

A Service of



Leibniz-Informationszentrum Wirtschaft Leibniz Information Centre

Saeed, Maryam

Article

Mediation effect of psychological contract between personality dimensions and turnover intention

Journal of Economics, Finance and Administrative Science

Provided in Cooperation with:

Universidad ESAN, Lima

Suggested Citation: Saeed, Maryam (2020): Mediation effect of psychological contract between personality dimensions and turnover intention, Journal of Economics, Finance and Administrative Science, ISSN 2218-0648, Emerald Publishing Limited, Bingley, Vol. 25, Iss. 50, pp. 205-219, https://doi.org/10.1108/JEFAS-06-2019-0101

This Version is available at: https://hdl.handle.net/10419/253794

Standard-Nutzungsbedingungen:

Die Dokumente auf EconStor dürfen zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden.

Sie dürfen die Dokumente nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, öffentlich zugänglich machen, vertreiben oder anderweitig nutzen.

Sofern die Verfasser die Dokumente unter Open-Content-Lizenzen (insbesondere CC-Lizenzen) zur Verfügung gestellt haben sollten, gelten abweichend von diesen Nutzungsbedingungen die in der dort genannten Lizenz gewährten Nutzungsrechte.



https://creativecommons.org/licenses/by/4.0/

Terms of use:

Documents in EconStor may be saved and copied for your personal and scholarly purposes.

You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.

If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.



Mediation effect of psychological contract between personality dimensions and turnover intention

Mediation effect of psychological contract

205

Received 24 June 2019 Revised 27 June 2019 4 July 2019 Accepted 8 July 2019

Maryam Saeed
Institute of Islamic Banking (IIB) – University of Management and Technology,
Lahore, Pakistan

Abstract

Purpose – This study aims to test the mediating role of psychological contract (PC) in a relationship between personality dimensions and turnover intention.

Design/methodology/approach – The current study is analytical in nature. The data for the purpose of the analysis is collected from 300 software engineers working in Lahore, Punjab. Purposive sampling technique is used for the collection of this data. The response rate was 87.33 per cent. Different data analysis techniques such as correlation, regression analysis, are used to test the 10 hypotheses of the study. Moreover, the study adopted a cross-sectional survey design.

Findings – According to regression analysis, extroversion, conscientiousness and agreeableness personality dimensions brought positive but insignificant increments in turnover intention. However, emotionally stable personality dimensions brought positive and significant increments in turnover intention. Open to experience personality dimension brought negative but insignificant decrement in turnover intention. Results showed extroversion personality dimension brought a very less but insignificant increment in variations of PC, which have higher contributions in variations of turnover intention. Emotional stable, conscientiousness and agreeableness personality dimensions brought also very less but a significant increment in PC. Open to experience personality dimension have negative but insignificant decrement in PC. Results showed the mediation impact of PC among emotional stability, conscientiousness and agreeableness personality dimensions and turnover intention. However, PC does not mediate among extroversion, open to experience personality dimensions and turnover intention. The paper concludes with recommendations for further research.

Originality/value – This study will help the organization in reducing the turnover rate and can enhance the motivation level of their employees.

Keywords Extroversion personality dimension (EPD), Consciousness personality dimension (CPD), Agreeable personality dimension (APD), Openness to experience personality dimension (OEPD), Psychological contract (PC)

Paper type Research paper

© Maryam Saeed. Published in *Journal of Economics, Finance and Administrative Science*. Published by Emerald Publishing Limited. This article is published under the Creative Commons Attribution (CC BY 4.0) license. Anyone may reproduce, distribute, translate and create derivative works of this article (for both commercial and non-commercial purposes), subject to full attribution to the original publication and authors. The full terms of this license may be seen at http://creativecommons.org/licences/by/4.0/legalcode

JEL classification – M54, I31

The author(s) received no financial support for the research.



Journal of Economics, Finance and Administrative Science Vol. 25 No. 50, 2020 pp. 205-219 Emerald Publishing Liamited 2128-0648 DOI 10.1108/JEFAS-06-2019-0101

1. Introduction

Greatest research has inspected the consequence of psychological contract (PC) breach on job outcomes (Hao et al., 2007). This study discovered using a PC as a mediator in the association between personality dimensions and job outcomes[1]. The effects of five-factor personality dimensions on forming PC and turnover intention theoretically contribute to elaborating concepts about how different types of personalities perceive and form PCs with organizations. These PC types have a major role in the turnover of organizations. Trends likes' demographic variety, short-term contracts, downsizing and reengineering have changed traditional PC perception. These trends become vague to both parties i.e. employer and employee regarding obligations, which makes it difficult for an organization to fulfil them. Additionally, different representatives of organizations including line managers and human resource manager send different messages relating to expectations and obligations of contracts (David et al., 2003). Mutual obligations between employer and employee associations are serious problems. These mutual obligations partially put on documentation in the form of written formal contracts about employment but most of the parts are unspoken that are secretly held and rarely converse (Rousseau, 1990). As a result, employees remain unclear about contracts with their organizations. Therefore, it is important to study PC and its impact on turnover intention, which is considered as a personal desire to leave the organization (Elangovan, 2001). Personality strongly associated with work attitudes and behaviour (Barrick and Mount, 2005). Therefore, personality dimensions are taken as an independent variable for seeing the effect on the turnover intention with the mediation of PC. This research can help organizations to look into the personality phases for recruiting employees. A breach in the contract can occur from both objective and subjective factors that organizations have not the ability to control. If employees are hired with a convincing personality dimension that will resist employees from perceiving contract breach. This study is a proposal of theoretic arguments that foresee PCs people with certain personality dimensions will create and how they will perceive contract breaches. Moreover, we consider how PCs are associated with turnover intention. This study takes a PC as a whole to test mediation between personality dimensions and turnover intention of software engineers working in multinational communication and information technology companies in Pakistani culture.

