The seasons of the psychological contract: Overcoming the silent transformations of the employer–employee relationship

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ABSTRACT

In this piece, we advocate a broader conceptualization of the psychological contract to incorporate a more comprehensive understanding of its characteristics and evolution over time. We provide an alternative conceptualization in order to sustain the PC by management practices from an accompaniment stance. Typically, the psychological contract is assessed by examining idiosyncratic information that carries particular meaning for either party, as well as standard information that is generalizable to a larger population. Traditional Western ideologies and methods of thought regarding the workplace relationship often focus on outcomes, or are caught up in defining the specific duties that each party has to the other. Here, we argue that this assessment must acknowledge that the information is not always defined by a specific event or action. The dialogue needs to change to establishing a more holistic understanding of individuals’ interactions in organizations, informed by the Chinese philosophical tradition. With this understanding, comes an ability to positively affect how the employer and employee relate. We propose an alternate ideology characterized by the establishment of “letting happen” and a broader shared meaning between parties in the relationship.

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1. Introduction

“We are surrounded by the marvellous, which sustains us like air itself, but which we do not perceive.”

[—Charles Baudelaire]

How employer–employee relationships change over time takes prominent importance in the management literatures. The changing nature of organizations in response to turbulent, fast-moving business environments has created new workplace situations (Chaudhry, Wayne, & Schalk, 2009; Van der Smissen, Schalk, & Freese, 2013), which as a consequence, revise employment relationships (Guest, 2004). One core aspect of the employer–employee relationship involves the psychological contract which has become an established field of research (Rousseau, de Rosario, Jardat, & Pesqueux, 2014). This refers to the “individual beliefs shaped by the organization, regarding terms of an exchange agreement between individuals and their organizations” (Rousseau, 1995, p.10). To understand employment relationships in this transitional business environment, research has focused on psychological contracts (Conway & Briner, 2005; Shore, Porter, & Zahra, 2004). Since “understanding and effectively managing these psychological contracts can help organizations thrive” (Rousseau, 2004, p.120), it is important for researchers to comprehend the evolving nature of psychological contracts in the workplace.

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At the same time, it is widely believed among management scholars that organizational change has an affect on psychological contract formation and maintenance (Rousseau, 2003; Shore et al., 2004; Freese, 2007). However, research on change and psychological contracts remains underdeveloped (Van der Smussen et al., 2013). Our present paper aims to address the transformations of the employment relationship with regard to the psychological contract. Our motivation in this paper is to generate a more thorough understanding of the psychological contract. More theoretical clarity is needed in order to promote more sustainable employment relationships (D’Art & Turner, 2006).

While it is accepted that psychological contracts change in form and quality over the entire course of employment (Lester et al., n.d.), the revisions to the relationship are thought of in terms of discernable changes to the relationship. The psychological contract is useful for explaining how cognitive, emotional, and relational processes affect employee engagement within an organization. Most research on the psychological contract focuses on particular phases of the interaction, and on identifying the components of psychological contracts themselves (Uen, Chien, & Yen, 2009). While both parties to the psychological contract acknowledge that the employment relationship is changing (DeMeuse, Bergmann, & Lester, 2001), there remains a lack of clarity about the evolving nature of the psychological contract and how misunderstandings between parties occur, leading to further breach. We agree with the sentiment that an appreciation of how these employment “agreements or disagreements are reached and their impact on the parties’ behavior is essential” for a more comprehensive understanding of workplace relationships (Chen & Miller, 2011, p. 33).

Our purpose in this paper is to expand the human resource management field’s understanding of psychological contracts (PCs) so as to better incorporate change within the context of an employment relationship. In order to be able to effectively recommend useful strategies to human resource managers for sustaining workplace relationships, scholars must gain a fuller view of how employer–employee connections develop, evolve, and adapt over time (Chan & Schmitt, 2000). This involves thinking about the psychological contract in a different way. Currently, psychological contract research focuses much on how to control aspects of the employment relationship in order to generate a more sustainable PC—the laudable goal of theoretical efforts. However, “it may not be possible for an employer to control all, or even most, of the many factors that influence perceptions of the employment relationship” (Paul, Niehoff, & Turnley, 2000, p. 479).

To understand psychological contract transformations, we posit that the theoretical focus needs to shift away from an emphasis on trigger events and specific actions as being the impetuses for psychological contract breach. The field’s current understanding of psychological contracts is centered on the antecedents to breach and subsequent violation (Ng, Feldman, & Butts, 2014). Thus, scholars tend to objectify the causes of breach by identifying the triggers for the relationship change. Arguably, there is a negative connotation associated with the PC change and much work in the field assumes the relationship will actually deteriorate over time (Robinson, Kraatz, & Rousseau, 1994; Sparrow, 1998). Given this premise, it is understandable that much effort in the literature has been spent on identifying trigger events or actions that help cause the change in the relationship. While we recognize this is indeed helpful for increasing our comprehension of employer–employee exchanges, it does not, in our view, account for the entire variance of change.

One of the potential triggers is simply an expectation gap between the contracting parties related to a perceived deviation from the core values shared between the employee and the company (Turnley & Feldman, 1999a; Uen et al., 2009), ultimately leading to a negatively altered workplace dynamic. For instance, theories of expectancy demonstrate that different perceptions of what is contributed and what is owed in a social relationship often lead to a breakdown of the relationship itself (Burgoon, 1993; Hayibor, 2012). Part of the problem is that the nature of these expectations is not fully understood. Our position in this paper is that PCs need a new conceptual starting point through which to view the expectations and obligations of the employment relationship.

To ultimately improve the workplace relationship it becomes necessary to provide managers with the “knowledge and resources they need to understand how they are part and parcel of their relationship with each employee they manage” (Uen et al., 2009, p. 35). D’Art and Turner (2006) state that employment relationships, despite the transitions they go through, have core features that are enduring and constant. By rite of being an employment relationship, there exist some permanent and consistent aspects. We build on this notion in our paper by arguing that fluid, silent transformations are an enduring (and, unavoidable) part of the employer–employee interaction. While D’Art and Turnley’s argument centers on the Western assumptions associated with the market, we take an Eastern view that the relationship is living and goes through constant, invisible transformations.

We posit that the psychological contract has no form; that the relationship between employer and employee needs to be re-conceived as something less documentable, and more holistic and fluid. This theoretical paper re-examines the current comprehension of the employer–employee relationship from an Eastern philosophical perspective in an effort to improve workplace relations. “Understanding is more often used to try to alter an outcome than to repeat or perpetuate it” (Diamond, 1999, p. 17).

We propose leaving this ethnocentric way of thinking opening the door to indigenous Chinese philosophies and their associated psychology (Hwang, 2012). The Eastern philosophies—especially Chinese philosophy—are very comfortable with change. Chinese thought is positioned to integrate change in its way of thinking (Chia, 2014) and even to take advantage of it. Specifically, we address the tacit, intangible aspects of employment arrangements, characterized by the psychological contract. Since they are cognitive in nature, the perception of the actions of each party which is affected by many factors is in a constant state of change (Makin, Cooper, & Cox, 1996). We propose another kind of reading (and associated knowledge) with the concept of “silent transformations” (Chia, 2014; Jullien, 2011a) applied to PC. It should be noted that researchers in the field offer that it is “plausible that far more types or dimensions of the psychological contract exist” (Scheel & Mohr, 2013, p. 391). We believe this provides us an opening for establishing new ways of thinking about the life of the contract and evolving nature of the relationship. We add a “silent” transformation element to the understanding of the psychological contract.

In this present piece, we advocate a broader conceptualization of the psychological contract to incorporate a more comprehensive understanding of its characteristics and evolution over time (Suazo, Martinez, & Sandoval, 2011). We provide an alternative view in
order to sustain the PC through management practices from an accompaniment stance. In this paper, we respond to a call for establishing a “comprehensive understanding of the changing nature of the employment relationship” (DeMeuse et al., 2001, p. 115). Denise Rousseau (2000) rightfully points out that more effort needs to be expended trying to figure out what factors contribute to mutuality between the parties. Thus, the focus of research needs to shift from examining the factors which contribute to the negative (i.e., breach) to a focus on the factors contributing to shared understanding, or meaning of the relationship. Our main research question is: How can Chinese philosophies and associated psychology help HRM scholars understand and enrich their understanding of the sustainability of the psychological contract between employers and employees? We need to re-think the underlying processes in the PC before we are able to react to the changes in the PC.

