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Unpacking Informal Contractual Relationships: Psychological Contracts Established by Australian Business Academics

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ABSTRACT

This paper addresses the findings from exploratory research on the content of psychological contracts formed by business academics within an Australian university. The research used a sequential multi-method research design, where focus groups were initially conducted to elicit insights into the content of the academics' psychological contracts. A cross-sectional survey was then administered and exploratory factor analysis of the data collected was undertaken. Cluster analysis was used to further examine perceived employer and employee obligations within a university context, and it proved useful as a means of deepening understanding of academics' psychological contracts, variation among them, and their possible workplace effects. The research identified the existence of quite divergent expectations, interests, motivations and levels of commitment by the academics to the university. It is argued that sensitivity to such variations, and appropriate tailoring of management initiatives and messages, is important if the university is to achieve its goals.

Key words: Psychological contract; Academics; Employee commitment; Professionalism

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INTRODUCTION

The past two decades have seen enormous change in the number, funding and focus of Australian universities. Such changes have profoundly affected the context and conditions of academic work. Australian academics work in universities that have been characterised as increasingly managerialist and market-oriented (Marginson and Considine, 2000), where academic freedom and autonomy have declined and performance expectations have sharply increased (Winter and Sarros, 2002). Government funding now comes with more strings attached and managers within universities commonly apply tighter conditions and controls upon faculties, departments and individual academics as they allocate funds internally. However, despite increased accountability and responsiveness, Australian academics and universities are regularly criticised by politicians and the press for being out of touch with, or unresponsive to, the current and future needs of industry and students.

Across Australia we have seen the practice and language of business increasingly become the practice and language of university leaders and managers (Curtis and Matthewman, 2005). Such changes reflect, and have contributed to, the emergence of the increasingly dominant view of university education as a matter of private investment rather than a public good (Jarvis, 2001). Of course, many of these changes and challenges facing Australian academics and universities have also been experienced by academics and universities in the UK and in some other parts of Europe (Newton, 2002; Jarvis, 2001). As in the UK, Australian academics are working longer hours, experiencing greater stress, and have declining morale. In many universities staff–student ratios have reached new highs, and value conflict between principles and practices associated with commercialisation and those traditionally associated with a commitment to teaching, learning and scholarship has become a well-recognised problem (Winter and Sarros, 2002; Marginson and Considine, 2000; Jarvis, 2001).

In this current university context, we believe that the psychological contract is a particularly relevant and powerful construct that can help explain, and inform effective management of, contemporary academic work performance and workplace relations. The psychological contract can provide insight into contemporary employment relationships; indeed, it has been argued that perceived obligations

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within the psychological contract are often more important to job-related attitudes and behaviour than are the formal and explicit elements of contractual agreements (Thompson and Bunderson, 2003). By focusing on aspects of the employment relationship that go beyond the terms set in formal employment contracts, a number of authors analysed important employees' attitudes and behaviour as well as their alignment with the organisation's values (Conway and Briner, 2005; Robinson, 1996; Robinson and Rousseau, 1994; Nelson et al., 2006; Bordin and Bartram, 2007). They argued that organisational effectiveness can be achieved by developing a working environment where employees identify with their organisation's goals, values and objectives and develop a positive attitude towards their jobs, supervisors and management structures.

This paper is divided into two main sections: the first briefly addresses some key features of the psychological contract and discusses past empirical research conducted within academia; and the second presents results from our empirical research on the psychological contracts, which is based on focus group discussions and a survey of academics employed by the Faculty of Business, Charles Sturt University, Australia. Charles Sturt University is one of the largest non-metropolitan universities in Australia and the Faculty of Business operates across multiple campuses and employs more than 200 permanent and casual academics teaching and researching in the fields of management, economics, finance, marketing, accounting, computing and information technology.

PSYCHOLOGICAL CONTRACTS WITHIN ACADEMIA

The employment relationship can usefully be conceived of as having two components: the legal contract of service, which covers the legal relations between the employer and the employee, and the psychological contract, which refers to the behavioural relations between the employer and employee that are not made explicit in formal legal employment agreements. There are two main conceptualisations of the psychological contract that are discussed in literature. The first addresses the perception that there are two parties in the employment relationship who have mutual obligations to each other: the organisation and the employee (Herriot et al., 1997). These mutual obligations may have been explicitly communicated through formal

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contracts or they may be implied through the expectations of organisations and employees. The second conceptualisation focuses upon the psychological contract as formulated only in the mind of the employee. This approach focuses upon 'individual beliefs, shaped by the organisation, regarding the terms of an exchange between individuals and their organisation' (Rousseau, 1995: 9–10).

