 47, 1236-1249.
- Daniels, M., & Greguras, G. (2014). Exploring the nature of power distance: Implications for micro- and macro-level theories, processes, and outcomes. Journal of Management, 40, 1202-1229.
- De Hauw, S., & De Vos, A. (2010). Millennials' Career Perspective and Psychological Contract Expectations: Does the Recession Lead to Lowered Expectations?. Journal of Business Psychology, 25, 293–302.
- Eder, A.B., & Hommel, B. (2013). Anticipatory Control of Approach and Avoidance: An Ideomotor Approach. Emotion Review, 5(3):275-279.
- Eder A. B., & Rothermund, K. (2013). Emotional action: An ideomotor model. In Mohiyeddini C., Eysenck M. W., Bauer S., editors. (Eds.), Handbook of Psychology of Emotions (pp. 1138). Hauppauge, NY: Nova Science.
- Farh, J., Hackett, R., & Liang, J. (2007). Individual-level cultural values as moderators of perceived organizational support-employee outcome relationships in China: Comparing the effects of power distance and traditionality. Academy of Management Journal, 50, 715-729.
- Fischer, R. & Mansell, A. (2009). Commitment across cultures: A meta-analytical approach. Journal of International Business Studies, 40, 1339-1358.

Fiske, S. T., & Taylor, S. E. (1984). Social cognition. Reading, MA: Addison-Wesley.

- Frese, M. (2015). Cultural practices, norms and values. Journal of Cross-Cultural Psychology, 46, 1327-1330.
- Ford, B., & Mauss, I. (2015). Culture and emotion regulation. Current Opinion in Psychology, 3, 1-5.
- Ghosh, A. (2011). Power distance in organizational contexts: A review of collectivist cultures. Indian Journal of Industrial Relations, 47, 89-101.
- Grandey, A., Rafaeli, R., Ravid, S., Wirtz, J., & Steiner, D. D. (2010). Emotion display rules at work in the global service economy: The special case of the customer. Journal of Service Management, 21, 388-412.
- Guest, D. E. (2004). The psychology of the employment relationship: An analysis based on the psychological contract. International Association for Applied Psychology, 53, 541-555.

NBR 2,1

Gul, H., Usman, M., Liu, Y., Rehman, Z., & Jebran, K. (2018). Does the effect of power distance moderate
the relation between person environment fit and job satisfaction leading to job performance?
Evidence from Afghanistan and Pakistan. Future Business Journal, 4, 68-83.
Grove, C. N. 2005. Introduction to the GLOBE research project on leadership worldwide.
Retrieved from: https://www.grovewell.com/wp-content/uploads/pub-GLOBE-intro.pdf
Hellum, M., & Oláh, L. S. 2018. 'Doing gender and gender equality' through emotional expressions during
a research interview. Views of highly educated Swedish young adults. Journal of Gender Studies, 28, 304-317.
House, R., Hanges, P., Javidan, M., Dorfman, P., & Gupta, V. (2004). Culture, leadership, and
organizations. Thousand Oaks: Sage Publications.
Hunter, J. E., & Schmidt, F. L. (2004). Methods of Meta-Analysis: Correcting Error and Bias in Research Findings (2nd ed.). Thousand Oaks, CA: Sage.
Jackofsky, E. (1987). Turnover and job performance: An integrated process model. The Academy of
Management Review, 9, 73-84.
 Jaramillo, F., Mulki, J. P., & Marshall, G. W. (2005). A meta-analysis of the relationship between
organizational commitment and salesperson job performance: 25 years of research. Journal of
Business Research, 58, 705-714.
Javidan, M., Dorfman, P., Sully De Luque, M., & House, R. J. (2006). In the eye of the beholder: Cross
cultural lessons in leadership from Project GLOBE. Academy of Management Executive, 20, 67-90.
Jayaweera, A.T., Bal, M., Chudzikowski, K., & De Jong, S. (2020). The impact of economic factors on the
relationships between psychological contract breach and work outcomes: A meta-analysis.
Employee Relations, (Accepted/In press).
Johns, G. (2018). Advances in the treatment of context in organizational research. Annual Review of
Organizational Psychology and Organizational Behavior, 5, 21-46.
Joshi, R. (1993). Gender differences in determinants of job performance. Indian Journal of Industrial
Relations, 28, 238-247.
Kalleberg AL, Nesheim T., & Olsen, K. M. (2009). Is participation good or bad for workers?: Effects of
autonomy, consultation and teamwork on stress among workers in Norway. Acta Sociologica,
52(2):99-116.
Kimberly, S. (2013), Stress and performance in uncertainty-avoiding individuals: An introductory
literature review. Retrieved from: http://stars.library.ucf.edu/honor
Kossek EE, Su R., & Wu, L. (2017). "Opting Out" or "Pushed Out"? Integrating perspectives on women's
career equality for gender inclusion and interventions. Journal of Management, 43(1), 228-254.
Kraimer, M. L., Wayne, S. J., & Jaworski, R. A. (2001). "Sources of support and expatriate performance: the
mediating role of expatriate adjustment", Personnel Psychology. 54, 71-99.
Lazarus, R. S. (1999). Stress and emotion: A new synthesis. New York: Springer Publishing company.
Lim, N. (2016). Cultural differences in emotion: Differences in emotional arousal level between the East
and the West. Integrative Medicine Research, <i>5</i> , 105-109.
Markus, Hazel & Kitayama, Shinobu. (1991). Culture and the self: Implications for cognition, emotion, and
motivation, Psychological Review, 98, 224-253.
Mesquita B. 2001. Emotions in collectivist and individualist contexts. Journal of Personality and Social
Psychology, 80, 68-74.
Morrison, E. W., & Robinson, S. L. (1997). When employees feel betrayed: A model of how psychological
contract violation develops. Academy of Management Review, 226-256.
Nanda, R., & Sørensen, J. (2010). Workplace peers and entrepreneurship. Management Science, 56, 1116-
1126.
Orpen, C. (1995). "The effect of socialization tactics on career success and satisfaction: A longitudinal
study", International Journal of Commerce and Management, 5(4), 33-37.
Papademetriou, C., & Masouras, A. (2014). National culture underpins individual behaviour and work-
related-values: The importance of nationality. Review of Decentralisation Local Government and
Regional Development, 77, 3-19.
Peretz, H., & Fried, Y. (2012). National cultures, performance appraisal practices, and organizational
absenteeism and turnover: A study across 21 countries. Journal of Applied Psychology, 97: 448-459.
Pettigrew, T. F. (1997). Generalized intergroup contact effects on prejudice. Personality and Social
Psychology Bulletin, 23(2),173-185.
Pudelko, M. (2006). Universalities, particularities, and singularities in cross-national management research.
International Studies of Management and Organization, <i>36</i> , 9-37.
Quoidbach, J., Mikolajczak, M., & Gross, J. J. (2015). Positive interventions: An emotion regulation
perspective. Psychological Bulletin, 141, 655-693