This paper is organized as follows: First, we provide a literature review of psychological contracts focusing on what is known about the nature of the relationship and the role of time on the sustenance of the relationship. Specifically, we examine work emphasizing mutuality in employment relationships. It is also necessary to review the work on PC breach by obtaining a grounding in the current approaches to changes in workplace relationships. Next, we offer an overview of Eastern perspectives on employment relationships followed by a description of French philosopher and sinologist, Francois Jullien’s, concept of silent transformations. We explain his synthesis of Chinese philosophy and illustrate how it applies to workplace conventions. We focus on the silent transformations of employment relationships and provide a re-conceptualization of the psychological contract. Finally, we offer managerial strategies to assist in promoting the sustenance of the employee–employer relationship. Given today’s increasingly dynamic workplace contexts, we examine the kind of regulation needed to sustain PC.

2. Psychological contracts

In this section we outline the literature on psychological contracts. Specifically, we first concentrate on work that has addressed the definition and basic features of psychological contracts. We choose this focus because we wish to identify the extent to which the field understands what affects PC maintenance and change. Researchers have fallen short of addressing the nature or content of the obligations involved in employment relationships (Dabos & Rousseau, 2004). However, we applaud the development of the psychological contract as a great theoretical construct for enhancing scholars’ understanding of workplace relationships. To us, the PC represents major progress in the OB and human resource fields for gaining a more than 360° view of the ebb and flow of human interaction. Still, however, the construction and maintenance of the PC is in accordance with Western ways of thinking, where form and personality are treated statically.

Current management theories typically are governed by the “economic” paradigm of human behavior, which emphasizes a set of assumptions related to rationality, self-interest and short-term profit motives (Misangyi, Weaver, & Elms, 2008). Since before the human relations movement, management theories have been subject to the rather limiting views of individual behavior. As a consequence, theories have focused on command-and-control models of behavioral change (Dawson, 2003). Assuming self-interest, the common and rational response for mitigating certain behaviors centers around regulation of future interactions.

But it is well-acknowledged that these assumptions may constrain management theories and limit their usefulness (Corley & Gioia, n.d; Mitchell & James, 2001). In looking at negative organizational behaviors—for instance, deteriorating employment relationships—existing behavioral models “focus mainly on rather static individual traits and behaviors...the resulting views, therefore, are relatively narrow” (Ashforth, Gioia, Robinson, & Treviño, 2008, p. 671). Theories in the OB and HRM fields need to incorporate a broader set of assumptions about human beings in order to more effectively describe and predict decision making and behavior (Weber & Johnson, 2009). One critical element of the human condition on which this present paper focuses is on the unnoticed and invisible transformations of individual exchanges.

Typically, the psychological contract is assessed by examining idiosyncratic information that carries particular meaning for either party, as well as standard information that is generalizable to a larger population (Morrison & Robinson, 1997). We need a reformulation of what an exchange relationship entails. Only when this starting point is established can we begin to discover elements which require a deeper examination. Toward this end, we also re-evaluate current assumptions underlying the process of psychological contract formation and its nature.

Ironically, this paper builds off a very early notion of the psychological contract, but not one that has been much developed through the years. Berne first wrote about the psychological contract in 1966 as concerning the personal needs of managers, “of which they themselves may or may not be aware” (Berne, 1966, p. 16). Early work in psychology used the PC for the restoration of proper communication in ailing personal relationships. Sager and Hunt (1979) thought of the PC as a process and not a piece of paper. Schein (1980) advocated a holistic view of PC formation and argued that interpersonal, organizational, and external forces need to be included to develop an understanding of PCs. Writing about work environments in general, Maquet (2012) describes a tension in the social contract theory, one involving a person’s need for structure and stability, as well as a need for an integration of unknown factors between contracting parties. “It is in contrast to the ‘light’ of the agreement that what is hiding away in the ‘shadows’ of the unconscious will reveal itself” (Maquet, 2012, p. 19). In order to deepen one’s understanding of contracting, one must view it as an ulterior transaction, anchored in an evolving situation involving process, not just measurable events.

In the sections that follow, we will describe the general notion of the PC before examining how parties to the contract perceive each other and the relationship overall. Then, we focus our attention on actual perceptions of mutuality and how a shared understanding between contracting partners could be achieved by using a different approach. This leads into a discussion of how relational and transactional contracts are formed, and then how research in the field addresses change in the PC. We finally present the PC in the context of time.
2.1. Features of the psychological contract

The notion of the psychological contract refers to individuals' beliefs regarding the terms and conditions of reciprocal agreements between exchange partners (Rousseau, 1989). Psychological contracts attempt to capture the nature and terms of the employee–employer relationship. This nature is constantly changing and it evolves over time through experience (Harold, 2008). (We specifically address the PC over time in Section 2.6.) The dynamic nature of PCs is not disputed (Schalk & Roe, 2007). Unlike written or explicit contracts, psychological contracts involve expectations, perceptions, emotions, and the overall desire for sensemaking within the work environment. The highly subjective nature of psychological contracts also means that violations are in the ‘eye of the beholder’, that is, based on the cognitive interpretation of the focal exchange partner. As Rousseau and McLean Parks (1993) argue, it is not actual reciprocity that creates a psychological contract, but the shared belief that reciprocity, or mutuality exists. We offer a discussion on mutuality in PCs below.

Recent research on the psychological contract recognizes that the construct is difficult to define despite the fact that there is consensus that it represents a comprehensive set of beliefs that employees have about the exchange relationship with their organization (Middlemiss, 2011). While explicit employment contracts formulate expectations between the exchange partners, they are static and oversimplified. PCs involve additional factors such as promises, payments, and reliance (Rousseau & McLean Parks, 1993) and define a broader meaning of the larger social exchange relationship. This added complexity mitigates the reduction of uncertainty and subjectivity that is sought after in the West. Psychological contracts address “underlying problematic issues between human beings…” which include “confusing processes…” in intra-organizational relationships (Morrison, 1994, p. 354). According to Rousseau and McLean Parks (1993), PCs are important for reducing uncertainty in social relations and defining organizational roles, hierarchies and power relationships. Still, it is acknowledged that psychological contracts are often difficult to characterize. Yet, scholars have continually tried to pinpoint very specific and objective aspects of them.

 PCs are known to be dynamic. “The psychological contract does not just change over time; change itself modifies the contract… Furthermore, during times of change, new expectations are built and reinforced” (Morrison, 1994, p. 355). In their longitudinal study, Freese, Schalk, and Croon (2008) showed that perceived violation increases during organizational transformation. This is especially relevant to our present paper, as we emphasize the important role of transformation in psychological contract evolution.

Building off work laid out by Levinson (1966), David Morrison (1994) described five main qualities of psychological contracts. The starting point for the PC involves “unspoken expectations” between employer and employee, meaning they are implicit and often silent. Based, in part, on each party’s past experiences with an employment relationship, individuals formulate their view of what is expected of them, and what they should expect in return. These expectations include the acknowledgment that the employment relationship is interdependent and mutually obligatory, but that this interdependence is premised on a basic human need of psychological distance. When the contract is not broken, the expectations are often invisible to the parties in the exchange relationship. Our cognitions are limited to perceive changes only after we can define a new stage of the relationship. A discussion on perceptions of the PC follows in the next section.

2.2. Perceptions of the employment relationship

Each party to the contract has his/her own perception of the tacit agreement that exists between the two parties (or with the individual and organization as a whole). Thus, there is an implicit subjectivity to the PC that is subject to various cognitive biases that affect perception (see Kahneman, 2011). “The individual is the direct source of information regarding the contract because it is the perception of mutuality, not necessarily mutuality in reality, that constitutes a psychological contract” (Rousseau & Tijoriwala, 1998, p. 680). Porter, Pearce, Tripoli, and Lewis (1998) found that there is often a discrepancy between the two parties’ perceptions of the contract. They acknowledge, however, that to realize this gap exists adds much explanatory power to understanding employees’ interactions with the organization. Their research focused on employee inducements and job satisfaction to gain insights into the features of perceptual gaps between employer and employee. In this present piece, we wish to examine this even further.