Since the 1990s most researchers of psychological contracts have adopted the second conceptualisation, thereby emphasising the importance of the individual employee's sense of obligations (Turnley and Feldman, 1999; Robinson, 1996). Our study also aligns with this second conceptualisation, and more specifically Rousseau's individual-based definition that focuses on what each individual (in our case an academic) expects from the organisation and what they hold to be the organisation's expectations of them.

While empirical research on psychological contracts has developed significantly during the past decade (Coyle-Shapiro and Conway, 2005; Freese and Schalk, 1996; Cavanaugh and Noe, 1999; Turnley and Feldman, 1999; DelCampo, 2007; Nadin and Cassell, 2007), empirical research on psychological contracts within academia has been very limited. It is represented by the studies of Dabos and Rousseau (2004), Newton (2002) and the work at a New Zealand university initiated in the mid-1990s (Tipples and Krivokapic-Skoko, 1997; Tipples and Jones, 1998). Research on the psychological contracts established by scientists and knowledge workers (O'Donohue et al., 2007) can be also discussed within a relatively broadly defined subject area of academia.

Dabos and Rousseau's (2004) survey-based research among academics employed by a research-focused school of bioscience in Latin America identified how mutuality and reciprocity between employees and employers can develop and result in very beneficial outcomes for both sides of the employment relationship. In a study that explored issues of trust, collegiality and accountability in a UK college, Newton (2002) identified limited management recognition of psychological contracts as a factor associated with employees' perceptions of a lack of perceived reward and recognition and the poor morale and commitment that resulted.

Similarly, the empirical research undertaken at Lincoln University, New Zealand by Tipples and Krivokapic-Skoko (1997) indicated that

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the academics' psychological contracts were in a very poor state. Their empirical research pointed to the 'work environment' as the major component of the psychological contract established by the academics. The academics also identified 'job satisfaction', 'career development', 'payment', 'long-term job security' and 'promotion' as issues perceived as promised obligations by the university. The follow-up research involving the same empirical site (Tipples and Jones, 1998) indicated that the academics' obligations to the university centred on the issues of 'hours' (to work the hours contracted), 'work' (to do a good job in terms of quality and quantity) and 'loyalty' (staying with the university, putting the interests of the university first). Obligations of the university centred around 'fairness', 'consulting', 'recognition', 'environment' and 'job security'.

O'Donohue et al. (2007) examined whether or not psychological contracts adequately reflect the knowledge worker's contracts. Their findings indicated that scientists and knowledge workers were concerned more about ideological and societal issues (scientific contributions and knowledge accumulation within the organisation) associated with their work than the transactional or relational psychological contracts established with their organisation.

While referring to the general literature on the psychological contracts Conway and Briner (2005) argued that there were relatively few studies specifically designed to assess the contents of the psychological contract. This research attempts to address this gap by exploring the contents of the psychological contracts established by academics. It is our objective to unpack the contents of the 'deal' between academics and their university within the empirical setting of an Australian university.

RESEARCH DESIGN

Empirical research on the psychological contract is dominated by one type of study, the cross-sectional questionnaire survey (Conway and Briner, 2005). Taylor and Teklab (2004: 279) have argued that because of the dominance of the survey approach 'psychological contract research has fallen into a methodological rut'. As a result, some experts on the psychological contract have recently argued that there is a strong need to use a variety of research techniques (Conway and Briner, 2005), take a more a holistic approach (Pate, 2006) and

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pursue triangulation of research methods in order to provide more convincing and reliable results from empirical research (Tipples and Verry, 2006).

Taking up the call for triangulation of research methods, this study used a sequential mixed method research design (Morse, 2003) in which a preliminary qualitative study (in this case focus groups) provided the basis for developing the content of a questionnaire. The focus groups that were conducted provided valuable insights into how to address the content of the psychological contracts within the particular context of academia. They also helped identify the issues and themes that can subsequently be drawn upon to assist with the development of relevant survey questions. The focus group questions encouraged the academics to discuss what they feel they bring to their work that is not explicitly stated in their employment contract and what they believe the university owes them in return. Contractual elements presented in earlier studies (Thomas and Anderson, 1998; Kickul and Lester, 2001; Guest and Conway, 2002; Thompson and Bunderson, 2003) were exceeded by the elements named by the academics.

Twenty-six academics employed by the Faculty of Business, Charles Sturt University, New South Wales participated in the three focus group discussions. The focus group provided a number of insights that were used to develop items for the survey which was administered in the second phase of this research. Apart from the focus group analysis, some items were adopted from Janssens et al. (2003) and de Vos et al. (2003) but were altered to reflect the university context of the research. In total, thirty-one items were included to measure perceived university obligations (summarised in Table 1), while thirteen were included to measure the obligations of the individual academic to the university (summarised in Table 2). In accordance with previous research (Kickul and Liao-Troth, 2003; Janssens et al., 2003; Rousseau, 1990) five-point Likert scales were used. This allowed the respondents to agree or disagree to varying levels with statements about themselves or the university. In line with the approach taken by Westwood et al. (2001), this study first assessed the promises and commitments employees (academics) perceived their organisation (the university) has made to them, followed by an assessment of the obligations which employees

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(academics) perceive they themselves have to the organisation (the university).