Research has found that employee issues are a major contributor to the failure of many organizations. The mediation effects of the PC between personality dimensions and turnover intention will be helpful for solving issues of employees' retention. Hence, the problem statement is to investigate how employees of different personalities build their PC with their employers in an organization and consequently how it affects their turnover intentions.

The objectives of this study are as follows:

- To empirically investigate the effect of personality dimensions (extroversion, agreeableness, openness to experience, emotional stability and conscientiousness) on employee turnover intentions.
- To empirically investigate mediation of PC between dimensions of personality (extroversion, agreeableness, openness to experience, emotional stability and conscientiousness) and turnover intentions.

For this study, the researcher considered 10 following hypotheses:

- H1a. Extroversion has a significant relationship with turnover intentions.
- H1b. Conscientiousness has a significant relationship with turnover intention.

- H1c. Emotionally stability has a significant relationship with turnover intention.
- H1d. Agreeableness has a significant relationship with turnover intention.
- H1e. Openness to experience has a significant relationship with turnover intention.
- *H2a.* The PC mediates the relationship between extroversion and turnover intentions.
- H2b. The PC mediates the relationship between conscientiousness and turnover intentions.
- H2c. The PC mediates the relationship between emotional stability and turnover intentions.
- *H2d.* The PC mediates the relationship between agreeableness and turnover intentions.
- *H2e.* The PC mediates the relationship between openness to experience and turnover intentions.

2. Literature review

2.1 Personality

It is the individual's stable pattern of cognition, motivation and behaviour revealed across context (Goldberg, 1993). It consisted of five dimensions, namely, extroversion, agreeableness, conscientiousness, emotional stability and openness to experience (Goldberg, 1990).

- 2.1.1 Extraversion. Extraversion is a trait that indicates people are active firm, dynamic and sociable (Goldberg, 1990).
- 2.1.2 Agreeableness. Agreeableness includes traits such as warmness, dependence, politeness and cooperativeness (Goldberg, 1990).
- 2.1.3 Conscientiousness. Conscientious individuals are organized, accountable, dependable, thorough and hardworking (Goldberg, 1990).
- 2.1.4 Emotionally stability. Emotional stability is related to the well-being and emotional stability of individuals experiencing emotions (Goldberg, 1990).
- 2.1.5 Open to experience. Openness to experience is defined through open-mindedness, divergent thinking, manifestation and logical and artistic creativity (Correa et al., 2010).

2.2 Psychological contract

PC consisted of an individual faith relating to reciprocal responsibilities in the context of associations between organization and employee (Rousseau, 1990). Two broad types of PC consisted of transactional and relational contracts. These two broad types of PCs varied on five essential elements. Five elements consisted of a focus of the contract, timeframe, stability, scope and tangibility (Rousseau and McLean-Parks, 1993). The transactional contract consisted of a short-term period in which both parties had limited involvement. The relational contract consisted of a long-term period in which loyalty replaced in exchange for safety and growth in an organization (Morrison and Robinson, 1997). PCs converted into transactional contracts after a violation (Robinson *et al.*, 1994).

2.3 Turnover intention

Turnover intention (TI) represents the paradigm when the employee decides to leave the organization (Hulin, 1991). TI is considered as a personal desire to leave the organization (Elangovan, 2001). Intention to quit recognized as one of the important factors of turnover

behaviour (Brigham et al., 2007). Intentions to quit looked as a predictor of actual turnover (Griffeth et al., 2000).

2.4 Personality and turnover intention

Personality dimensions of openness, conscientiousness, extroversion and agreeableness positively and significantly predicted job turnover intentions (Sifuna and Musenze, 2014). Individuals higher in EPD had a more positive effect, which made the cause of experiencing positive emotions (Clark and Watson, 1999). An emotionally unstable personality dimension showing negative emotions experienced interpersonal conflict and less social support from coworkers. Thus, they had higher stress levels and higher intentions to quit (Organ, 1990).

2.5 Personality and psychological contract

High conscientiousness personality dimension was motivated for task completion as compared to monetary rewards (Stewart, 1996). Therefore, they preferred long-term relationships in a PC rather than the short-term. An emotionally unstable personality dimension had no stability in their emotions and remained worried, therefore had less stamina for tolerating changes in the PC (Goldberg, 1990). Neurotics did not prefer to obligate in a long-term relationship in a contract because of these characteristics hold by them. EPD had a social, assertive and determined attitude (Costa and McCrae, 1992). They had an aspiration for status, appreciation, material gaining and for authority and job satisfaction (Judge and Ilies, 2002). They preferred long term relationships in a PC. Because, they had an aspiration for gaining status, recognition, power and for social networking that they could not get in a short-term relationship (Krackardt, 1990). People who had scored high on EPD perceived relational and ideological contracts (Vantilborgh *et al.*, 2013). Openness to experience personality dimension (OEPD) had no interest in intrinsic PC inducements (Nikolaou *et al.*, 2007).