Psychological contracts provide the context for social reciprocity within exchange relationships. Given the nature of the psychological contract, employees may believe their organization owes them and they, in turn, owe the organization. Thus, it is not enough to only study the PC only from the point of view of one party. In the current model, psychological contracts are important for shaping how people may interpret the promises, policies and commitments that exist in the employer–employee relationship. Thus, perceptions of support are determined in large part by the individual framework an employee uses to interpret actions by the organization, that is, the type of contract that is perceived to be in place. Perceptions of the quality of the PC on both sides of the relationship “are likely to result from a cumulative evaluation of the prior transactions that have occurred in the relationship” (Dulac, Coyle-Shapiro, Henderson, & Wayne, 2008, p. 1084). Rousseau (2000) argues quite clearly that perceived obligations are the “fabric” of the psychological contract.

As it is recognized in the phenomenology of perception, subjective and objective aspects exist together (Merleau Ponty, 1968). That is true for the PC, and for both parties (employer and employee) of the PC. Perception in itself is a complex phenomenon which marries visible and invisible (Merleau Ponty, 1968). Moreover, human perception is always anchored in a dynamic, constantly evolving situation, even if people are generally not able to perceive these invisible and silent evolutions (Chia, 2014). However, the usual approach of the scholars who desire to establish an evidence-based management is to distinguish between subject and object even if they recognize that one aspect could not be managed without taking the other into account. For example, management typically bases the rationale of employee bonuses on objectifiable measures like sales dollars, rather than focusing also on other factors
associated with the subject. “For evidence-based management to take root, it is necessary—though far from sufficient—that managers be exposed to, and enhance scientific evidence” (Rynes, Giluk, & Brown, 2007, p. 221).

In order to understand how employees respond to contract breach (discussed in Section 2.5, of this paper), researchers have been studying the complexity of cognitive processes (Morrison & Robinson, 1997; Robinson & Morrison, 2000). However, these studies are limited in their ability to identify what people are actually perceiving when they claim that a breach in the PC has occurred. Research in supervisor “person–situation” fit has identified two categories of perceptions of an employment relationship: surface-level attributes and deep-level attributes (Strauss, Barrick, & Connerley, 2001). The former group is more easy to observe (e.g., demographic variables), while the latter group are very difficult to detect and research (Van Vianen, Shen, & Chuang, 2010). Deep-level attributes are the intrinsic variables that are silent and not readily visible.

Rousseau (2004) acknowledges that most work on the PC focuses much more heavily on conscious perceptions of the relationship rather than unconscious perceptions. She suggests in her essay that it is important for scholars to expand psychological perspectives pertaining to the PC, and that this may indeed lead to a greater understanding of PC breach and mutuality. This is discussed next.

2.3. Perceptions of mutuality

Perceptions of mutuality are inherent in the current understanding of psychological contracts. Rousseau (2001) recognizes that one of the major features of a psychological contract is that each individual believes that the agreement between the two parties is mutual; that there is a common understanding of what the relationship entails. In their definition of psychological contracts, Guest and Conway (2002) state that they involve both parties’ perceptions of mutual promises and obligations. Once the PC is formed these perceptions of mutuality are subject to socialization forces within the organization. Over time, it is likely the parties to the PC will perceive that the initial common understanding does not remain. Thus, the relationship is re-shaped throughout employment.

It is important to base individual beliefs about the PC in a degree of commonality to facilitate a greater understanding of its formation (Dabos & Rousseau, 2004). This common set of assumptions must include the realization that perceptions of mutuality are based on personal interpretation and may be perceived differently among parties to a PC. Since each party to the PC has his/her own perception of the contract itself, it becomes nearly impossible to define the precise content of the PC (Anderson & Schalk, 1998). The contract is idiosyncratic in nature which makes it quite difficult to explain how the content of the PC is violated (Guerrero & Herrbach, 2008). It is useful to take a perspective of the PC that is more open to a wide variety of dynamic and elusive content. Thus, mutuality is thought of as pertaining to the actual terms of the contract. This is not necessarily the proper focus as it directs research on the PC in a particular direction—one centered on tangible elements of the agreement that define the deliverables of each party. So we need to establish a new starting point for the PC; a step prior to the setting of the specific agendas and performance expectations.

Additionally, this broadened perspective of the PC needs also to include a two-sided view of the employment relationship (Atkinson, 2007). This view of psychological contracts takes into account the points-of-view of both parties to the contract. While this is important for establishing a broadened view of the PC, the fact that the PC is based on the perceptions of both parties is problematic for establishing a more sustainable PC. Rousseau (1995) even recognized that the PC was based on the belief of mutuality, rather than necessarily the actual existence of mutuality. It becomes necessary, as we will illustrate in the following sections, that due to individually biased perceptions of the workplace relationship, mutuality can be created through the communication of these varying perspectives (Rousseau, 2004; Ye, Cardon, & Rivera, 2012). Next, we break this down through a discussion of the types of PC.

2.4. Types of PC

Rousseau and her colleagues distinguish between several types of psychological contracts (Rousseau, 1990). Two of these types are most relevant here: relational and transactional. These two types of contracts are based on key dimensions that define exchange relationships, time frame, or stability. Relational contracts consist of exchanges that are open-ended in duration, often long-term, and involve some degree of flexibility between the partners (Rousseau & McLean Parks, 1993). These types of contracts involve dynamic relationships between the employer and employee and include reciprocal obligations between these social agents. Their dynamic nature comes from the need to clarify, modify, develop and negotiate these open-ended contracts. MacNeil (1985) points out that these open-ended, relational contracts are shaped by good faith, perceptions of fairness, and past experiences of support within the relationship. Thus, a type of reciprocal interdependence develops over time within these types of relational contracts. Relational elements of the PC “revolve around trust, respect, and loyalty developing over time” (DeMeuse et al., 2001, p. 104). A wide variety of empirical work supports the notion of relational contracts (e.g., Guzzo, Noonan, & Elron, 1994; Robinson et al., 1994; Rousseau, 1990).

In order for relational contracts to develop, several factors must be present. First, there must be some opportunity for the relationship to exist and develop over time. One-time, short-term, and limited types of exchanges do not evolve into relational contracts. In addition, because of the time frame for these relational contracts, historical information develops that shapes the expectations and assumptions that exist between exchange partners. This historical information not only shapes the psychological contract, but also is interpreted through the specific lens based on the type of contract that is in place. Underlying this type of PC is the notion that relational obligations between parties are focused on perpetuating a long-term relationship.

While transactional contracts can lead to relational contracts, this transition does not always occur (Rousseau, 1995). These types of contracts are short-term in duration, static, and close-ended with a more narrow focus than relational contracts. Rousseau (2004) realizes that this type of contract focuses on explicit employment terms that include narrow duties and short time frame. There is an emphasis on items that are objectifiable, like events and tangible things.
Rousseau (1995, 2004) identifies another psychological contract that warrants brief mention here due to its connection to relational and transactional contracts. She describes “balanced” PCs which relate to the combination of “the open-ended time frame and mutual concern of relational agreements with the performance demands and renegotiation of transactional contracts” (Rousseau, 2004, p. 123). Thus it is a sort of hybrid between relational and transactional PCs. For our purpose in this present paper, we see balanced PCs as a window through which we can build on our notion of developing a more holistic and living PC. Balanced contracts are characterized by a longer time horizon and greater flexibility of contract arrangements to accommodate evolving and changing circumstances (Dabos & Rousseau, 2004). The idea of balanced PCs has not been furthered in the PC literature and is beyond the direct scope of this paper. However, we will develop the time and change concepts related to PCs in the following two sections.

2.5. Psychological contracts and change

The literature on the PC consistently shows that contracts change over time (c.f., Rousseau & Anton, 1991; Rousseau & McLean Parks, 1993; Robinson et al., 1994; Robinson, 1996; Rousseau, 1995). Of course, change in the literature is usually framed as breach or violation. Thus, negative change is emphasized. The answer offered as to why any change occurs is rooted in the idea of the ‘implied contract’. This refers to interpretations [of contractual terms] that third parties make (Porter et al., 1998, p. 770). We question what is actually implied in this definition. The word “implied” employed by Rousseau (1995) indicates that a scope of individual interpretations is possible. She distinguishes between two types of changes, one associated with accommodation and the other with transformation. The latter represents a “revolutionary shift in the nature of the relationship between the parties, redefining it and the contract on which it is based” (Van der Smissen et al., 2013, p. 1074). This notion of transformation involves systemic changes in an organization, which are framed in the literature on PCs as tangible. We utilize a different perspective that examines the current and evolving time through the weather and duration of a season in this present paper. From the Chinese tradition (described in a subsequent section), we emphasize the importance of viewing change in the world dialectically (Chen, 2005).

