

## **Breach and violation of psychological contract, revenge and workplace deviance**

### **Purpose of the paper**

The topic of employment relationship has acquired great importance in the last 25 years (Coyle-Shapiro and Shore, 2007). It has been generally related to desirable and positive organizational outcomes, while there are other phenomena, as workplace deviance, that can characterize the employment relationship and that can lead to less desirable outcomes.

This paper aims to understand the main causes of workplace deviance, specifically when it comes from a breach and violation of psychological contract. Moreover, the paper wants to highlight the role of the kind of reciprocity that characterizes employment relationship as a key factor to determine whether a breach and a violation of psychological contract can lead to workplace deviance.

### **Theoretical background**

#### *Psychological contract: breach and violation*

The topic of employment relationship has acquired great importance in the last 25 years (Coyle-Shapiro and Shore, 2007). From a conceptual point of view, it describes in a wide sense the relationship between the employee and its organization, and includes many concepts like psychological contract (Guzzo and Noonan, 1994; Paul, Niehoff and Turnley, 2000; Rousseau, 1990), perceived organizational support (Aselage and Eisenberger, 2003; Eisenberger et al., 1986; Eisenberger et al., 2001; Rhoades and Eisenberger, 2002), commitment (Meyer and Allen, 1991 and 1997; Mowday, Steers and Porter, 1979; Mowday, 1998), organizational citizenship behaviours (Bateman and Organ, 1983; Bolino, Turnley and Niehoff, 2004; Organ, 1994) leader-member exchange ((Liden and Graen, 1980; Wayne, Shore and Liden, 1997), etc.

In particular, psychological contract is commonly defined as “an employee's beliefs about the reciprocal obligations between that employee and his or her organization, where these obligations are based on perceived promises and are not necessarily recognized by agents of the organization” (Morrison and Robinson, 1997: 229).

When a psychological contract is not fulfilled, this can be the case of a breach and a violation of it (Dulac et al., 2008). Morrison and Robinson (1997: 230) distinguish between breach and

violation, as the first is a “*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”, while the second is the eventually subsequent “*emotional and affective state* that may, under certain conditions, follow from the belief that one’s organization has failed to adequately maintain the psychological contract”.

The norm of reciprocity is a key mechanism to understand psychological contract theory. (Guzzo and Noonan, 1994; Paul et al., 2000; Rousseau, 1990). Through reciprocity we can better explain the employment relationship in its mutuality, considering both employees and employers point of view (Coyle-Shapiro and Kessler, 2002). Also breach and violation can be analysed using the concept of reciprocity (Morrison and Robinson, 1997).

### *Breach and violation of psychological contract and reciprocity*

According to Kolm (1997) reciprocity is a series of bi-directional transfers independent of one another yet interconnected. Each transfer has to be voluntary, that is there is no external obligation. That’s why reciprocity is different from economic exchange, where the agents are not free, but are obliged by law or third parties to comply with contract obligations. Reciprocity is different from pure altruism too, which is characterized by isolated and one-directional transfers. According to the norm of reciprocity (Gouldner, 1960), when people receive a benefit from another person, they feel obligated to reciprocate by giving back to or helping that person. In this sense, reciprocity works as a universal principle, so as if a person receives something he can’t do anything but give something in turn.

Reciprocity is a way to describe and making sense of behaviours in a relationship. But not all kinds of reciprocity are likely to lead from a violation of psychological contract to workplace deviance. According to Gouldner (1960), the form of reciprocity in which exchanges are concretely alike with respect to things exchanged or circumstances in which they are exchanged, is the negative norm of reciprocity. According to Cropanzano and Mitchell (2005), a negative reciprocity orientation is the tendency for an individual to return negative treatment for negative treatment. Moreover, it has been found that negative reciprocity has a moderating effect between abusive supervision (that can be considered as an example of breach and violation of psychological contract) and workplace deviance (Mitchell and Ambrose, 2007).

A negative norm of reciprocity is typical of an employment relationship characterized by an exchange of injuries, where the self-interest motive is prevalent (versus mutual or other-

interested) (Uhl-Bien and Maslyin, 2003), and where negative actions are reciprocated more selfishly, and may be followed by escalation (Keysar et al., 2008). Moreover, research on psychological contract breach reveals that when employment relationship is characterized by many breaches it will be more likely viewed in economic terms (Lo and Aryee, 2003). Breach and violation reduces trust in the employer (Robinson, 1996), undermining the social basis of the relationship, leading employees to monitor closed the balance in the relationship (Parzefall, 2008), so making more likely the presence of negative reciprocity norms.