2.6 Psychological contract and turnover intention

Violation in PC involved reactions raised due to perceptions of un-fulfilment obligations (Robinson and Morrison, 2000). Violations in PC associated with three categories of employee behavior, namely, intention to quit, neglect of in-role job duties and organizational citizenship behaviours with partial mediation of unmet expectations and job dissatisfaction (William and Daniel, 2000). A positive association found between relational PC breach and turnover intention but was not perceived between transactional contract breach and turnover intention (Aykan, 2014).

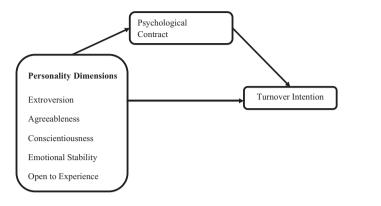
3. Methodology

3.1 Conceptual framework

The conceptual framework is shown in Figure 1.

3.2 Research design

- 3.2.1 Purpose and type of investigation. The purpose of this study is analytical and descriptive as the researcher is targeting specific problems and explaining variables in detail, respectively. Type of investigation is correlational as relationships are being tested for variables.
- 3.2.2 Unit of analysis and time horizon. The unit of analysis is individual because software engineer employees are being taken as samples. The time horizon is cross-sectional because research is studying the relation of variables at one time from different participants.



Mediation effect of psychological contract

209

Figure 1.
Psychological contract as a mediator

Source: Own elaboration

- 3.2.3 Study setting and interference. Research is done in a natural environment of organizations where work carries on normally, which is also referred to as a non-contrived setting. Interferences are minimal because the researcher collected data via questionnaire in a normal working environment or routine without creating any disturbance.
- 3.2.4 Population and sample. Engineer employees are a population of multinational communication and information technology companies. Sample from the population taken by the researcher is 300 who have enough capacity of representing the population.
- 3.2.5 Target population. The target population for this study is software engineers working in Lahore.
- 3.2.6 Sample and sampling technique. The targeted sample was 300 out of which the actual sample was 262 with an 87.33 per cent response rate. Roscoe (1975) said that multivariate research sample size can from 30 to 500 acceptable ranges. Purposive sampling technique is used for the collection of this data.
- 3.2.7 Instruments. All four instruments were measured on a five-point Likert scale where 1 was "strongly disagree" and 5 was "strongly agree". Personality was measured by a 10-item scale Big five personality test (Goldberg, 1993). The PC was measured by an 18-item scale (Raja *et al.*, 2004). Turnover intentions will also be measured from an 18-item scale (Masemola, 2011).
- 3.2.8 Response rate. From the 300 questionnaires distributed, 262 responses were collected. The total response rate is 87.33 per cent.
- 3.2.9 Limitations of the study. This research studied only three variables, namely, PC, personality and turnover intention. Therefore, other variables can be considered as moderators and as mediators. This research considers only employees as a unit of analysis. Research can consider employers' perceptions related to PCs and related to breaches and violations. Further, limitation in our design and analysis was the nonappearance of controlling for the special effects of a variable that may have inclined.

4. Results and data analysis

4.1 Descriptive statistics

Table I shows the descriptive statistics.

The minimum score on PC, turnover intentions, extroversion, agreeableness, conscientiousness, emotional stability and OEPDs are 1.47, 1.67, 1.00, 1.50, 1.50, 1.50 and

210

1.50 sequentially with the maximum score consists of 4.29, 3.83, 5.00, 5.00, 5.00, 5.00 and 5.00 sequentially. The mean score was about 2.91, 2.80, 2.97, 3.09, 3.18, 3.20 and 3.17 sequentially with a standard deviation of 0.50, 0.43, 0.75, 0.65, 0.75, 0.74 and 0.86 sequentially. The mean for turnover intention, which has a mean of 2.80 (SD = 0.43), which is more consistent as compared to emotional stability has the highest mean of 3.20 (SD = 0.74). It shows very little deviation from the central values of turnover intention, which is better as compared to other variables.

4.2 Correlation matrix

The correlation matrix is shown in Table II.

All personality dimensions except emotional stability scales correlated insignificantly with turnover intention, with the weakest but positive correlations for agreeableness (0.071), conscientiousness (0.095), extraversion (0.114), openness to experience (0.010) and the moderated but significant correlation for emotional stable (0.325). The PC correlated significantly with the strongest but positive correlations (0.681) with turnover intention. The PC correlated significantly with the weakest but positive correlations with agreeableness (0.162) and emotional stability (0.332). Extroversion personality dimension (EPD) correlated insignificantly with the weakest but positive correlations for agreeableness (0.031), openness to experience (0.073) and emotional stable (0.031) but correlated significantly weak and negative with conscientiousness (-0.192). The PC correlated insignificantly with the weakest but positive correlations (0.117) with extroversion. Conscientiousness personality dimension correlated insignificantly with the weakest and positive correlations for agreeableness (0.074), openness to experience (0.056) but correlated significantly positive