There is a difference between psychological contract breach and psychological contract violation. Breach is the awareness that one’s contributions are not being fairly reciprocated by the contracting partner. Violation, however, is an affective state that follows a breach (Morrison & Robinson, 1997). What is important about this distinction is the fact that individuals are not always able to ‘see’ a breach as it occurs, but may feel the violation. The imbalance of expectations between parties is felt, but not necessarily seen or heard. So one of the reasons PC breach is not visible to the contracting party is because it is a subjective experience. Contract breach “involves perceived discrepancies between the levels of expectation and fulfillment” (Hattori & Morinaga, 2011, p. 21). Research has indicated that violations of the psychological contract can have a negative impact on organizational outcomes (e.g., Robinson, 1996; Robinson & Morrison, 1995, Turnley & Feldman, 1999b). Clearly, perceived breaches in the psychological contract reduce employee job satisfaction and trust between contractors in the organization and increase intent to quit.

Violations of the PC are most often reported during organizational change processes (Freese, 2007). This implies that the status quo is assumed by the parties of the relationship. Dulac et al. (2008) suggest “that mechanisms that account for outcomes within each individual framework are interconnected in such a way that they explain the relational, cognitive, and affective processes that converge in organizational life...”. We do not discount the impact of outcomes on the context of a social relationship, however, we purport there is more to the story for understanding organizational interactions.

Definitions of psychological contracts and breaches of existing contracts cannot be seen as one-dimensional. It is important to note that employees do not always perceive instances of receiving less than promised as a “breach” of either kind of psychological contract (Turnley & Feldman, 1999a). Rousseau (1995) argues that reactions to violations of the contract are driven by the attributions that an employee makes regarding the reasons the organization failed to keep its promises. Despite the fact that, to date, there has been no empirical evidence that supports the idea that the ascriptions that employees make moderate reactions to violations (or fulfillment) (Hattori & Morinaga, 2011, p. 21). Nevertheless, ‘weak’ refers implicitly to a lack of clarity in generic values such as strength (of the signal) and respect (of the contract). Nevertheless, ‘weak’ does not mean ‘unpowerful’. On the contrary, the potential of transformation is more powerful in a weak signal (unclear) than in a strong signal (clear and explicit like in a legal or written contract).

Recently, research on the PC has incorporated insights from signaling theory (Spence, 1973) to help explain how PCs are created and how they change (Suazo et al., 2011). The signaling model of psychological contracts involves multiple content items that may be involved in the creation of these contracts. Once management sends a signal to an employee, the relationship is immediately changed. Signals can take many forms, but are limited to observable characteristics and attributes of individuals as well as visible information that is communicated between contracting parties. The key to utilizing signaling theory is that the organizational signals are also highly perceptual in nature (Goldberg & Allen, 2008). Signals can be strong or weak based on the extent to which the information being transmitted is explicit and unequivocal (Suazo et al., 2011). Here ‘weak’ refers implicitly to a lack of clarity in generic values such as strength (of the signal) and respect (of the contract). Nevertheless, ‘weak’ does not mean ‘unpowerful’. On the contrary, the potential of transformation is more powerful in a weak signal (unclear) than in a strong signal (clear and explicit like in a legal or written contract). Moreover ‘weak’ does not mean ‘bad’: It is impossible to qualify a weak signal a priori as “good” or “bad” but this weak signal can be a risk versus an opportunity in the vitality of the PC. Thus, even weak signals are observable items or events that are subject to interpretation by the parties of the social relationship. The theory does not account for the subtle, tiny, and unobservable signals that inevitably occur between persons. The primary emphasis in the literature for accounting for changes in the PC (with breach/violation representing the changes) is on human will. In other words, breach is due to something a person or the organization did or did not do. However, to advance our understanding of the PC, research also needs to look at change resulting from the “situation”. Breach, violation, or change of any sort is not always the product of human intervention. We need an integrative approach to PC theoretical development (Suazo, Martinez, & Sandoval, 2009).

A small number of Western researchers of the psychological contract have focused on the cognitive interpretative processes involved in perceiving breach (Robinson & Morrison, 2000; Turnley & Feldman, 1999b). Conway and Briner (2005) claim that
there are many ways in which promises can be broken, not limited to categorical acts. Parzefall and Coyle-Shapiro (2011) recently found that “contract breach is not necessarily a discrete event as operationalized in the major of psychological contract studies…” (Parzefall & Coyle-Shapiro, 2011, p.22). They include the role of emotions and the cognitive process of sensemaking in their model for understanding PC breach. However, the ‘silent’ changes underlying the PC relationship are overlooked. The authors conclude that future work on the PC should explore the role of time and context in the transformation of these employment contracts. We address this in the following sections.

2.6. Psychological contracts over time

Even early on research on the psychological contract focused on its tendency to deteriorate over time (Morrison & Robinson, 1997; Robinson et al., 1994). The assumption is that both parties to the social exchange are likely to breach the PC over the course of the relationship. Socio-emotional concerns related to fairness and the maintenance of trust must be addressed by both parties; otherwise, the fabric of the PC will erode (Robinson et al., 1994). Breach is “the cognition that one’s organization has failed to meet one or more obligations within one’s psychological contract in a manner commensurate with one’s contributions” (Morrison & Robinson, 1997, p. 230). Contract breach remains a much discussed aspect of PC research and is considered critical to our understanding of how the PC may adversely impact emotions and behaviors of employees (Conway & Briner, 2005).

Change is an unavoidable and accepted aspect of the PC. However, the nature of change is unspoken. “Change can be predictable; the change of seasons is one example. The predictability comes from how things changed in the past, which allows one to pick out patterns in transitions” (Morrison, 1994, p. 366). Resisting change is futile for the transformations inevitably take place. Qualities of the relationships shift, even when we don’t see them as they take place. “A psychological contract governs the continuing development of the employment relationship which evolves over time…” (Wangithi & Muceke, 2012, p. 117). This statement indicates that there is a constant transformation over the life of the relationship. However, the variance of this change is not wholly accounted for by specific, quantifiable events or actions by the organization, given the idiosyncratic nature of the employment exchange.

DeMeuse et al. (2001) claim that there exists a main effect of time on a person’s perceptions of the psychological contract. In terms of the relational component of the PC, perceptions of what constitutes a proper and appropriate exchange have changed over the last several decades. This indicates to us that societal and cultural expectations of social exchange affect the nature of the PC; not only the specific actions of the persons involved in the exchange itself. Individual perceptions about what is fair, for instance, are subject to a constantly changing interaction between business and society. The expected nature of the employment relationship is not necessarily affected by a single event, but rather by the complex dynamic among all the members of a global society.

Organization theorists have given scant attention to the nature of time and its effects on workplace relationships. One construct that has been introduced, however, is the idea of “future time perspective” (Husman & Shell, 2008). It relates to how individuals perceive their future existence; whether they have much time remaining, or only a little. Future time perspective “modifies the relations between employer contract fulfillment and employee obligations” (Bal, Jansen, van der Velde, de Lange, & Rousseau, 2010, p. 474). This, of course, has potential implications for how individuals behave in that persons who believe their future is open are more likely to be interested in maintaining long-term relationships (Bal et al., 2010). Future time perspective is about individuals’ subjective time experiences (Lang & Carstensen, 2002). It is “a flexible, cognitive–motivational, and age-related construct that changes over time” (Bal et al., 2010, p. 476). Employees with high future time perspective will be more interested in developmental fulfillment, which involves a more intense focus on organizational relationships. While these are important insights to the understanding workplace behaviors, no empirical research has been conducted on the role of the future time perspective in psychological contracts.

Nonetheless, we do know that psychological contracts “can shift over time—possibly rapidly” (Willey, 2009, p. 17). “With the speed and complexity accompanying organizational transformations in the form of mergers/acquisitions, exponential growth, downsizing, delaying and technological changes, the current context of psychological contracts requires a new understanding” (Krishnam, 2011, p. 555). This leads to ambiguity and uncertainty in the workplace environment. The speed with which the contracts change and adjust through time may be a source of the breakdown of the relationship.