EMPIRICAL RESULTS

Focus Groups

Building upon perceived promises of mutual exchange the academics spoke at length regarding what they were expecting of the university in return for what they bring to their job. A common theme that emerged from the statements is that academics want to be recognised and treated as professionals. Much of the discussion centred on the expectations of good leadership and management, fairness and transparency in promotion and recognition of one's personal commitment to the profession, the university and the students. Most of the academics spoke to a powerful work ethic and there was considerable discussion of willingness to work outside 'normal' working hours and flexibility in accepting various roles. For example, one focus group participant cited 'willingness to work beyond the stated hours and a willingness to take on faculty and university roles that are not sustained in one's duty statement and that aren't remunerated'.

Issues relating to trust, clear and honest communication, transparency, student advocacy, individual consideration and respect were prominent throughout the conversations. Generally, there was a realistic acceptance of the constraints within which management must make decisions and that such constraints can lead to broken promises and failures to meet expectations from staff. What was not accepted, and this raised considerable emotion, was a failure to address such situations in an honest manner and communicate outcomes effectively.

Commitment to teaching and the desire to contribute to society emerged as powerful motivators for academic staff, and the need for academic freedom and job discretion were linked to these motivations. Staff expressed a strong expectation of autonomy, job discretion and inclusion in decision making, and, similar to the findings by O'Donohue et al. (2007), this was related to the professional identity of academics. As one participant noted, '[t]here's an expectation that our professionalism will be respected, that we're not going to be treated as if we've got nothing to add and that we're just automatons in the machine'. Being treated fairly was an expectation consistently expressed by the academics, which included equitable

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pay, impartiality, fairness in promotion, consistency in applying rules, acceptance of union involvement, reciprocity and an expectation that family and outside commitments should not cause disadvantage. The academics perceive their role as involving teaching, research and administration and they expect to be recognised and rewarded for each, though it was frequently commented that research wins out in terms of recognition and promotion. That noted, the expectation of recognition for effort and achievement goes beyond the desire for a fair promotion and remuneration system, and addresses a basic need to be affirmed, appreciated and acknowledged by others.

The academics also felt that the breadth of knowledge they bring to their work is an important contribution to the university. It was consistently stated that disciplinary knowledge, teaching and industry knowledge and experience, and industry contacts and networks are highly valuable but are not equally recognised by management. Conscience, personal ethics, integrity and a desire to make society a better place were strong motivators for staff and represented commonly discussed aspects of personal qualities that staff felt they were bringing to their academic work. Motivation and enthusiasm were frequently discussed in terms of 'making a difference', 'making society a better place', and generally expressing a desire to advance social justice and ethics.

Key areas where the university was considered to have fulfilled or exceeded its implicit obligations included support for research, outside activities, training and development, and support and care with regard to personal and emotional issues. Although many examples of where the university had fulfilled or exceeded expectations were reported, the university was also deemed to have failed in meeting perceived obligations. Within each focus group, the phrase 'changing the goalposts' was used in reference to promotion and the increasing expectations that have seen many fail to meet criteria. The unpredictability of career advancement within the university has caused much disappointment and anger amongst academics. A theme across the groups was that while quality teaching is espoused as the cornerstone of the university's strategy and core values, it is perceived that it is only the quantity and type of research that is recognised and rewarded. This creates a double standard within the institution, which in turn encourages dishonest communication. The

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lack of openness in such situations was made worse when a rule or policy was invoked to justify a decision that had obviously been made for other reasons. This perceived lack of honest communication had turned disappointing situations into experiences of extreme betrayal. The highly emotive issues of promotions and redundancies were closely tied to the issue of honesty and transparency in communication as these issues so frequently provided the focal point of grievance.

Thus, the focus group discussions made it very clear to us that it would problematic to attempt to understand the formation and effects of the psychological contract solely in terms of what the academic feels they owe the university. The commitment, passion and concerns of the academics were often associated more strongly with students and society that with the university as their employer. Their commitment and concerns are often directed more toward the students and society, with the institution providing a means of serving those higher goals. If they are frustrated with unmet expectations and promises, it is likely that these frustrations will occur in areas that impinge upon their ability to fulfil their personal mission of attaining these higher goals. The academics remain strongly committed to social ideals associated with traditional notions of the university as a key social institution within civil society, an institution oriented to the 'social good'. Further, it seemed that the frustrations that existed regarding unmet expectations and promises were strongly felt and articulated when they negatively affected one's ability to fulfil personal commitments to these social ideals. That is not to say that promotion and remuneration are unimportant, just that these other factors remain very strong and were often perceived to be under increased pressure and threat from bureaucratic and commercial forces.