Variables	Min	Max	Mean	SD
Psychological contract	1.47	4.29	2.91	0.50
Turnover intentions	1.67	3.83	2.80	0.43
Extroversion	1.00	5.00	2.97	0.75
Agreeableness	1.50	5.00	3.09	0.65
Conscientiousness	1.50	5.00	3.18	0.75
Emotional stability	1.50	5.00	3.20	0.74
Openness to experience	1.50	5.00	3.17	0.86

Table I. Descriptive statistics

Descriptive statistics Source: Own elaboration

Variables	1	2	3	4	5	6	7
1. Turnover Intentions 2. Psychological Contract 3. Extraversion 4. Agreeableness 5. Conscientiousness 6. Openness to experience 7. Emotional stability	1 0.681** 0.114 0.071 0.095 0.01 0.325**	1 0.117 0.162** 0.199** -0.086 0.332**	1 0.031 -0.192** 0.073 0.031	$ \begin{array}{c} 1 \\ 0.074 \\ 0.079 \\ -0.024 \end{array} $	1 0.056 0.229**	1 0.03	1

Table II.Correlation among variables

Note: **These asterisks show significant results/values

Source: Own elaboration

Mediation

and weakest with emotional stability (0.229). The PC correlated significantly with the weakest but positive correlations (0.199) with conscientiousness. OEPD correlated insignificantly with the weakest but positive correlations emotionally stable (0.03). The PC correlated insignificantly with the weakest but negative correlations (-0.086) with openness to experience.

4.3 Hypothesis testing

Table III describes the personality dimensions with TI.

Regression model is significant (F = 7.233, p < 0.05). A positive and moderate degree of correlation found between the big five personality dimensions and turnover intention (R = 0.352). In turnover intention, 12.4 per cent variation explained because of the big five personality dimensions ($R^2 = 0.124$).

Our first sign of generalizability is the adjusted R^2 value, which is adjusted for the number of variables included in the regression equation. These values are very close expecting minimal decline based on this indicator (Adjusted $R^2 = 0.107$). The standard error of the estimate is a measure of the scattering in the predicted scores in a regression. In a scatterplot, in which the standard error of the estimate is small then most of the observed values cluster closely to the regression line. Big five personality dimensions predicted score is likely to vary within plus or minus 0.40 on turnover intention.

H1a. Extroversion has a significant positive relationship with turnover intentions.

 β indicates changes in EPD brought positive and insignificant increments in turnover intention ($\beta = 0.111$, t = 1.842, p > 0.05). Hence, H1a is rejected according to standards of β value, which significance value (p = 0.067) is greater than 0.05. The EPD has an insignificant effect on employees' turnover intention as the beta value shown unimportant change.

H1b. Agreeableness has a significant relationship with turnover intention.

 β indicates changes in agreeableness personality dimension brought positive and insignificant increments in turnover intention ($\beta = 0.074$, t = 1.248, p > 0.05). Hence, H1b is rejected according to standards of β value, which significance value (p = 0.213) is greater than 0.05. Agreeableness personality dimension has effects but insignificant in employees' turnover intention.

H1c. Conscientiousness has a significant relationship with turnover intention.

 β indicates changes in conscientiousness personality dimension brought positive and insignificant increments in turnover intention ($\beta = 0.040, t = 0.643, p > 0.05$). Hence, *H1c* is

Variables	R	R^2	$\operatorname{Adj} R^2$	Std. error of estimate	F	Sig	β	t	Sig
Extroversion Agreeableness Conscientiousness Emotional Stability Openness to experience	0.352	0.124	0.107	0.40996	7.233	0.000	0.111 0.074 0.04 0.315 -0.015	0.643	0.213 0.521 0.000
Source: Own elaboration									

Table III.
Big five personality
dimensions with
turnover intention

rejected according to standards of β value which significance value (β = 0.521) is greater than 0.05. Conscientiousness personality dimension has effects but insignificant in employees' turnover intention.

H1d. Emotionally stability has a significant relationship with turnover intention.

 β indicates changes in the emotional stability personality dimension brought positive and significant increments in turnover intention ($\beta = 0.315$, t = 5.214, p < 0.05). Hence, H1d is accepted according to standards of β value, which significance value (p = 0.000) is less than 0.05. Emotional stable employees have a positive attitude towards turnover intention as beta value has shown a significant change in turnover intention. Its effects cannot ignore for controlling turnover.

H1e. Openness to experience has a significant relationship with turnover intention.

 β indicates changes in OEPD brought negative and insignificant decrement in turnover intention ($\beta = -0.015$, t = -0.262, p > 0.05). Hence, H1e is rejected according to standards of β value, which significance value (p = 0.793) is greater than 0.05. Employees higher in OEPD has reduced turnover intention but, it is not essential as beta value has shown an insignificant change in turnover intention.

4.4 Mediation testing
Table IV shows the mediation testing.

H2a. PC mediates the relationship between extroversion and turnover intentions.

EPD brought positive but insignificant increment in turnover intention directly (0.0201) that fall within bootstrap limits (-0.0314 to 0.0716) but *p*-value (0.4429) is exceed from significance value (0.05) that shows the insignificance of this direct effects.