Analyzing this phenomenon more analytically, Hartmut Rosa describes in his theory of acceleration three forms of social acceleration and the processes that drive them as explanations for the process of time acceleration (Rosa, 2010). The “first, most obvious, and most measurable” form of social acceleration is technological acceleration. This is defined as the “intentional speeding up of goal-directed processes of transport, communication and production” (Rosa, 2010, p. 16). The silent transformations are likely to become even more muted in contexts like these. The second form of social acceleration is social change. These changes focus on the “acceleration of society itself” and are concerned with the “accelerated processes of social change that rendered social constellations and structures as well as patterns of actions and orientation unstable and ephemeral” (Rosa, 2010, p. 18). The third form of social acceleration is the acceleration of the pace of life. It is defined as the “speed and compression of actions and experiences in everyday life” (Rosa, 2010, p. 22). We think this compression of experiences can lead to transformations that are not necessarily visible or recognized.

Even though it is acknowledged that the PC changes over time, how it changes is not well understood. It is our intention that this presentation here reorients the thinking about psychological contracts so that methods for their preservation can be implemented. In the subsequent section Francois Jullien’s work will serve as the conduit through which we are able to present a fresh perspective on tacit workplace relationships. After the tenets of his approach are described, we offer suggestions for how the new orientation could lead to pragmatic workplace practices for maintaining the psychological contract.
3. An alternative view through the Chinese way of thinking

In this section we utilize French philosopher and sinologist François Jullien’s synthesis of Chinese thought to change behavior through the discovery of alternative institutional logics. Institutional logics are “a socially constructed, historical pattern of material practices, assumptions, values, beliefs, and rules by which individuals produce and reproduce their material substance, organize time and space, and provide meaning to their social reality” (Thornton & Ocasio, 1999, p. 804). While the need for altered perceived institutional logics in organizations is not disputed, few researchers have attempted to search for alternative structures (Ashcraft, Kuhn, & Cooren, 2009; Misangyi et al., 2008).

This section is based on the limitations of the dominant view of the PC linked to the general issue of change. We address these limitations from the philosophical roots of the Western way of thinking. That is why we next open the door to Chinese philosophies by following Jullien and presenting the core concept of silent transformation highlighted by this scholar, as well as the idea of “letting happen”, developed by Chia (2014). Then we conclude this section by considering that the sustainable relationship has no form.

3.1. Limitations from the philosophical roots of the Western way of thinking

Traditional Western ideologies and models are sets of assumptions, generalizations and simplified characterizations about humans. They provide a manageable and less complex concept of the human being that can be used in developing theory, designing and implementing organizational human resources and behavioral systems. These models form the basis for predicting and interpreting human behavior in a variety of circumstances and are extant in all theories of management (Suddaby, 2010). Arguably, the foundations of business practices today are largely shaped by views of “Man” as conceived in the 18th and 19th Centuries (Morris, Urbanski, & Hunt, 2011). Human nature at the time of the Industrial Revolutions, despite the advent of Darwinism, concluded that “humans are rational, self-interested actors within systems of economic or social exchange” (Kluver, Frazier, & Haidt, 2013, p. 151). A greater understanding of each party’s obligations is our aim in this paper, but only when the nature and content are set to include silent processes that affect the obligations and commitment between parties will this understanding be truly realized. Our goal is to open up thinking about the psychological contract to an alternative perspective that allows for a more organic and comprehensive view of social exchanges in the workplace. Psychological contracts are ontologically well-suited to this approach as they mostly deal with non-tangible aspects of an employment relationship. However, at the same time PCs are, in a matter of speaking, a trap in that they use contractual terminology which implies a binding, concrete agreement.

Here, we argue that the assessment of the PC must acknowledge that the information is not always defined by a specific event or action. The dialogue needs to change to establishing a more holistic understanding of individuals’ interactions in organizations. With an understanding of both the tangible and the invisible, with an acceptance of the life cycle process of human relationships, comes an ability to positively affect how the employer and employee work together. Western ideologies are also characterized based on command–and–control models of behavior (see Wasieleski & Hayibor, 2009), with a strong focus on action and planning (Rappin, 2008). To understand the nature of change allows individuals to process and move with the change instead of trying to harness it.

The “problem of silent evidence” is a universal cognitive bias that pervades all behavioral relationships (Taleb, 2010). “This bias extends to the ascriptions of factors in the success of ideas…in our perceptions of the nature of extreme events” (Taleb, 2010, p. 101). This is a systematic error that is often responsible for distorting the perceived effects of phenomena, either positively or negatively. Individuals tend to measure information that is immediately quantifiable and visible. Randomness, Taleb argues, is concealed by silent evidence. In other words, history and any succession of events (including the state of social exchange relationships) only are told by what can be seen (Merleau Ponty, 1968). One must also be wary of the factors that cannot be seen, but which may have had an effect on the outcome of the event. What is important about this silent evidence bias for our purposes is that it can give a false sense of stability in relationships.

Generally the context of the PC is divided into two categories: stable or dynamic. Particularly in the dynamic dimension the theme of change is handled anecdotally in the literature (Krishnan, 2011). To focus only on the apparent, or visible manifestations of events causes humans to “weaken the interpretations” of the events, or rather, misinterpret the causes of the event (Krishnan, 2011, p. 555). It is also not completely uncommon for Western thinkers to acknowledge a silent process (Chia, 2014). What is uncommon is any sort of response for dealing with the hidden changes that take place constantly. Montaigne even recognizes that individuals’ minds get confused by competing impulses. “It seems to me that we could say nothing ever presents itself to us in which there is not some difference, however slight: either to sight or to touch there is always an additional something which attracts us even though we may not perceive it” (Montaigne, n.d, p. 74). Greek philosopher Heraclitus claimed that “you cannot step twice into the same river, for other waters are continually flowing on…”

We posit that François Jullien, may offer a solution to improving this understanding of the psychological contract. We use Jullien’s synthesis of the Chinese approach to understanding human interaction in this paper to further the concept of the PC.

3.2. Jullien’s interpretation of relationships with Chinese thought

For the last thirty years Jullien (2014) has been leading “an intelligent dialogue” to contrast Western and Chinese ways of thinking. Despite of the differences between the different Chinese schools (Chen & Lee, 2008), it is possible to consider the Chinese way of thinking as a whole and written in only one language. Because he is a philosopher, a sinologist and a philologist, Jullien has been using texts and commentaries as a springboard to question Western thought. Jullien’s deconstruction of Western thought begins with his literary analysis of the original foundational Chinese texts belonging to the major schools identified by Chen and Lee.
Defining research as an effort of discovery (rather than an effort to confirm hypotheses) brings us closer to the unknown, so that we may return one day to the known with an enriched perspective, like after a journey (Rappin, 2008). Jullien states, “What this journey [between the West and China] affords is, once again, an opportunity to verify that the thought of the other remains inaccessible unless one is willing to rework one’s own” (Jullien, 2007, p. 9). That is “a very difficult feat of intellectual accommodation” for a Western mind just like “accommodation of the eye through an automatic change in focal length” (Jullien, 2007, p. 107). For the West, China can serve as a theoretical distance that makes it possible to become more self-aware and critical, eventually to better appreciate our own presuppositions with conceptual innovation. That call echoes Tsui’s (2013) request for more responsible scholarship by accepting indigenous ways of thinking beyond the dominant research culture in Management fields.

For that we purport the integration of the foundations and core assumptions of two ways of thinking which had been disconnected from each other for several thousand years; the traditional Chinese thought and the European philosophical thought. In adopting this broad, transdisciplinary perspective, one of our main conceptual contributions is the refusal to enter in a comparative intention as often do the cross-cultural studies in international management (Tsui, 2007). Instead we present a duality of these points of view allowing for an intelligent dialogue (Jullien, 2014). Our will is to avoid the trap of a Western/North American ethnocentrism but also of a comfortable relativism on the other side, often found in the East. Thus, our purpose is not to make a choice between two ways of thinking, nor to compare them. Rather, it is to take advantage of a deep dialogue amenable to a life-oriented philosophy (Jullien, 2011b) toward the creation of a new managerial paradigm. In fact, we are looking for the conceptual conditions based on reality and sustainability beyond the Western Logos (Logos as a mix of discourse and rationality—Jullien, 2006). Then we echo the “ambicultural approach of management” advocated by Chen and Miller (2010, 2011) in their own promising exchange between West and East. Both scholars propose that researchers enter the ambiguities of management through a scholarly dialogue between West and East. This dialogue has to go beyond the ethnocentrism of the dominant trends of the management research anchored in the Western rationality. The way is now open by considering major conceptual pieces of Chinese philosophies as did Fang (2012) for culture, Chen and Lee (2008) for leadership, Chia (2014) for change, Chia (2013) and Shrivastava and Persson (2014) for strategy, and Hwang (2012) for psychology.