Survey

Using a variation of the Total Design Method (Dillman, 1978), a total of 117 questionnaires were mailed out to full-time permanent academic staff, and of these 60 questionnaires were completed and returned (a 51 per cent response rate). Once the data was collected, factor analysis was used to determine key variables of (1) academics' obligations to the university and (2) academics' perception of the uni-

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versity's obligations to them. Principle components analysis was utilised due to its ability to identify a parsimonious set of factors (Hair et al., 2006) and its suitability for exploratory research (Malhotra et al., 2002). A Varimax rotation was used to ensure the factors were easy to interpret through the simplest structure (Hair et al., 2006).

The analysis revealed eight factors that related to the academics' perceptions of the university's obligations to them, and three factors for the academics' obligations to the university based on eigenvalues and cumulative percentage explained. Factor reliability scores and mean scores are outlined in Tables 1–3 of the Appendix.

Based on the analysis of the data and the items included, the eight factors related to the university's obligations as perceived by the academics were identified (Table 1).

These eight factors all present face validity and give an impression of what obligations are important to academics. The first factor, 'fair treatment in promotion', incorporates items that are associated with treatment by management in relation to promotion. In many respects an extension of this first factor is the second factor, 'staff development and support'. Here the key themes are support for staff in terms of promotion and career development as well as the creation of an environment conducive to employee development. The third factor, 'good management and leadership', is concerned with effective leadership and management, including the reduction of bureaucratic 'red tape'. The fourth factor, 'academic life', contains many of the elements synonymous with working in an academic environment. The items within 'fairness and equity' relate to the expectation that university management will act ethically and will be fair with regard to managing change. The sixth factor, 'appropriate remuneration', is about salary and expectations of some comparability between public and private sector remuneration. The seventh factor, 'rewarding performance', relates to recognition of performance in diverse ways, while the eighth factor, 'good workplace relations', includes items surrounding workplace flexibility and even union membership.

With regard to the academics' obligations to the university, three factors were identified (Table 2). The first factor, 'meet academic expectations', relates to academics meeting typical expectations with regard to teaching, research and associated administration. The

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Table 1: The University's Obligations Factor Scores

Item	Loading							
	Factor 1: Fair treatment in promotion	Factor 2: Staff development and support	Factor 3: Good management and leadership	Factor 4: Academic life	Factor 5: Fairness and equity	Factor 6: Appropriate remuneration	Factor 7: Rewarding performance	Factor 8: Good workplace relations
Provide clear and consistent requirements for promotion	0.85							
Treat you fairly and equitably with regards to promotion	0.82							
Be fair and equitable in its treatment of academics	0.74							
Provide opportunities for career development		0.76						
Support ongoing professional development		0.73						
Provide opportunities for promotion		0.69						
Provide remuneration that is comparable to other universities		0.61						
Provide a safe and comfortable work environment	0.52	0.60						
Ensure that staff act collegially		0.51						
Provide good management			0.76					

(*Continued*)

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Table 1: (*Continued*)

Item	Loading							
	Factor 1: Fair treatment in promotion	Factor 2: Staff development and support	Factor 3: Good management and leadership	Factor 4: Academic life	Factor 5: Fairness and equity	Factor 6: Appropriate remuneration	Factor 7: Rewarding performance	Factor 8: Good workplace relations
Provide good leadership			0.75					
Minimise the impact of red tape			0.72					
Provide security of ongoing employment				0.68				
Allow you autonomy to act as a professional academic				0.66				
Maintain academic freedom				0.62				
Respect the demands of family/personal relationships				0.62				
Communicate important information to you				0.56				
Acknowledge the long hours you devote to work					0.83			
Act ethically					0.79			
Manage the pace of change so that it does not adversely affect you					0.57			

(*Continued*)

Table 1: (*Continued*)

Item	Loading							
	Factor 1: Fair treatment in promotion	Factor 2: Staff development and support	Factor 3: Good management and leadership	Factor 4: Academic life	Factor 5: Fairness and equity	Factor 6: Appropriate remuneration	Factor 7: Rewarding performance	Factor 8: Good workplace relations
Provide remuneration that is similar to the private sector						0.84		
Provide remuneration that is similar to the public sector						0.81		
Recognise your non-university experience						0.56		
Reward excellence in teaching through the promotion system							0.79	
Reward excellence in research through the promotion system							0.62	
Reward excellence in administration/ management through the promotion system						0.53	0.56	
Offer flexibility regarding working from home								0.86
Respect the role of academic unions in the workplace								0.62