Extroversion has an indirect effect (0.045) on turnover intention through PC. Indirect effects have confidence interval from (0.0045) to (0.0975). Hence, indirect effect (0.045) lies within confidence interval but according to normality tests, it is not normal (p > 0.05). So, H2a rejected as the PC does not mediate between EPD and turnover intention. Similarly, the total effect that includes both direct and indirect effects that equal to 0.0651. It falls within bootstrap limits (-0.0041 to 0.1344) but the p-value (0.0653) is greater than the significance value (0.05).

H2b. PC mediates the relationship between agreeableness and turnover intentions.

Agreeableness personality dimension brought negative but insignificant increment in turnover intention directly (-0.02) that fall within bootstrap limits (-0.0869 to 0.0338) but p-value (0.38) exceeds from significance value (0.05) that show the insignificance of this direct effects. Indirect effects have confidence interval from (0.029) to (0.128). Hence, the indirect effect (0.07) lies within confidence interval but according to normality tests its normal as the p-value (0.009) is less than the significance value (0.05). So, H2 b accepted as PC mediates between agreeableness personality dimension and turnover intention. Similarly, total effect (0.0473) falls within bootstrap limits (-0.0337to 0.1283) but p-value (0.25) is greater than significance value (0.05).

H2c. PC mediates the relationship between conscientiousness and turnover intentions.

Personality dimensions	Effects	LLCI	ULCI	<i>p</i> -value	Mediation effect of
Extroversion Direct effect	0.0201	-0.0314	0.0716	0.4429	psychological
Indirect effect Total effect	0.045 0.0651	-0.0045 -0.0041	0.0975 0.1344	0.061 0.0653	contract
Agreeableness Direct effect	-0.0266	-0.0869	0.0338	0.38	213
Indirect effect Total effect	0.0739 0.0473	0.0261 0.0337	0.1178 0.1283	0.009 0.25	
Consciousness Direct effect	-0.024	-0.0762	0.0282	0.3654	
Indirect effect	0.0784	0.0343	0.1219	0.0014	
Total effect	0.0544	-0.0151	0.1239	0.1243	Table IV.
Emotional stability					Bootstrapped
Direct effect	0.0651	0.0103	0.12	0.0201	conditional indirect and total effects of
Indirect effect	0.1244	0.0804	0.172	0	the big five
Total effect	0.1896	0.1222	0.2569	0	personality
Open to experience					dimensions on
Direct effect	0.0349	-0.0102	0.08	0.1286	turnover intention
Indirect effect Total effect	-0.0298 0.0051	-0.0816 -0.0564	0.0123 0.0667	0.1662 0.8692	through
1 otal circu	0.0031	-0.0004	0.0007	0.0032	psychological
Source: Own elaboration					contract

Conscientiousness personality dimension brought negative but insignificant increment in turnover intention directly (-0.0240) that fall within bootstrap limits (-0.0762 to 0.0282) but p-value (0.3654) exceeds from significance value (0.05) that shows the insignificance of this direct effects. Conscientiousness has an indirect effect (0.0784) on turnover intention through PC. Indirect effects have confidence interval from (0.0343 to 0.1219). However, according to normality tests, it is normal as the p-value (0.001) is less than the significance value (0.05). So, H2c accepted as PC mediates between conscientiousness personality dimension and turnover intention. Similarly, the total effect that includes both direct and indirect effects that equal to 0.0544. It falls within bootstrap limits (-0.0151 to 0.1239) but the p-value (0.1243) is greater than the significance value (0.05).

H2d. PC mediates the relationship between emotional stability and turnover intentions.

The emotional stable personality dimension brought positive but significant increment in turnover intention directly (0.0651) that fall within bootstrap limits (0.0103 to 0.1200) but p-value (0.0201) is less from significance value (0.05) that shows the significance of this direct effects.

Indirect effects have confidence interval from (0.0804 to 0.1720). Hence, indirect effect (0.1244) lie within confidence interval but according to normality tests its normal as the p-value (0.0000) is less than the significance value (0.05). So, H2d accepted so PC mediates between emotionally stable personality dimension and turnover intention. Similarly, the total effect that includes both direct and indirect effects that equal to 0.1896. It falls within bootstrap limits (0.1222 to 0.2569) but p-value (0.0000) is less than significance value (0.05).

H2e. PC mediates the relationship between openness to experience and turnover intentions.

Open to experience personality dimension brought positive but insignificant increment in turnover intention directly (0.0349) that fall within bootstrap limits (-0.0102 to 0.0800) but p-value (0.1286) is greater from significance value (0.05) that shows the insignificance of this direct effects. Indirect effects have confidence interval from (-0.0816 to 0.0123). Hence, indirect effect (-0.0298) lies within confidence interval but according to normality tests, it is not normal as the p-value (0.1662) is greater than the significance value (0.05). So, H2e rejected as PC mediated between open to experience personality dimension and turnover intention. Similarly, the total effect that includes both direct and indirect effects that equal to 0.0051. It falls within bootstrap limits (-0.0564 to 0.0667) but the p-value (0.8692) is greater than the significance value (0.05).