3.3. Toward an effective recognition of silent transformations

Jullien uses the concept of ‘silent transformations’ to specifically examine the workings of time on human conventions (Chia, 2014). Silent transformations are most often overlooked. Normally, humans do not perceive there to be an alteration until an event has occurred, or until the transition can be defined as a specific object or new state. Despite the Greek dichotomy that pervades our understanding of relationships in the West, “...in reality, people in an organization will not have the awareness and perception of the ongoing changes automatically” (Chen, 2005, p. 482).

To deeply understand the core notion of silent transformation highlighted by Jullien (2011a), it is necessary to go back to the notion of situation and associated potential. The notion of situation echoes the notion of context which needs to be more thoroughly taken into account by scholars in OB (Johns, 2006). Researchers in the psychological contract acknowledge the role of changing organizational contexts in transformations of workplace relationships (Ghosal & Bartlett, 2000). Context is defined as the setting that surrounds the obligations of a PC (Shore et al., 2004). So while the context and situation are thought to evolve over time and affect the underlying PC (Robinson, 1996; Schalk & Roe, 2007), the role of the situation has not been given enough attention in the literature (Chaudhry et al., 2009). More research on the effects of the situation needs to be conducted (Hermida & Luchman, 2013).

As with the notion of “context,” the notion of “situation” is at the same time stable and dynamic. In fact, a situation linked to time which ever flows is more dynamic than it is static; it carries an energy, an intrinsic potential for change anchored in the situation itself (Shrivastava, Ivanaj, & Persson, 2013). That is why the notion of “situation” itself is not a comfortable notion for Western rationality (Chia, 2014). Its main characteristic is to carry a potential anchored in the situation itself, that Jullien (1999) analyzed through “the propensity of things.”

Jullien (1999) uses the Chinese term ‘shi’ (§) to clarify what he calls ‘the propensity of things’ in English. Each Chinese character has an individual story (Wenzel, 2010, p.470). Jullien (1999) explains the term ‘shi’ by its calligraphy. It resembles hand holding something (probably a clod of earth). This holding is a symbol of power because it could symbolize something being put into position. In fact the polysemy of the term ‘shi’ is indicative of the disposition of things between the ‘static’ and the ‘dynamic’ without the usual Western opposition between these two notions. The notion of ‘shi’ from which Jullien (1999) studies the potential of the situation is disturbing for a Western scholar concerned about providing clear definitions. There are different significations: “position”, “circumstances”, “power” and, “potential” (Jullien, 1999, p. 12).

Instead of striving to mobilize action and motivate the actors (as is the normal approach in the West), Chinese efficacy waits for available potential in all situations. In the Western theories “the breathless rhetoric of planned transformational change, complete with talk of revolution, discontinuity, and upheaval, presents a distorted view of how successful change works” (Weick, 2009, p. 229). However, as it is recognized in the theory of Emergent Change beyond the theory of Planned Change (Chia, 2014), some scholars and especially Weick (2009) underline that change is not a linear, one-off isolated event. In this emergent view, change is “a continuous, open-ended and iterative process of incrementally aligning and realigning organizational priorities with an ever-changing environment” (Chia, 2014, p. 12).
With the concept of ‘silent transformations’ Jullien (2011a) specifically examines the erosive working of time on life. He invites us to think of maturation and deterioration: aging, wearing, entropy, and global warming are considered as silent transformations that flee our attention. People become aware of these silent transformations only when an ‘event’ takes place. In the West, events fill time and introduce ruptures. “The event is not simply what monopolizes the attention; it also structures the narrative and serves its dramatization” (Jullien, 2011a, p. 121). The result of a silent transformation is generally presented as an event. In fact, this event is just an obvious part of a continuous process, which ceases to end. Through Chinese lenses the different crises we know are merely “sound outcrops” of silent, invisible and underground transformations.

At this stage of our research we echo Jullien’s (2011a, p. 148) question: “As a descriptive concept, could the silent transformation become an art of managing?” Silent transformation needs awareness of, and accompaniment with what is coming about (Jullien, 2011a).

3.4. Allowing change through “letting happen”

This subtitle is borrowed from Chia (2014). In fact, letting happen as a “lâcher-prise” is a provocative notion for the West nurtured by the idea of the final goal, and of heroic will—concepts on which much of Management and Organizational Behavior theories are based. As explained in Section 3.3., Chia (2014) mainly refers to Jullien (1999, 2004, 2011a) to make the distinction between “owned” and “un-owned” processes of change. By paying attention to the seasons of the PC through the title of this paper, we highlight the “un-owned” processes of changes beyond the owned processes. The first processes (related to the owned change) are better digested by Western thought; the latter (related to the un-owned change) are more easily taken into account by Chinese thought.

To enter the sustainability of the PC we propose a metaphor based on the seasons to contrast the usual reading developed in the OB field. For example, a breach occurring in the PC can be interpreted as a violation because of the expectations of the employee or the employer. This breach could also be seen as the manifestation of a silent transformation in a wintry context to analogize a difficult situation. Jullien (2011a) asks, “Do modifications have a beginning? Is there always, therefore, a beginning to modifications even to those that are most marked? It would be nice to think that this beginning might remain blurred when passing from the invisible to the visible...” Jullien further adds, “But could it be the same at the heart of the visible?” Jullien (2011a, p. 48) suggests that Western scholars develop an anticipation of modification as a way to re-think the relationship.

Scholars who advocate an ‘owned’ process of change analyze it as something happening to an entity: the PC, the employer, the employee and/or the organization (Chia, 2014). This way of thinking is anchored in causality and human agency which frame the dominant trend in Western rationality. Causality is “attributed to the action of identifiable agents and it is that fuels the heroism associated with the direct interventionist approach” (Chia, 2014, p. 18c). However, the alternative philosophical outlook considers “un-owned” processes of change.

Chia (2014) refers to James, Whitehead and Bergson in the West without ignoring many ancient Eastern philosophers referred to extensively in Jullien (1999, 2004, 2011a). On the one side, the Chinese process of ‘conditions—consequences’ is culturally anchored in the round of the seasons; on the other side, the scientific Western rationality uses the causal process: cause ➔ effect ➔ cause. The Chinese process is more anchored in life itself, far from European metaphysics. That is why it can help us renew the idea of human success as a mix of strategy and vital nourishment. “Success is in nature not of a goal achieved but of a result, like the dropping of a ripe fruit” (Jullien, 2007b, p. 108). This core notion of ‘ripening’ as a silent and invisible transformation acts as a lever within the context of sustainability (Chia, 2014). It evokes emergence and what comes naturally more than planning by human will.

“We no more see the world getting warmer than we see the rivers carve out their beds...or the sea eat into the shore, and yet this is what is constantly happening in front of our eyes” (Jullien, 2011a, p.11). Growing, aging, but also respiration, digestion... all these continuous changes occur as invisible (but real) transformations for people. A logical question follows: how do we accept injuries in the workplace and therefore sustain the vitality of the PC during or after winter period? To answer this question, academics are maybe less gifted than management practitioners. The latter are more able to develop seasonable attitude because they are much more confronted with on a day-to-day basis throughout their everyday dealings. “Such seasoned practitioners are often intuitively aware that their own internalized ‘logic of practice’ is irretrievably change-oriented and time-dependent and hence often alien to the static logic of analysis that underpins much of academic research and theorizing” (Chia, 2014, p.10).

3.5. The sustainable workplace relationship has no form

This section title alludes to Jullien (2009), The Great Image has no Form. In this book, Jullien highlights that “form” as an imperative concept drives the desire of stability and perfection anchored in the Western conception of rationality. That is different in the Chinese traditional thought. Still today, and despite the increasing exportation of the Western (especially Anglo-saxon) management everywhere in the world (Ho, 2009), the Chinese approach to management differs significantly from Western ways because of the traditional Chinese philosophies (Chen & Lee, 2008) and psychology (Hwang, 2012). We contend that to only operate within the Western formulation is a trap. We propose an enriched understanding, not a boundary condition, or general issue. It is another way to consider change within psychological contract with another point of view coming from another way of thinking.

