Drawing from a bottomless well? Exploring the Resilience of Psychological Contracts in the Scottish Voluntary Sector

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Purpose of paper

To explore the resilience of value-based psychological contracts in the CVS

• How far is high commitment to a cause sustainable among employees in the context of increasing interference in the values and mission of a voluntary organization by state funders?

• Can high commitment to a cause sustain loyalty to a voluntary organization in the face of external pressure on employment conditions?
Outline of paper

• Understanding the Psychological Contract in the CVS
• The Implications of Contracting
• Method
• Findings
• Discussion

Psychological contracts in the CVS

• Objective – Utilize the Psychological contract to illustrate the complexity of the reciprocal obligations between the parties in the employment relationship in the CVS.

• But - the psychological contract construct needs to become ideologically-infused/ take greater account of values as a strong work orientation (Thompson and Bunderson, 2004)
**Constructing a psychological contract for the CVS**

- Utilize traditional transactional/relational continuum.
- Influence of Public Service Ethos & aspects of the VS literature to construct a *Voluntary Sector Ethos*
- Acknowledge orientations to a client group may be formed outside of work
- Individual psychological contracts - combinational embracing orientations which are transactional, relational or based on a VSE

**Psychological contracts**

<table>
<thead>
<tr>
<th>Pay</th>
<th>Performance</th>
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<tr>
<td>Low involvement</td>
<td>High Involvement in organization</td>
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<tr>
<td>Limited flexibility</td>
<td>Long-term</td>
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<tr>
<td>Use of existing skills</td>
<td>Training &amp; Development</td>
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<td>High involvement</td>
<td>Autonomy</td>
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<td>Flexibility</td>
<td>Organizational Citizenship Behaviour</td>
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<tr>
<th>Serve client &amp; community</th>
<th>Public interest</th>
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<tr>
<td>Commitment to Organization</td>
<td></td>
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<td>Involvement in constructing services</td>
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Violating the Psychological Contract in the CVS

• Goal displacement and Value interpenetration

• Impact of the NPM agenda
  – Pay and conditions
  – Work intensification
  – Skills dilution
  – Violence

• The Impact of Moderators
  – The VSE
  – Trade union activity
  – ‘The norm’ and the pursuit of social justice
  – The awareness of external factors
  – The focus of commitment

Method

• Qualitative studies in 3 Scottish CVSs, Starlight, Galaxy & Universal

• Selected on basis of resource dependency on external funding

• Semi-structured interviews
  – Front-line workers
  – Administrators
  – Line & senior management
  – Trade union officials

• Analysis of documents & workforce statistics
Multi-dimensional Psychological Contracts

- Respondents held combinational psychological contracts with their employers.

- Common denominator among vast majority of respondents was the possession of VSE

- Possession of VSE ran parallel, to lesser and greater degrees, with relational and transactional components to employee psychological contracts.

- I’d always kind of wanted to put something back, to kind of help people I suppose. I got disillusioned with the science so it was a kind of natural progression really to go and try my hand at this...The client group is very important to me. I have a lot of personal family experience with people having mental health problems. That is why I kind of chose mental health in the first place. I have really strong thoughts on it and feelings about stigma and people being disadvantaged because of mental health problems (Depute Manager).
Breach & Violation to the VSE

• ‘Goal displacement’ rare.

• Breaches surrounding ‘value interpenetration’ concerned implications from external interference in type of services delivered.

• Employee reactions ranged from acceptance, resistance and considering quitting.

• Determined by degree to which such pressures/events were ‘the norm’, temporary, circumvented, and interaction with transactional elements.

• Its kind of get them in, get them trained, and get the out of the door. They’re obviously looking for value for money for the pundit, and that’s probably changed the kind of emphasis from just learning for the sake of learning. Making people feel good about them-selves or raising self-confidence, just through the fact that they’ve learnt something. There’s this idea that they’ve got to learn and get out into the big, bad world, which perhaps detracts from the enjoyment of the job or what I see my role should be. (Training Officer, Galaxy)
All the team are probably in agreement with this that we feel we should work with less children in order to give a more intensive service, but the way things are going we are going to be working with more children, and I’ve got issues with that because I think then we become far too deskilled. It’s outside expectations, rather than Universal. I get quite angry about that, and I would want them to protect the work that we do. (Social Worker, Universal)

Breach and Violation to Transactional & Relational Elements

- Pressure on pay and conditions from external funders was common across the three case studies.

- Feelings against transactional breaches ran high
  - Job security
  - Pay cuts
  - Skills dilution
  - Work intensification
  - Unsocial hours

- An undermining career paths
Employee reactions

- Withdrawal of goodwill & cooperation
- ‘Part of the Job’.
- Pay was the issue that made violations to the psychological contracts more likely.
- Awareness of impact of external funding made little difference.
- Tenuous shift of the foci of commitment away from organization to immediate work team and client group.
- A positive trade union impact, but conditional on contractual relationship
- Reactions to relational violations could be serious

- You know with the funding situation, your kind of feeling of self worth, that you know at the end of a couple of months, I could be out of the door with my P.45 in my pocket. I think that kind of feeling does certainly decrease your motivation and commitment. (Training Officer, Galaxy)

- Nothing happens for three months, basically nothing happens. ‘Why should it?’ is the reply. Now how do you motivate somebody who thinks they are leaving in three months time? (Training Officer, Galaxy)
There is still a kind of culture of expectation in the voluntary sector where you will go the extra mile. From an employee’s perspective it’s ‘we’ll go that extra mile’ and work over our contracted hours with no pay and not claiming it back because we want to do something of value. Employees are too willing to go that extra mile and employers will say ‘no, you shouldn’t but are quite happy that you do. Its unwritten – they’ll say the right things, we’ll have the right things and you’re entitled to do the right things, but we’re not going to pull you up for doing too much (Manager, Galaxy).

I really love working here, but I feel totally under paid. I have applied for other jobs sort of hoping I don’t get an interview. But I have to live and I think that given the service we offer they could pay us a decent salary. I have service users asking me whether I will leave, which is very emotionally draining. You feel guilty just thinking about that. I am hoping I will go up the next rung as a Support Worker by Christmas. If not, then it’s a pay thing and I will look for other work (Female Support Assistant, Starlight).
Discussion & Conclusion

- Employees exhibited combinational psychological contracts along the transactional, relational and VSE spectrum

- Breaches & violations to VSE were mainly met with a mix of acceptance and various coping strategies.

- Changes to pay & conditions and work effort bargain much more likely to lead to violation and quitting.

- Limited impact of moderating factors including VSE.