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Table 2: Academics' Obligations Factor Scores

Item	Loading		
	Factor 1: Meets academic expectations	Factor 2: Commitment	Factor 3: Above and beyond
Comply with university rules and regulations	0.74		
Act ethically at work	0.65	0.40	
Advance your discipline	0.62	0.58	
Publish scholarly research	0.58		
Work effectively and efficiently	0.57	0.45	
Stay employed by the university for the next two years		0.77	
Travel for work		0.73	
Act collegially		0.61	
Work long hours to complete tasks		0.52	0.51
Complete tasks that are not strictly part of your job			0.78
Complete tasks that are asked of you			0.66
Provide teaching quality	0.52		0.61
Enhance student development	0.58		0.59

Note: Only loadings above 0.40 are shown

second factor, 'commitment', relates to the commitments academics make to the university, including, for example, a commitment to stay employed by the university for several years, a commitment to travel for work and a commitment to collegial practice. The third factor, 'above and beyond', is not concerned with completing 'normal' assigned tasks but the completion of tasks beyond the typical job description, including commitment to quality teaching and student development in the face of competing demands on time.

The factors identified for both the university's and the academics' obligations were then utilised for the cluster procedure. As the research was primarily exploratory, only one cluster method was used. Ward's method was adopted as it is well suited to this type of exploratory analysis and also minimises the number of clusters identified (Hair et al., 2006). The Squared Euclidian Distance was used in the two cluster procedures that were run as it is normally used in conjunction with Ward's method (Malhotra et al., 2002) and because

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similarity was sought (Hair et al., 2006). A number of techniques were used to establish validity. Multinomial logit models, ANOVA (analysis of variance) and further clustering methods were all used to establish that clusters were significantly different. In the case of ANOVA and multinomial logit modelling, the sample size inhibits any real insight from this analysis. These were still performed with some positive results. When ANOVA was used with the categorical variables utilised to profile the cluster solutions, the findings indicated that some (not all) of the demographic variables were different across clusters in both procedures. The logit modelling was more successful, as it was found that several of the demographic variables were significantly different from cluster to cluster. K-means clustering was also used to confirm the hierarchical clustering results. Again, limited support was found, indicating that a four-cluster solution for both procedures is a reasonable conclusion. Finally, a two-step cluster procedure was used to confirm the hierarchical findings, and this indicated a similar clustering solution, thereby deeming that the findings were appropriate. None of the validity findings are certain; however, this is an exploratory study. That noted, the combination of methods used to examine validity provide enough evidence to suggest the findings are worth reporting.

Cluster Procedure 1: University's Obligations

The first cluster procedure was conducted on the factors related to academics' perceptions of the university's obligations to them, and Figure 1 outlines four clusters with their factor scores.

Cluster 1: Satisfied

The respondents in this cluster scored highest on fair treatment in promotion, staff development support, rewards for performance and workplace relations. This was however, the smallest group, representing only 10 per cent of the sample. They were strongly concerned with teaching and research, indicating a traditional university employment situation. Also, they have, on average, been employed at their current institution for longer than any of the other clusters. The group was also predominantly male, to a much greater extent than any of the other clusters, and they were employed in more senior positions. Interestingly, members of this group were less frequently

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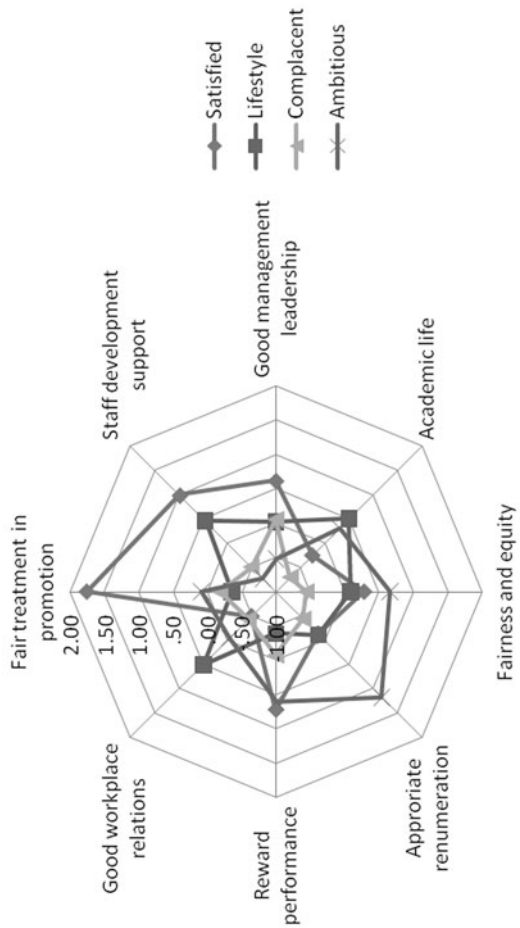
Figure 1: The University's Obligations Clusters with Factor Scores



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union members. In summary, this cohort exhibited a high level of faith in the university's systems and indicated belief that the university will fulfil its obligations.