Negative reciprocity seems to be linked to a feeling of revenge; as it has been said before, reciprocity is different from contractual exchange, where you reciprocate what you have received by simply giving something comparable in return. Reciprocity doesn't look for balance, it's not like "an eye for an eye", but "if you take my eye, I'll take both of yours" (Keysar et al., 2008).

Reciprocity may be distinguished in direct (if two actors give something to one another) and indirect or generalized (when one actor gives something to another and the other gives something to someone else). In the case of negative reciprocity, if a norm of direct negative reciprocity is present, an actor who suffered a negative action will reciprocate toward the actor who performed this action; if a norm of generalized negative reciprocity is present, an actor who suffered a negative action will reciprocate toward someone else, or even toward the organization (Alexander, 1987; Nowak and Sigmund, 1998; Stanca, 2009).

### *Need for revenge*

When employees thinks that psychological contract has been breached and feels a sense of violation, he can seek for revenge (Aquino, Tripp and Bies, 2006; Bradfield and Aquino, 1999), especially when a negative norm of reciprocity is present, that can take the form of workplace deviant behaviours.

Revenge can be defined as "an effort by the victim of harm to inflict damage, injury, discomfort, or punishment on the party judged responsible for causing the harm" (Aquino, Tripp and Bies, 2006). It has often been identified as a mean of restoring a sense of justice.

Revenge in the workplace has been the object of many recent studies, most of all as an antecedent of negative behaviours (Greenberg, 1990; O'Leary-Kelly, Griffin, and Glew, 1996). But revenge has not always negative consequences, because it can be a deterrence for abusive behaviours, such as the case of hierarchical abuse of power (Aquino, Tripp and Bies, 2001). A retaliatory "tit-for-tat" response to others' aggressive actions may actually promote

cooperation (Bradfield and Aquino, 1999).

Although revenge can lead to positive effects, it often leads to counterretaliation, resulting in escalating and entrenched conflict (Pruitt and Rubin, 1986). As we have seen before, this is linked to the presence of negative reciprocity norms. According to (Bordia, Restubog and Tang (2008), cognition of breach and feeling of violations of psychological contract develop into a need for revenge. In particular, “revenge fulfills both instrumental and expressive motivations; the aim of revenge is to vent the frustration, redress the imbalance in the exchange relationship, and punish the organization for the breach. The revenge motivation leads to deviant behaviors” (Bordia, Restubog and Tang, 2008: 1106).

### *Workplace deviance*

Workplace deviance is an important issue because of the costs that it can generate for organizations. It has been estimated that the cost generated by employees’ theft is about 50 billion dollars per year (Coffin, 2003). Harper (1990) has found that 33% to 75% of workers have engaged in behaviors such as vandalism, sabotage, unwarranted absenteeism, and theft. Dunlop and Lee (2004) have found also that workplace deviance can have negative consequences for productivity and performance. Moreover, in case of interpersonal workplace deviance, employees who had suffered from such behaviours show a greater tendency to resign, and develop stress related problems and low morale (O’Leary-Kelly, Griffin and Glew, 1996).

According to Robinson and Bennett (1995, p. 556), workplace deviance is a “voluntary behavior that violates significant organizational norms and in so doing threatens the well-being of an organization, its members, or both”. This is a kind of destructive deviance.

Workplace deviance can be also of a constructive kind, that is a voluntary behavior that violates significant organizational norms and thus contributes to the wellbeing of an organization, its members, or both (Bodankin and Tziner, 2009; Warren, 2003). Even if constructive deviance is important as a form of resistance against negative organizational actions (Lawrence and Robinson, 2007), we focus on destructive deviance because it seems the form of deviance that should come from a need for revenge and a negative reciprocity norm.

Workplace deviance can be distinguished also in interpersonal (when it is directed toward other individuals) and organizational (when it is directed toward the organization). We can argue that when a norm of direct negative reciprocity is present, the revenge will be directed

toward the actor who performed the negative action, so interpersonal deviant behaviours will be carried out. When a norm of generalized negative reciprocity is present, the revenge will be directed toward the organization, so organizational deviant behaviours will be carried out