5. Summary review and discussion

Researchers showed people of extroversion personality and people of positive traits both experienced positive emotions (Clark and Watson, 1999). Regards regression analysis, EPD has a positive but insignificant increment in turnover intention (p > 0.05). These results rejected the EPD association with turnover intention. Hence, results supported past research studies, which showed people who are higher in EPD liked to make groups and wanted to expand the network in organizations. Barrick and Mount (1996) showed in the big five personality construct that conscientiousness had a negative association with turnover. Consciousness personality dimension (CPD) brings a positive but insignificant increment in turnover intention (p > 0.05). These results rejected the CPD association with turnover intention. CPD liked disciplines, achievements and challenges in works. If these types of personalities found challenging works and appreciations or rewards in excellent performances, then chances of retention go up in organizations instead of lower salaries.

Positive and significant increments in turnover intention come because of an emotional stability personality (p < 0.05). This result is opposite to expectations. This type of personality may have a higher turnover intention but practically, they avoid resigning because of a higher tolerance level of facing difficult situations. Agreeable personality dimension (APD) had conformity and reliance characteristics, therefore, they retained in the organization (Maertz and Griffeth, 2004). Results showed agreeableness has effects but insignificant in employees' turnover intention. These results rejected the APD association with turnover intention. It may be insignificant due to inclination towards team-oriented and compromising personal needs for the sake of group goals. The positive correlation between turnover and OEPD is inconsistent with Salgado's (2002). Negative beta value (-0.015) represented to lower turnover intention, if open to experience personality dimension found higher in an employee. This negative effect is unimportant according to results. It may unimportant due to the interest of this personality in experiencing new things and in taking risks.

We inferred our findings concerning personality and PC in terms of employee choice and understanding of contracts. Regards results, extroversion brought an insignificant increment in the PC (p > 0.05). Further, the indirect effect showed the psychological mediating effect between EPD and TI. Psychological mediation brought increment in the intention of quit (0.0450). This indirect effect is insignificant (p > 0.05), which showed that the PC does not mediate between EPD and TI. Directly, APD brought positive and significant increments in the PC. Indirectly, APD affects 0.0739 units more on turnover

intention after passing from PC mediation. It is less as compare to emotional stability (0.1895), conscientiousness (0.0784) but more as compare to extroversion (0.0450). Results showed that APD motivated towards PC if pro-social motives are meets.

CPD brought positive and significant increments in PC. Regards regression results, CPD has more turnover intention after passing from the PC (0.0784), which is greater to extroversion in which turnover intention was (0.0450). These results support previous studies in which conscientiousness preferred achievements and challenging tasks. If they found challenging tasks then they do not perceive breach in the PC as a result have less turnover intention (Rousseau, 1995). NPD had limited social skill, therefore, avoid that context demand taking control (Judge and Cable, 1997). On the other hand, EPD had control of emotion and tolerance levels. ESPD brought positive and significant increments in the PC. This shows the important role of this personality dimension forming a PC that brought positive but significant increment in turnover intention. Indirectly, ESPD has more turnover intention (0.1896) as compare to conscientiousness (0.0784) and extroversion (0.0450) after passing from a PC. Regards results, emotional stable employees may have the intention of quit but practically they restrict from switching. However, if they bound in the contract the intention of quitting increased in case of a contract breach.

People higher in OEPD will have less involvement in PC as it linked with intelligence (Fumham *et al.*, 2008) and linked with degrees of artistic tendencies (Chamorro-Premuzic and Reichenbacher, 2008). Indirectly, OEPD has (0.0298) units less turnover intention through PC mediation. OEPD has less turnover intention as compare to agreeableness (0.0739), emotional stability (0.1895), conscientiousness (0.0784) and extroversion (0.0450). They have turnover intention more because they want to get new experiences for learning new things.

6. Implications of the study and future research

Organization managers will become aware of different personalities' attitudes towards turnover and towards PCs accordingly, they can recruit those personalities suitable for organization culture, effective performances and for high retention periods. Future research should explore contract breach at longitudinal designs that will offer more considerable proof on the liaison. Future research can be conducted in a more dynamic and varied sample. While there is increasing awareness of the significance of age and work experience in PC construction and assessment. But, practical research on their practical impact is quite rare.

Overall, several authors have considered the significance of individual differences in matters regarding PCs. We have demonstrated that contractual machines are one possible route by which personality affects organizational behaviour. Five factors of personality dimensions have a different PC due to different personal characteristics in different cultures and environments. People choose PCs according to needs and personalities. These PCs have positive and negative relationships with turnover intention. People look towards the fulfilment of obligations promised in the PC. If they perceived breach, then violation feelings arise led towards turnover. Organizations can design a PC according to organizational and different candidate's needs. Several authors have considered the significance of individual dissimilarities in the case of PCs. We have demonstrated that contractual mechanisms are one possible route by which personality dimensions have effects on intention to quit.

1. "I hereby declare that the given paper is extracted from my MPhil thesis".