NBR 2,1

Rafiei, S. & Pourreza, A. (2013). The moderating role of power distance on the relationship between employee participation and outcome variables. International Health Policy Management, 1, 79-83.
Rahman, U. U., Rehman, C. A., Imran, M. K., & Aslam, U. (2017). Does team orientation matter? Linking work engagement and relational psychological contract with performance. Journal of Management
Development, 36, 1102-1113.
Rispens, S., & Demerouti, E. (2016). Conflict at work, negative emotions, and performance: A diary study.
Negotiation and Conflict Management Research, 9, 103-119.
Rousseau, D. M., & Schalk, R. (2000). Psychological contracts in employment: Cross-national perspectives. Thousand Oaks: Sage.
Sadowski, E., & Schranger, S. (2016). Achieving career satisfaction: Personal goal setting and prioritizing
for the clinician educator. Journal of Graduate Medical Education, 8, 494-497.
Scherer, K. R. (2009). The dynamic architecture of emotion: Evidence for the component process model.
Cognition and emotion, 23,1307-1351.
 Schrager, S., & Sadowski, E. (2016). Getting More Done: Strategies to Increase Scholarly
Productivity. Journal of Graduate Medical Education, 8(1), 10–13.
Schyns, B., Torka, N., & Gössling, T. (2007). Turnover intention and preparedness for change: exploring leader-member exchange and occupational self-efficacy as antecedents of two employability predictors. Career development international, 12(7), 660-679.
Sturman, M. C., Shao, L., & Katz, J. H. (2012). The effect of culture on the curvilinear relationship between performance and turnover. Journal of Applied Psychology, 97(1), 46–62.
Thomas, D. C., Au, K., & Ravlin, E. C. (2003). Cultural variation and the psychological contract. Journal of
Organizational Behavior, 24, 451-471.
Thomas, D. C., Fitzsimmons, S. R., Ravlin, E. C., Au, K. Y., Ekelund, B. Z., & Barzantny, C. (2010). Psycho-
logical contracts across cultures. Organizational Studies, 31,1437-1458.
Thommsdorff, G. (1983). Future orientation and socialization. International journal of psychology, 18, 381-
406.

Turner, J., & Stets, J. (2005). The Sociology of Emotions. New York: Cambridge University Press.

Van Wely, M. (2014). The good, the bad and the ugly: Meta-analyses. Human Reproduction, 29, 1622–1626.

Zhao, H., Wayne, S. J., Glibkowski, B. C., & Bravo, J. (2007). The impact of psychological contract breach on work-related outcomes: A meta-analysis. Personnel Psychology, 60, 647-680.

#### About the Authors:

NBR 2,1

Page 16

A. Thushel Jayaweera University of Bath, United Kingdom P. Matthijs Bal

University of Lincoln, United Kingdom

Katharina Chudzikowski

University of Bath, United Kingdom

Simon B. De Jong Maastricht University, the Netherlands

The Corresponding Author Professor P Matthijs Bal can be contacted at: <u>mbal@lincoln.ac.uk</u>