Psychological Contract Fulfillment and Innovative Work Behaviors

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Hiring innovative employees and promoting an innovative workplace culture is often cited as critical to organizational success (Evangelista & Vezzani, 2010; Rubera & Kirca, 2012; Sapprasert & Clausen, 2012; Walker et al., 2010). In sport, innovations such as dynamic pricing, luxury suite offerings, electronic signboards, etc. generated new revenue streams, potentially adding to the value of the organization (Lachowetz, et al., 2001; Yoshida, et al., 2013). Sport organizations, operating under constrained resources have the potential to spur interesting innovative behaviors due to necessity (Burg et al., 2011). Many smaller sport organizations, such as the Goldkang Group and the Atlantic League of Professional Baseball, promote innovation on their websites (Atlantic Professional Baseball League, 2017; Goldkang Group, n.d.). Industry pioneers like Mike Veeck attribute innovative workplace behaviors (IWB) to their professional success (Madkour, 2016).

Innovation within an organization involves identifying problems, analyzing, idea generation, adoption decision, implementation, and iteration (Anderson, et al., 2014; Damanpour & Schneider, 2006; Crossan & Apaydin, 2010). Even if individual employees engage in IWB, an organization may not receive tangible benefits if the efforts are not properly directed or ideas are not adopted. Therefore, an organization that simply employs an abundance of creative individuals may not produce actual innovation. Amabile and colleagues’ (1996) seminal work on factors influencing individual innovative behavior found employees are influenced by a number of internal factors such as intrinsic motivation. Yet, their research also indicated workplace environmental factors such as encouragement from the organization and supervisor, as well as resources and time enhanced IWB of employees. For organizations that desire innovative outcomes, hiring internally driven, creative individuals is important, but IWB must be supported for the firm to fully realize benefits (Prieto & Perez-Santana, 2014; Taggar, 2002).

IWB are defined as, “the intentional creation, introduction and application of new ideas within a work role, group or organization, in order to benefit role performance, the group, or the organization” (Janssen, 2000, p. 288). When employees engage in IWB, they utilize cognitive resources, examine problems more closely, consider problems from multiple angles, and do not settle on the first idea generated (Rigolizzo & Amabile, 2015). These behaviors result in ideas that are new and useful to the organization.

As practitioners push for innovation, scholars have taken interest in factors effecting IWB. Much of the scholarly focus has been on the role of managers or the organization in fostering IWB in employees (i.e. Abbas, Iqbal, Waheed, & Riaz, 2012; Battistelli et al., 2014; De Spiegelaere et al., 2015; Gerginov et al., 2015; Hoeber & Hoeber, 2012; Janssen, 2000; Prieto & Perez-Santana, 2014; Scott & Bruce, 1994; Shanker et al., 2017; Xerri & Brunetto, 2013; Yuan & Woodman, 2010). In general, these studies focused on behaviors of managers or others in the organization in relation to the development of IWB. Conversely, issues related to outcomes of exchange relationships between the organization and employees are generally absent from the literature. A limited body of research indicates psychological contracts between employees and employers may play a critical role in fostering IWB (Agarwal, 2017; Bose & Agarwal, 2003; Li et al., 2014; Modaresi & Nourian, 2013). The purpose of the current study was to explore the role of exchange relationships between sport organizations and employees on IWB using psychological contracts as a theoretical framework.

Psychological contracts are defined as, “individual beliefs, shaped by the organization, regarding terms of an exchange agreement between individuals and their organization” (Rousseau, 1995, p. 9). Employee outcomes are governed by their perceptions of the extent their organization has fulfilled its psychological contract outcomes (Lee et al., 2011; Robinson & Morrison, 1997). Potential employer obligations are generally related to providing reward job content, opportunities for career development, a positive social atmosphere, transparent organizational policies, financial rewards, and work-life balance (Freese & Schalk, 1997; Freese, Schalk, & Croon, 2008). However,
expectations can vary based on organizational setting (Rousseau & Tijoriwala, 1998). For example, Barnhill and Brown (2017) found employees of intercollegiate athletic departments develop expectations of the organization to participate in corporate social responsibility.

Psychological contract theory has been used by scholars across industries and organizational settings to predict employees’ attitudinal and behavioral outcomes (Zhao et al., 2007). Studies examining psychological contract fulfillment (PCF) as a predictor of IWB are relatively limited, but indicated a positive relationship (Agarwal, 2017; Bose & Agarwal, 2003; Li et al., 2014; Modaresi & Nourian, 2013; Newton et al., 2008). Research in sport based populations has generally mirrored findings from other settings (i.e. Barnhill & Brown, 2017; Bravo & Won, 2009; Dhurup et al., 2015; Harman & Doherty, 2014, 2017; Kim et al., 2009; Taylor et al., 2006), but none of these studies included IWB in their models.

Building on the literature supporting IWB as an outcome of PCF, a model was developed. Affective commitment and organizational citizenship behavior were included as partial mediators as both are common outcomes of psychological contract fulfillment (Bravo & Won, 2009; Harmon & Doherty, 2017; Henderson et al., 2008; Modaresi & Nourian, 2013; Newton et al., 2008; Turnley et al., 2003) and antecedents of innovative workplace behaviors (Podsakoff et al., 2014; Xerri & Brunetto, 2013). Following institutional review board approved procedures, invitations to participate were emailed to 1,313 Minor League Baseball team employees via Qualtrics, resulting in 216 usable responses for a response rate of 16.5 percent. PCF was measured using six items from the Tilburg Psychological Contract Questionnaire (TPCQ) (Freese et al., 2008). Organizational citizenship was measured using four items from adapted from Williams and Anderson’s (1991) scale. Affective commitment was measured using five items from Allen and Meyer (1990). IWB was measured using four items from Janssen’s (2000) scale. Structural analyses was conducted using IBM AMOS 24. Model fit was acceptable (RMSEA = .059, SRMR = .0573, CFI = .955), although, chi-square was significant ($\chi^2 = 247.92, df = 141, p < .001$). The results indicated the relationship between PCF and IWB was fully mediated by organizational citizenship behaviors ($b_{PCF, IWB} = .122, p = .216$; $b_{PCF, OCB} = .288, p = .006$; $b_{OCB, IWB} = .356, p = .002$). Affective commitment had a strong, positive relationship with PCF ($b_{OCB, IWB} = .356, p = .002$) but was not related to IWB within the sample. Total variance explained by the model ($R^2$) were ($AC = .360, OCB .165, IWB .192$). Implications for practitioners, based on the results of this study will be discussed, as will directions for further scholarship.