Cultural differences characterized by collective values, high power distance, and long-term perspective lead to such behaviors as consensus-seeking and workplace harmony (Li, Frenkel, & Sanders, 2011). Chinese employers stress the importance of workplace climate. They strive to create stable, ‘rule-of-man’ environments. They “perceive social relationships to be more important than formal rules in management...” (Li et al., 2011, p. 836). Thus, they do not emphasize command-and-control rules.
The idea of harmony broadly encompasses humans and their relationship with themselves and each other, as well as with society as a whole and the natural environment (Kong & Zhang, 2011). Harmony is not a tangible “thing” or a visible “object.” Rather, Confucian and Daoist traditions from which this derives, contend that an individual’s character is dynamic and constantly changeable. Guanzi likens each individual to a drop of water, collectively forming our planet’s oceans. This metaphor is important since it symbolizes an environment that is in flux, a “wateristic” one (Shrivastava & Persson, 2014). However, even though we know the oceans are perpetually moving and changing, we do not see the actual changes that are occurring.

Beyond the notions of silent transformations (Jullien, 2011a) and propensity of things (Jullien, 1999), we need to focus now on regulation. In this paper, we propose a re-thinking of the sustainability of the PC in order to offer another approach to the regulation associated with the erosion (change) and maintenance of the PC. The fact that the PC is affected by time and organizational climate indicates that the organizational situation matters as a whole. If “the formation of psychological contracts is through implicit means that rely on the interpretation of the actions of the other party” (Krishnan, 2011, p. 554), it depends on a changing situation which concerns all the stakeholders embedded in the situation. In both types of contract, the situation has a role.

For scholars in the psychological contract area, it is imperative that more energy be spent on identifying and understanding “those factors which give rise to ‘mutuality’, the agreement of commitments between and employer and employee” (Harwood, 2006). As we show here, the factors are not all quantifiable or noticeable. This is a matter of understanding the nature of the contract so as to realize all the factors (visible or not) that are operating on these employment relationships.

In traditional Chinese thought, regulation is the way of thinking, anchored in the cycle of seasons and the vital ‘life’ process itself (Jullien, 2007, 2011a). This runs counter to typical command–and-control models of behavior dominating Western thought. The Chinese way of thought is made up of both natural and historical regulation (Jullien, 1989) nurtured by culture and human nature (Jullien, 1993) without separating the mind and the body. In the foundations of Chinese psychology, Hwang (2012) highlights the body–mind–spirit model and its lifespan development (Chen & Bhikkhu, 2003). Chinese thought has not separated human nature into essence–encompassing and transcending the mind and rationality on the one hand, and/or the spirit and truth of the human being on the other hand—and, body (oriented to biology and the natural sciences). “It is essential for an organization to build up a discovery system which enables itself to sense, monitor, and discover various changes, problems, challenges and opportunities in its internal and external environment...” (Chen, 2005, p. 482). In effect, managers need to develop their sensitivity to subtle environmental and social changes in employment relationships. Chen argues for a “reflecting” sub-system that enables organizations to learn. This is consistent with Argyris and Schon’s (1978) notion of double-loop learning where a highly developed system of questioning of conditions and values is implemented.

For survival, an organization “should be a kind of open system...” where there is a “continuous exchange of matter and energy, as well as information and knowledge” among actors and their environment (Chen, 2005, p. 487). This ability to learn involves an acknowledgment of the continuous, unseen changes occurring among individuals in an organization. It means creating an environment that supports the mutually supported acquisition and contribution of knowledge between employees and managers (Chen, 2005).

In this present paper, we have been exploring part of the “cultural distance” between West and East (Chen & Miller, 2010) to renew the research on PC. This cultural distance must not be understood as a distance measured from a usual Western perspective. In a metaphorical sense, this cultural distance becomes a stimulation for the mind. The perception of time, in particular, varies by culture. Chinese cultures typically have a long-term orientation with an emphasis on persevering to maintain social relationships. As a collective-oriented culture, Chinese “society fosters strong relationships where everyone takes responsibility for fellow members of their group” (Bunchapattanasakada & Wong, 2010, p. 271). Common to this tradition is a deeply rooted belief in the importance of harmony in interpersonal relationships. Harmony is nurtured over time, so long-term business plans among Chinese cultures are the norm. This is what we must strive for in order to improve workplace relationships.

4. Establishing a new role for management

Our paper offers insights into how to apply Jullien’s approach to business organizations to ultimately help business managers meet their responsibilities to their employees despite the philosophical gap between academics and practitioners in HRM (Rynes et al., 2007). We contribute to the psychological contract literature by providing a new way of thinking about the nature of the psychological contract and employment relationships in general. This re-framing will enable partners in the employment relationship to understand the evolution of the psychological contract as a living process and will increase the likelihood that a sustainable relationship will be achieved.

Building from Morrison (1994) who looks at the relationship between PC and change, we take the “vital balance” into account. PC is first a living process more than it is a framework that exists in a certain, rigid box. Managers need to accompany this living process more than control it. Through the accompaniment process (which is a growing concept in postmodern Europe) (Paul, 2004), a re-thinking of the nature of “inducements” is occurring (Porter et al., 1998). Natural and invisible inducements could be considered through the lenses of time which flow during the different “seasons” of the PC. Inducements need to be adapted to the seasons of the relationship which echo the notion of silent transformations (Jullien, 2011a). “For a continuing and harmonious relationship to exist between the employee and the organization, a balanced psychological contract is necessary” (Wangithi & Muceke, 2012,
The best balanced psychological contract will always remain within an evolving context which needs to be taken into account (Johns, 2006) and accepted as part of a new understanding of the employment relationship (Rousseau, 2004). There may be an opportunity for managers to utilize the arts to achieve a deeper understanding of the PC. Nancy Adler (2006) suggests that the arts open up the possibility of achieving positive organizational outcomes that cannot be readily reached using traditional approaches. We cannot rely simply on linear or rational solutions. Instead, “we need to turn to an artist’s knack of seeing the whole picture, including the inner meanings of events that so often escape the attention of analysts” (Ashkanasy, 2006, p. 484). This would be consistent with our approach as outlined by Francois Jullien.

By following Jullien, we open a door to another way of thinking about change and regulation originating from the evolving situation itself. This approach allows for the potential of the situation to manifest itself (without being suppressed or ignored). It encourages us to accompany and regulate this potential rather than to try to power over and control the situation. For that, managers are called upon to:

- Go beyond the usual dichotomy between the individual or collective levels (with trade unions)
- Incorporate the “strength” of the HRM system (Bowen & Ostroff, 2004) by linking “strength” (from the Western thought) and “potential of the situation” (from the Chinese thought)
- Revise the construct of trust anchored in people (in the West) to discover that the ebb and flow of the recurring seasons is a process that can be trusted to be perpetual.

For all these reasons, it is difficult to work on the “reality” of expectations, obligations and promises which are carried through the evolving process of the PC. As noted by Roehling (2008), these three perceptions (expectations, obligations and promises) are viewed interchangeably. Hence it is illusory to get distinctive answers from employees when they complete questionnaires assessing their PC (Suazo et al., 2011).

In lieu of a conclusion, this last section proposes three complementary steps to cross the different seasons of the PC. The first step is practice-oriented. To face stress at work, it calls for an accompaniment stance by managers (as representative of the employer) to become better able to nurture the vitality of the PC. The second step invites scholars to find new theoretical resources in other cultures to promote research of the PC beyond the Western thought. The third step is to extend future research on the sustainability of the PC despite (or because of) the diversity of the expected seasons coupled with unexpected bad “weather” in organizational life.

4.1. Accompaniment to face stress at work

The stabilization of the PC is impossible because change is basically linked to life itself and thus acting in every “living PC”. By allowing change through a “letting happen” attitude, the seasonal representative of the employer will be more able to accept the situation, even to take advantage of it. Chia (2014, p. 10) explains that “in the emergent approach to change, the relaxing rather than incremental constructing of alternative organizational orders [...] will prove more efficacious in allowing lasting and sustainable outcomes to be realized”. Relaxing is not only relevant at the organizational level but also at the individual level at a time where stress at work is increasing (Houtman, Jettinghoff, & Cedrallo, 2007). In organizations, stress has grown uncontrollably for decades “to the point of paralyzing our vitality” (Jullien, 2007, p. 137).

Stress as a generalized syndrome crosses the boundaries of disciplinary knowledge: psychology, physiology, neurochemistry, sociology, and so on. New sources of pressures coming from the world and from within ourselves cause stress to turn into inner tension and dissonance. Excessive stimulation also leads to stress that reduces our vitality. That is why the separation between the psychic and somatic anchored in the Western metaphysics is no longer tenable. The Western cliché, ‘be Zen’ is not sufficient and is perhaps, dangerous. This Western importation of the anti-stress Chinese culture is counterproductive. “Zen can be achieved… only by abandoning the quest and the goal of being Zen” (Jullien, 2007, p. 141).