Cluster 2: Lifestyle

The respondents in this cluster were most concerned with academic lifestyle, placing greater emphasis on this issue than any of the other groups. While the group did exhibit interest in fair remuneration, they displayed the lowest interest in reward for performance and performance-based promotion. The largest cluster, with 38 per cent of the sample, they also appeared somewhat disinterested in the quality of management and leadership provided. In contrast, they highly valued, more than any of the other groups, workplace relations. In terms of demographics, this group had the second longest length of service at their current institution (11.6 years); however, they had spent less time at other universities than any other group. They more often originated from the public sector and more often migrated from another faculty within their current university than those in the other clusters. Furthermore, this group was less concerned with the traditional teaching and research role and more concerned with management, administration and professional development. They have been, on average, at their current academic staff level for around six years. They were also the oldest group, had the highest number of females, and the lowest level of completed doctorates.

Cluster 3: Complacent

Those in the 'complacent' cluster had the lowest interest in all of the areas that the clusters were assessed on. This is the second oldest and second largest group (32 per cent of the sample). The group expressed the least interest in academic life, workplace equity and concern for appropriate remuneration. Limited interest was indicated in relation to reward for performance, good management/leadership, staff development and fair treatment in promotion. This group is characterised by having the lowest level of academic positions and having spent the most amount of time at their position or level. Their primary role at the university more frequently includes administration or management than the other groups. On average, they have spent around ten years at their current university and over six years

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at their previous university. While expressing very little interest in workplace conditions and promotions, this group had the largest number of union members. Finally, this was the most ethnically diverse group.

Cluster 4: Ambitious
The academics in this cluster are very eager to receive appropriate remuneration and rewards for performance. They also expressed high concern for equity but place relatively little importance on leadership and management or good workplace relations. They place a moderate amount of value on academic life and promotion fairness. The youngest of all four cohorts, members of this cluster had the shortest length of service with their current institution, as well as the shortest amount of time at their current position. Interestingly, they had the longest service with previous universities. Those in this cluster were also more likely to be students before they joined their current institution. In general, they are a younger, more career-minded cohort than any of the others. They also saw themselves as having greater career mobility.

Cluster Procedure 2: Academics' Obligations
The second cluster procedure was conducted using the factors relating to the academics' perceptions of their obligations to the university and also generated four clusters as shown in Figure 2.

Cluster 1: Low Commitment
As a cohort, this was the smallest group, accounting for 20 per cent of the sample. This group expressed the least commitment to their work and the university. While they have the second highest interest in meeting university expectations, they expressed very little interest in going above and beyond university expectations. In terms of demographics, the group had by far the largest union membership, were the oldest, had the highest proportion of males, had spent the most time at other universities and had been at their current academic level for the longest period. Primarily, this group is interested in teaching and research.

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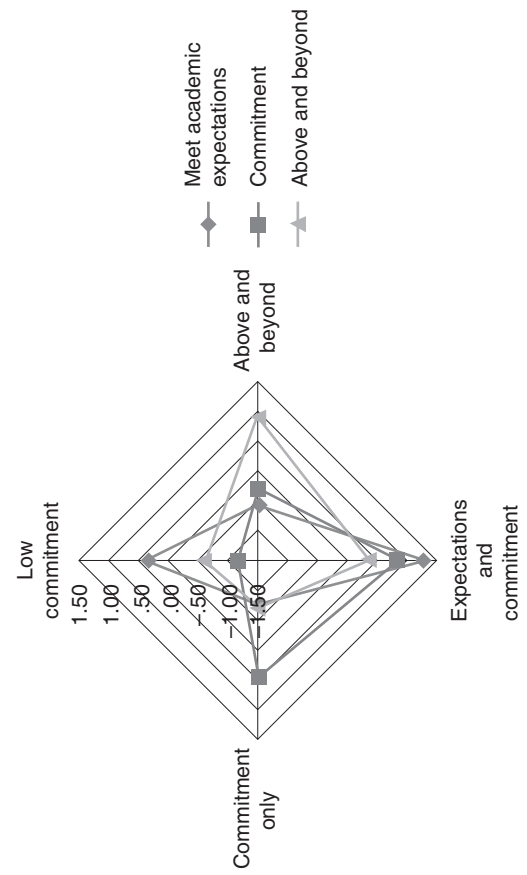
Figure 2: Academics' Obligations Clusters with Factor Scores



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Cluster 2: Above and Beyond

This cluster was the second largest group, containing 25 per cent of the sample. This group expressed the highest level of interest in working 'above and beyond', yet they registered relatively little commitment or desire to meeting 'academic expectations'. This group was the youngest of the four clusters, had the lowest level of union membership, and the least number of years of service with their current university and other universities. Given their limited employment duration, it is not surprising that they have the shortest period at their current level. As the youngest cluster, generational differences associated with lower concern regarding security of tenure, increased career movement and lower commitment to employers seem to be in play.