### Research gap

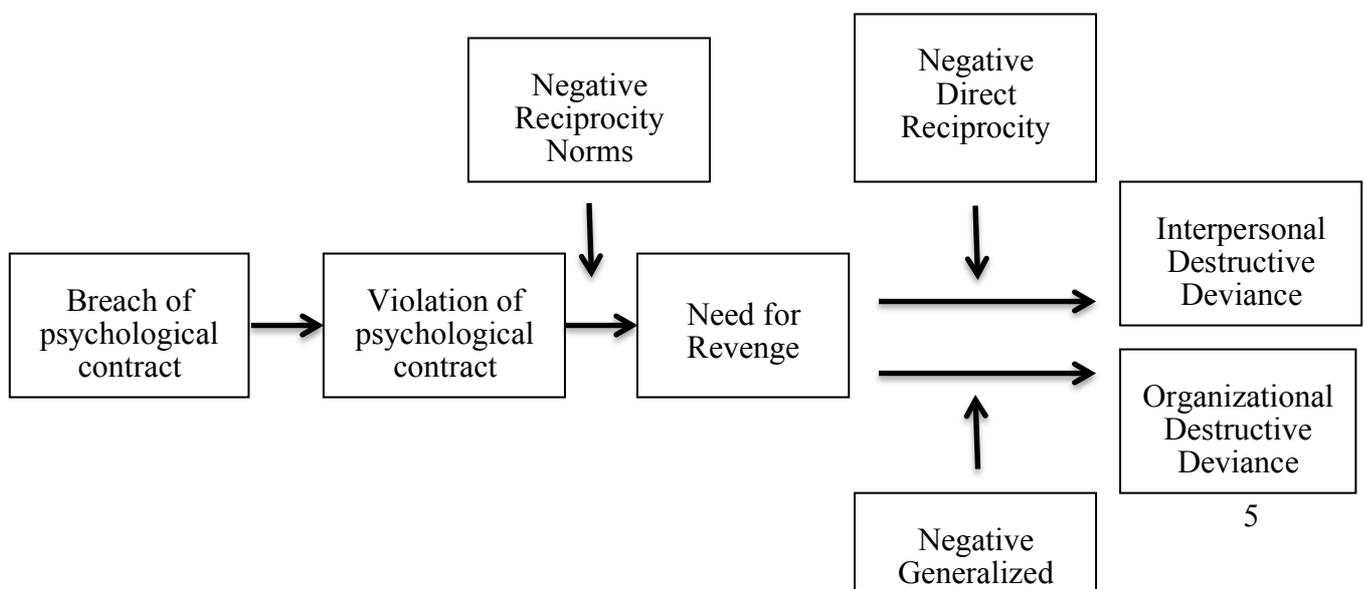
A similar study has been conducted by Lawrence and Robinson (2007) from a theoretical point of view, and by Bordi, Restubog and Tang (2008) from an empirical point of view. This study aims to show that the relationship between breach and violation of psychological contract, need for revenge and the subsequent workplace deviance is not univocal, but it needs the mediation of negative reciprocity. We argue that without this kind of reciprocity, violation of psychological contract could lead to other form of reaction, such as forgiveness and reconciliation (Aquino et al., 2003; Aquino, Tripp and Bies, 2006; Bradfield and Aquino, 1999; Goodstein and Aquino, 2010; Palanski, 2012).

Considering direct and generalized reciprocity can shed a light also to the kinds of workplace deviance that come from breach and violation of psychological contract, distinguishing between interpersonal and organizational deviance.

### Main findings and contributions

This paper tries to develop a theoretical contribution to understand the relationship between the kind of employment relationship and workplace deviance, considering deviant behaviours as signals of a need for revenge under the presence of negative reciprocity norms.

The model here proposed is shower in Fig. 1.



*Fig. 1 The relationship between breach and violation of psychological contract and workplace deviance*

This paper integrates literatures on breach and violation of psychological contract with the field of reciprocity, revenge and workplace deviance. This can be considered the main contribution of this paper, because these streams of researches have developed in relative isolation from one another.

Another contribution is related to the consideration of the kind of reciprocity that characterizes the employment relationship. We have shown that it is not true that violation of psychological contract always leads to a need for revenge and to workplace deviance, but it depends on the kind of reciprocity. Only if employment relationship is characterized by negative reciprocity than revenge and deviance are likely to occur.

These considerations can lead also to directions for further research. This paper doesn't focus on the other possible responses of employees to violation of psychological contract, that is forgiveness and reconciliation. We argue that this kind of response is likely to occur when employment relationship is characterized by a other kind of reciprocity.

Finally, since this is a theoretical paper, we think that it would need to be integrated by some empirical investigation, in order to test if the relations between the concepts we have put in our model are also confirmed by empirical studies.

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