References

- Aykan, E. (2014), "Effects of perceived psychological contract breach on turnover intention: intermediary role of loneliness perception of employees", *Procedia - Social and Behavioral Sciences*, Vol. 150, pp. 413-419.
- Barrick, M. and Mount, M. (1996), "Effects of impression management and self-deception on predictive validity of personality constructs", *Journal of Applied Psychology*, Vol. 81 No. 3, pp. 261-272.
- Barrick, M.R. and Mount, M.K. (2005), "Yes, personality matters: moving on to more important matters", *Human Performance*, Vol. 18 No. 4, pp. 359-372.
- Brigham, K.H., Castro, J.O. and Shepherd, D.A. (2007), "A person-organization fit model of owner-managers' cognitive style and organizational demands", *The Service Industrial Journal*, Vol. 5 No. 2, pp. 1042-2587.
- Chamorro-Premuzic, T. and Reichenbacher, L. (2008), "Effects of personality and threat of evaluation on divergent and convergent thinking", *Journal of Research in Personality*, Vol. 42 No. 4, pp. 1095-1101.
- Clark, L. and Watson, D. (1999), "Temperament: a new paradigm for trait psychology", in Pervin, L.A. and John, O.P. (Eds), Handbook of Personality, 2nd ed., Guilford, New York, NY, pp. 399-423.
- Correa, T., Hinsley, A.W. and de Zuniga, H.G. (2010), "Who interacts on the web? The intersection of users' personality and social media use", Computers in Human Behavior, Vol. 26 No. 2, pp. 247-253.
- Costa, P.T. and McCrae, R.R. (1992), "Four ways five factors are basic", *Personality and Individual Differences*, Vol. 13 No. 6, pp. 653-665.
- David, T., Kevin, A. and Elizabeth, R. (2003), "Cultural variation and the psychological contract", *Journal of Organizational Behavior*, Vol. 24 No. 5, pp. 451-471.
- Elangovan, A.R. (2001), "Causal ordering of stress, satisfaction, and commitment and intentions to quit: a structural equation analysis", *Leadership and Organization Development Journal*, Vol. 22 No. 4, pp. 159-167.
- Fumham, A., Swami, V., Arteche, A. and Chamorro-Premuze, T. (2008), "Cognitive ability, learning approaches and personality correlates of general knowledge", *Educational Psychology*, pp. 427-437.
- Goldberg, L. (1990), "An alternative description of personality: the big five-factor structure", *Journal of Personality and Social Psychology*, Vol. 59 No. 6, pp. 1216-1229.
- Goldberg, L. (1993), "The structure of phenotypic personality traits", American Psychologist, Vol. 48 No. 1, pp. 26-34.
- Griffeth, R., Hom, P. and Gaertner, S. (2000), "A meta-analysis of antecedents and correlates of employee turnover: update, moderator test and research implications for the next millennium", *Journal of Management*, Vol. 26 No. 3, pp. 463-488.
- Hao, Z., Sandy, W., Brain, G. and Jesus, P. (2007), "The impact of psychological contract breach on work-related outcomes: a meta-analysis", *Personnel Psychology*, Vol. 60, pp. 647-680.
- Hulin, C. (1991), "Adaption, persistence and commitment in organizations", in Dunnette, M.D. and Hough, L.M. (Eds), *Handbook of Industrial and Organizational Psychology*, 2nd ed., Vol. 2, Consulting Psychologist Press, Palo Alto, CA, pp. 445-505.
- Judge, T.A. and Cable, D.M. (1997), "Applicant personality, organizational culture and organization attraction", Personnel Psychology, Vol. 50 No. 2, pp. 359-394.

216

Mediation

psychological

effect of

contract

- Krackardt, D. (1990), "Assessing the political landscape: structure, cognition and powering organizations", *Administrative Science Quarterly*, Vol. 35, pp. 342-369.
- Maertz, C. and Griffeth, R. (2004), "Eight motivational forces and voluntary turnover: a theoretical synthesis with implications for research", *Journal of Management*, Vol. 30 No. 5, pp. 667-683.
- Masemola, S. (2011), "Employee turnover intentions, organizational commitment and job satisfaction in a post-merger tertiary institution: the case of the University of Limpopo".
- Morrison, E. and Robinson, S. (1997), "When employees feel betrayed: a model of how psychological contract violation develops", *Academy of Management Review*, Vol. 22 No. 1, pp. 226-256.
- Nikolaou, I., Tomprou, M. and Vakola, M. (2007), "Individuals' inducements and the role of personality: implications for psychological contracts", *Journal of Managerial Psychology*, Vol. 22 No. 7, pp. 649-663.
- Organ, D. (1990), "The motivational basis of organizational citizenship behavior", in Staw, B. and Cummings, L. (Eds), *Research in Organizational Behavior*, Vol. 12, JAI, Greenwich CT, pp. 43-72.
- Raja, U., Johns, G. and Ntalianis, F. (2004), "The impact of personality on psychological contracts", Academy of Management Journal, Vol. 47 No. 3, pp. 350-367.
- Robinson, S., Kraatz, M. and Rousseau, D. (1994), "Changing obligations and the psychological contract: a longitudinal study", *Academy of Management Journal*, Vol. 37, pp. 137-152.
- Robinson, S. and Morrison, E. (2000), "The development of psychological contract breach violation: a longitudinal study", *Journal of Organizational Behavior*, Vol. 21 No. 5, pp. 525-546.
- Roscoe, J. (1975), Fundamental Research Statistics for the Behavioural Sciences, Holt Rinehart and Winston Publishers, New York, NY.
- Rousseau, D.M. (1990), "New hire perceptions of their own and their employer's obligations: a study of psychological contracts", *Journal of Organizational Behavior*, Vol. 11 No. 5, pp. 389-400.
- Rousseau, D.M. (1995), "Psychological contracts in organizations: understanding written and unwritten agreements", *Academy of Management*, Vol. 18 No. 1, pp. 120-127.
- Rousseau, D. and McLean-Parks, J. (1993), "The contracts of individuals and organizations", *Research in Organizational Behavior*, Vol. 15, pp. 1-43.
- Salgado, J. (2002), "The big five personality dimensions and counterproductive behaviors", International Journal of Selection and Assessment, Vol. 10 Nos 1/2, pp. 117-125.
- Sifuna, M. and Musenze, A. (2014), "Personality dimensions and job turnover intentions: findings from a university context", *International Journal of Management*, Vol. 4 No. 2, pp. 153-164.
- Stewart, G. (1996), "Reward structure as a moderator of the relationship between extraversion and sale performance", *Journal of Applied Psychology*, Vol. 81 No. 6, pp. 619-627.
- Vantilborgh, T., Bidee, J., Pepermans, R., Willems, J., Huybrechts, G. and Jegers, M. (2013), "Revisiting the relationship between personality and psychological contracts: a moderated mediation model explaining volunteer performance", *Social Service Review*, Vol. 87 No. 1, pp. 158-186.
- William, T. and Daniel, F. (2000), "Reexamining the effects of psychological contract violation: unmet expectations and job dissatisfaction as mediators", *Journal of Organizational Behavior*, Vol. 21, pp. 25-42.