Cluster 3: Expectations and Commitment

Cluster three, the second smallest cluster, accounted for 22 per cent of the overall sample. This group had the highest level of interest in meeting 'academic expectations' and expressed the highest level of 'commitment'. They also indicated a strong interest in going 'above and beyond' expectations. On average, this group held the highest academic positions and had been employed by the university for one year more than the other groups. They also possessed the highest education levels and lowest number of incomplete postgraduate degrees.

Cluster 4: Commitment

The final cluster in this procedure is the largest with 27 per cent the sample and the only factor that had a positive weighting was 'commitment'. The group had the lowest level of interest in working 'above and beyond' and in meeting 'academic expectations'. The demographics of this group differed to each of the other clusters, having the highest percentage of females and the highest level of incomplete postgraduate degrees. On average, they were second highest in terms of academic positions, had been employed by the university second longest and had the second longest period of employment with their previous institution.

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DISCUSSION AND CONCLUDING COMMENTS

Building upon the empirical evidence gathered from the focus group and the survey, this paper has revealed the content and key elements of the psychological contracts formed by academics within an Australian university business faculty. The focus group analysis conducted for this research identified that the academics' commitments to society and the social good, student learning and development, their disciplines and the institution of the university play a prominent part in the development and moderation of the effects of their psychological contracts. The exploratory factor analysis was used sequentially to unpack different types of the academics' perception of the psychological contracts. In terms of expectations of the university, the analysis identified the following as key elements of the academics' psychological contract: 'fair treatment in promotion', 'staff development and support', 'good management and leadership', 'academic life', 'fairness and equity', 'appropriate remuneration', 'rewarding performance' and 'good workplace relations'. The three underlying elements of the contract factors explaining academics' obligations to the university were (1) meets 'academic expectations', (2) 'commitment' and (3) going 'above and beyond'.

These reinforced the findings of some earlier empirical research on psychological contracts within academia (Tipples and Krivokapic-Skoko, 1997; Tipples and Jones, 1998) that identified the importance of leadership and management, fairness and equity (particularly when comes to promotion), and the provision of opportunities for career development. In addition to re-enforcing the importance of quite 'generalised' expectations already identified in the literature on psychological contracts, including the provision of good management, an appropriate work environment and opportunities for career development (Rousseau, 1990), this research pointed to the perceived importance of maintaining academic freedom and allowing academics to act as professionals. This research pointed to the academics' strong personal commitments to quality teaching and enhancing student development, both of which are seen as being part of their obligation to the university. These latter insights demonstrate that it would be limiting to attempt to understand the content of the psychological contract in narrow work performance terms.

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This empirical study also used cluster analysis to further examine the factor scores of perceived employer and employee obligations within a university context. Four clusters were identified in relation to what academics perceive that the university is obliged to provide to them. These were the 'satisfied' academics, the academics most concerned with maintenance of the academic 'lifestyle', the 'complacent' academics and the 'ambitious' academics. Knowing what different academics perceive to be their obligations to the university, and the university's obligations to them, means that managers can carefully select and motivate academics most likely to support particular initiatives around research, teaching or administration. For example, the 'satisfied' cluster might quickly become dissatisfied if they perceive poor management and leadership, and/or few professional development opportunities and poor treatment in relation to promotion. Similarly, academics within the 'complacent' cluster might lose their complacency, becoming more motivated and focused through effective management and leadership, or even angry and oppositional if they find their efforts in management and administration are somehow thwarted. Those in the cluster who value the traditional academic 'lifestyle', placing a premium upon autonomy, academic freedom, collegiality and workplace flexibility, will respond negatively to many of the changes commonly associated with the creeping managerialism that is evident across the university sector. Clearly, this poses a real management challenge, as academics in this 'lifestyle' cluster place limited value on transactional performance rewards. Obviously, management can quickly alienate those in the 'ambitious' cluster by blocking career opportunities or not recognising and rewarding their efforts.