Some resources can be promoted through accompaniment and other relational practices. Accompaniment practices among corporate and executive managers can be seen as a recent and general transformation in the HRM field. It has emerged in Europe within the context of crisis. Educational crisis, economic crisis, political crisis, and financial crisis are only signs of an immanent social crisis, even a crisis of civilization or an anthropologic crisis (Paul, 2004). In the Anglo-Saxon world, one speaks more of “development” rather than “accompaniment”. At work, this accompaniment is mainly embodied by coaching and mentoring as developmental interactions (D’Abate, Eddy, & Tannenbaum, 2003).

Mentoring is classically considered as a beneficial relationship, often between an experienced manager and an apprentice (less experienced) (Ragins & Kram, 2007) and is considered to be among the efficient levers of HR development (Hezlett & Gibson, 2005). Initial work of Kram (1983, 1985) marks a founding stage in this work. Mentoring satisfies two principal functions in companies: career and psychosocial development. Bozionelos and Wang (2006) show that informal mentoring is more easily deployed as an effective practice in the Chinese culture compared with the Anglo-Saxon cultures which develop more and more formal programs of mentoring (Allen, Eby, & Lentz, 2006; Baugh & Fagenson-Elan, 2007).

Coaching (an expanded notion of mentoring in the literature) is developing rapidly in the professional world (Bono, Purvanova, Towler, & Peterson, 2009). The field of coaching remains dominated by practitioners with only a few publications in the highly rated academic journals for executing coaching (Feldman & Lankau, 2005; Smither, London, Flautt, Vargas, & Kucine, 2003). Hackman and Wageman (2005) propose a perspective on team coaching in accordance with the metaphor of the seasons: “The proper coaching functions are fulfilled competently at appropriate times and in appropriate circumstances” (p. 269). Kets de Vries, Guillén, Korotov, and Florent-Treacy (2010) consider coaching a lever for creating a better place to work. Boyatzis, Smith, and Blaize (2006)
shows the profitable connections between the body and spirit that emerge from a compassionate approach to coaching. This process echoes the lifespan development in the Confucian body–mind–spirit model (Hwang, 2012).

In accompaniment, because “initiative does not mean initiating” (Jullien, 2004, p. 163), it is better to adopt the stance of the follower rather than the stance of the leader. This is true for the social relations in general and PC in particular. That means that each interaction and any kind of results—positive or negative—should always be seen as a part of a continuing story.

4.2. Reconceptualizing the psychological contract for scholars and practice

Most studies since Rousseau’s (1989) seminal piece focus on serious negative outcomes that lead to contract breaches (see Conway & Briner, 2002; Zhao, Wayne, Glibkowski, & Bravo, 2007). Studies that address how to deal with these negative outcomes recommend self-regulative change of the PC, which involves a process of self-observation, self-evaluation, and self-reaction (Kanfer & Hagerman, 1987). The problem is that we cannot observe everything. So we need a new way of thinking in order to build robust, fine-tuned psychological contracts (Hattori & Morinaga, 2011).

Before refining the conceptualization of PC, we need to adopt another reading of the erosion of the PC. We propose an integrative synthesis:

1. Going beyond the command-and-control models of behavior through inducements. That means going beyond the Western categorizations and dichotomy (object/subject, etc/emic, quantitative/qualitative, individual/organizational, stable/dynamic) which open doors to assessments but also to judgments as true or false, good or bad.
2. Leaving this dichotomy we open another door with the seasons of PC. Some seasons are more productive than others and each season plays a visible or invisible role in the evolution of PC. It is then easier to catch the potential of situation through the invisible erosion of time (silent transformation) to enrich the understanding of PC as a continuous process.
3. Operationalizing “accompaniment” beyond direct actions of managers to sustain the PC along the “seasons.” We echo specifically what Chia (2014) called, “allowing change through the letting happen.” An accompaniment approach is more likely to lead to the perception and identification of more signals (Suazo et al., 2011) in the evolving process of the PC. These signals are not only those of managerial practices, but also those produced by the aging of people, erosion of time, and changing environment. Then, it becomes possible to approach the sensitive propensity at work in any kind of situation and to nurture the propensity of sustaining the vitality of the PC.

Could engaged scholars (see Van de Ven & Johnson, 2006) serve as intellectual coaches to accompany managers and executives? Many academics are able to think outside of the usual proverbial scientific box and work with practitioners. As intellectual coaches, they could accompany managers to facilitate change (Chia, 2014). Managers are empirically concerned by the two poles in the PC: they play the role of the employer in front of their team but they also feel like the employee toward their own manager. Because employees face stress, burnout, and employment insecurity, the OB field needs to move toward sustainability through a philosophy of living (Jullien, 2011b) in order to address these current challenges (Houtman et al., 2007), which clearly appear in the life of the PC.

4.3. Future research

By providing the metaphor of the seasons of the PC, we aim to sustain the vitality of the PC beyond the Western rationality on the one hand, and beyond the moral and associated discourses on the other. By listening to Jullien (2007, 2011a, 2011b) we understand that the life force is not embodied just in human beings or human constructions: it is oriented “toward organic vitality and away of the temptation of knowledge” (Jullien, 2007, p. 16). Because it is a question of ‘living’ and not just of ‘existing’, it resists abstraction—“living is beyond meaning” (Jullien, 2007, p. 8). This type of thinking does not separate thought from action.

In this paper, we contribute to the psychological contracts literature by providing a new conceptualization of what the PC entails and its nature. Rather than viewing the PC in terms of objectifiable antecedents and factors that contribute to breach and violation, we offer scholars in the field a more holistic approach. Our method does not reject the assumptions of previous work on the PC, but instead expands on the way workplace relationships are viewed. By not limiting ourselves to a focus on economic assumptions of humans and the independent variables associated with them, we possibly open up avenues for sustaining PCs in the workplace. We answer a call for future research on employment relationships as well, by examining contextual or situational differences in PCs (Delcampo, 2007). The “dynamism of the contract is not evident to the employee experiencing and ‘living’ the contract everyday” (p. 437). Thus, focusing on the process of the contract could be useful.

Along these same lines, we also suggest a point at which employers and employees can create mutuality in the formation of the PC. Employment relationships are more easily sustained when mutuality is achieved. By not focusing on the “mutual” terms of the contract, but rather, finding common ground on which both parties can understand the nature of change in the relationship will likely lead to improved organizational performance (Dabos & Rousseau, 2004). One potential challenge for managers, however, is to motivate individuals in the PC to actually share their knowledge with each other in order to generate mutuality (Barachini, 2009). In order to create a more sustainable PC, it is important that information between the parties is shared. Motivation is affected by individual factors, but also by contextual ones (Swift, Balkin, & Matusik, 2010). Future research may wish to examine the motivational factors behind PC maintenance.

In order to measure individuals’ beliefs regarding the terms and expectations of the relational and transactional psychological contracts, Rousseau (2000) developed the Psychological Contracts Inventory (PCI). Each type of contract contains a scale of 10 items that ask respondents the extent to which they perceive the conditions of their employment. The relational PC scale presents items related
to long-term aspects of the relationship with the employer, while the transactional PC scale focuses on more explicit short-term aspects of the relationship. Hui, Lee, and Rousseau (2004) translated the instrument into Chinese and concluded that the PCI is generalizable to Chinese companies. However, despite its use in Eastern contexts, the PCI does not address the invisible changes occurring in the employment relationship.

Varied and adapted research methods are certainly needed to assess PC. "An ideal assessment of a psychological contract must reconcile...specific idiiosyncratic information meaningful to the individual versus standardized assessments generalizable to other persons and other settings" (Rousseau & Tijoriwala, 1998, p. 681). Future research in this area should attempt to expand the inventory and operationalize the silent variables that operate on psychological contracts. Additional variables need to be examined to establish alternate models of causality (Stoner, Coleman Gallagher, & Stoner, 2011). In order to discover these deep, hidden changes within individuals, survey data is likely not sufficient. We agree with Parzefall and Coyle-Shapiro (2010) that "...the use of qualitative interviews can extend our understanding of the nature and experience of breach" (Parzefall & Coyle-Shapiro, 2010, p.13).

References