218

SAMPLE QUESTIONNAIRE

The purpose of this survey is to analyse the perceptions about general workplace settings. Confidentiality will be maintained, and results will be used for research purposes only. This survey does not in any way concern your performance appraisals.

GENERAL INFORMATION

Name	Gender	
Age	Qualification	
Designation	Length of Service	

Scale: In the space given next to each statement write the appropriate number from the following key that describes your answer

1	Strongly Disagree
2	Disagree
3	Neutral
4	Agree
5	Strongly Agree

PERSONALITY

1. Ho	w do you feel about yourself?	
1.1	I see myself as extraverted, enthusiastic	
1.2	I see myself as critical, quarrelsome	
1.3	I see myself as dependable, self-disciplined.	
1.4	I see myself as anxious, easily upset.	
1.5	I see myself as open to new experiences, complex.	
1.6	I see myself as reserved, quiet	
1.7	I see myself as sympathetic, warm.	
1.8	I see myself as disorganized, careless.	
1.9	I see myself as calm, emotionally stable.	
1.10	I see myself as conventional, uncreative.	

TURNOVER INTENTIONS

2. Ple	2. Please state a degree of your agreement for each of the			
follov	ving statement:			
2.1	I often have considered leaving my job.			
2.2	I frequently scan newspapers in search of alternative job opportunities.			
2.3	My current job satisfies my personal needs.			
2.4	I am frustrated when not allowed to achieve my personal work goals?			
2.5	My personal values are compromised at work.			
2.6	I often dream about getting another job that will suit my personal needs.			
2.7	I am likely to accept another job at the same salary.			
2.8	I often look forward to another day at work.			
2.9	I often think about starting my own business.			
2.10	My other responsibilities prevent me from quitting my job.			
2.11	The benefits associated with my current job prevent me from quitting.			
2.12	I am frequently emotionally agitated when arriving home after work.			
2.13	My current job has a negative effect on my personal well-being.			
2.14	The "fear of the unknown" prevents me from quitting.			
2.15	I frequently scan the internet in search of alternative job opportunities.			
2.16	Thoughts of quitting my job cross my mind.			
2.17	I plan to look for a new job within the next 12 months.			
2.18	I am likely to actively look for a new job within the next year.			

(continued)

PSYCHOLOGICAL CONTRACT

3. W	hat is the degree of your opinion for the following:	
3.1	I work only the hours set out in my contract and no more.	
3.2	My commitment to this organization is defined by my contract.	
3.3	My loyalty to the organization is contract specific.	
3.4	I prefer to work a strictly defined set of working hours.	
3.5	I only carry out what is necessary to get the job done.	
3.6	I do not identify with the organization's goals.	
3.7	I work to achieve the purely short-term goals of my job.	
3.8	My job means more to me than just a mean of paying the bills.	
3.9	It is important to be flexible and to work irregular hours if necessary.	
3.10	I expect to grow in this organization.	
3.11	I feel part of a team in this organization.	
3.12	I have reasonable chances of promotion if I work hard.	
3.13	To me, working for this organization is like being a member of a family.	
3.14	The organization rewards employees who work hard and exert themselves.	
3.15	I expect to gain promotion in this company.	
3.16	I feel this company reciprocate the effort put in by its employees.	
3.17	My career path in the organization is clearly mapped out.	
3.18	I am motivated to contribute 100% to this company in return for future employment benefits.	

Mediation effect of psychological contract

219

Corresponding author

Maryam Saeed can be contacted at: f2017213002@umt.edu.pk