The cluster analysis also produced four clusters in relation to what the academics perceived to be their obligations to the university. These were labelled 'low commitment', 'above and beyond', 'expectations and commitment' and 'commitment only'. Those in the 'low commitment' pose a considerable challenge to managers wanting to achieve more or realise considerable change. Being the most highly unionised academics, and those in their current positions for the longest period, they demand carefully tailored management if they are to move beyond meeting standard workplace expectations. The 'above and beyond cluster' are willing to do more in the workplace

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and might usefully be mobilised by managers as champions for particular goals, initiatives and change. Given the relative strength of their commitment to the university and meeting performance targets, the academics in third cluster, 'expectations and commitment', can be called upon to do more with the least risk of resistance, loss of motivation and commitment. The 'commitment only' cluster are an especially challenging group to manage as their expressed commitment to the university seems outweighed by low levels of interest in working 'above and beyond' or even meeting 'academic expectations'. This cluster demands further analysis as they constitute the largest group of academics and seem to treat their work as 'just a job'.

The findings of the cluster analysis signposted the complexities associated with managing and leading academics. Both prior research and the findings from this study indicate that university managers can and should act to maintain positive academic psychological contracts. We argued that universities will benefit where managers are able to deliver on academics' varied expectations. Furthermore, we believe that the insights that analysis of psychological contracts provide can allow managers to better manage and harness staff motivation, commitments and personal interests to deliver on desired university outcomes. By knowing the content of psychological contracts and knowing academics' perceived expectations and obligations, university managers can better understand, predict and manage how academics will respond to various work pressures, demands, incentives and change.

The survey was based on respondents from a single organisation and used self-reporting questionnaires to assess variables that were framed in terms of promises and obligations. As the data was collected at a single point in time the research was not able to provide insights into the development of the contracts over time. Sample size limited some of the analysis and, therefore, caution must be used in generalising the results of this study and comparing across different empirical settings. Other limitations of this study result from the conceptual framework used to evaluate the psychological contract. As Cullinane and Dundon (2006: 116) pointed out, under Rousseau's approach, 'organisations are deemed to be something of an anthropomorphic identity for employees, with employers holding no

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psychological contract of their own'. Since this research followed Rousseau's conceptualisation of the psychological contracts it included only academics' subjective interpretations and evaluation of their 'employment deal' with the university. Further research could usefully include the perspective of the employer – the university – in order to provide further insight into mutual and reciprocal obligations. However, bringing the employer's perceptive into the psychological contract would be challenging, not least because of the difficulty of identifying and articulating the university perspective.

APPENDIX

The number of factors was decided by including eigenvalues of above 1. In the university's obligations to the academics eight eigenvalues were above 1 and in the academics' obligations to the university three eigenvalues were above 1. The variance explained was also acceptable (74 per cent and 58 per cent), further indicating that the factor solutions are 8 and 3. As can be seen in the tables, there are some instances of cross-loading, however, all factors are reliable. Each factor has a Cronbach's alpha of 0.60 or above, which is acceptable for exploratory research of this nature (Hair et al., 2006). Further supporting the factor solutions, each factor had a KMO (Kaiser-Meyer-Olkin) above 0.60 and each factor had a

Table 1: Factor Reliability Scores

Factor	Cronbach Alpha
University Obligations	
Fair treatment in promotion	0.89
Staff development and support	0.83
Good management and leadership	0.74
Academic life	0.66
Fairness and equity	0.80
Appropriate remuneration	0.72
Rewarding performance	0.75
Good workplace relations	0.68
Individual Obligations	
Meet academic expectations	0.74
Commitment	0.60
Above and beyond	0.69

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significant Bartlett's Test of Sphericity, and there were correlations of above 0.3 for each item included, thus exceeding Hair et al.'s (2006) levels of acceptability.

Table 2: Mean Scores for the University's Obligations Factors

	Ward Method			
	1	*2*	*3*	*4*
	Mean	*Mean*	*Mean*	*Mean*
Fair treatment in promotion	1.77	-0.35	-0.18	0.09
Staff development and support	0.99	0.46	-0.49	-0.73
Good management and leadership	0.62	0.02	0.06	-0.52
Academic life	-0.25	0.51	-0.70	0.31
Fairness and equity	0.29	0.10	-0.55	0.66
Appropriate remuneration	-0.13	-0.12	-0.44	1.17
Rewarding performance	0.73	-0.39	-0.07	0.61
Good workplace relations	-0.49	0.50	-0.43	-0.05

Table 3: Mean Scores for Academics' Obligations Factors

	Ward Method			
	1	*2*	*3*	*4*
	Mean	*Mean*	*Mean*	*Mean*
Meet academic expectations	0.34	-0.58	1.28	-0.75
Commitment	-1.15	-0.29	0.85	0.44
Above and beyond	-0.62	0.93	0.36	-0.70

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