

How employers can deliver on the unspoken promises

By [Phephile Simelane-Mdiselle](#)

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Unbeknown to the majority of companies and employers, a tacit psychological contract exists between every employer and employee. It plays a vital role in the success or failure of the employee/employer relationship.



Phephile Simelane-Mdiselle

Put simply, it is the parcel of unspoken expectations created by the employer and which the employee then assigns (often subconsciously) to the job, and all that comes with it. But let's rewind for a moment.

Engagement as a driver

It is by now a widely accepted fact - in both business circles and academia - that employee engagement is a significant driver of employee and organisational performance. Indeed, the affinity (driven by an emotional and cognitive connection) that an employee possesses for his company leads to increased levels of innovation, productivity and overall performance.

This level of affinity is underpinned by similar elements that form the basis of any relationship, i.e. trust, mutual respect, honest and open communication, shared vision/purpose and values, etc.

Naturally, when an employee joins an organisation, he has certain expectations. These expectations were undoubtedly created by the employer (subtly and overtly), through the employer brand, the interview process, organisational reputation, etc. It can be loosely compared to the dating scenario. Based on first impressions, expectations inevitably follow as to the nature and tone of any ensuing relationship.

Unwritten, but undeniable

As with dating, when an employer creates certain expectations that are eagerly accepted and taken on by the employee, these obligations are (in most cases) not written down - yet they are just as important as the written contract to the employee. For example, the Coca Cola brand represents happiness, fun, enjoyment, etc. A new Coca Cola employee may thus expect that Coca Cola will create a happy, enjoyable and fun work environment based on the brand that Coca Cola has marketed itself as. The employee's psychological contract would, naturally, consist of the expectation that Coca Cola will be a fun, joyous and happy place to work.

It is critical for employers firstly to realise that a psychological contract exists - and then to be cognisant of both the risks and opportunities that the contract inevitably presents.

Essentially, the difficulty with the psychological contract is that it resides in the mind of the employee - and is therefore highly subjective and often unpredictable. The company (often through the employee's line manager) may not agree or have the same understanding of the contract. There are a number of things that the company can do to make sure that it minimises the risk of breaching this very important contract. By breaching the contract, employers are at risk of losing high-value talent in the long term, or having to tend with disengaged employees.

Breakdown in trust

There are numerous causes of a so-called breach of contract. Major internal changes in the organisation, such as company restructures, are one of the most common causes of employees believing that there has been a breach of the contract. These restructures cause a lot of uncertainty and anxiety for most employees, and the impact is often felt long after the restructuring has taken place. This is primarily because of a break down in the trust between employees and employer.

Preventing a breach of contract

Firstly, organisations must realise and acknowledge that they make certain promises through their brand messages, marketing and PR efforts, etc. Various stakeholders, including employees, take these promises very seriously.

As a result, organisations must ensure that the promises they make through their external messaging align with their employee value proposition. The messages that they use to build their brand and attract new talent need to be delivered through strong and decisive action. Companies need to do what they say.

Moreover, delivering on promises made to employees requires an integrated approach to working in organisations. The different departments all need to work together to ensure that there is alignment between what is said and what is done.

Communication is the key

Ultimately, it comes down to the key ingredient of any successful relationship and/or partnership: communication, communication and more communication.

If the lines of communication are strong between the employee and the employer, it becomes simple for the organisation to establish what exactly is contained in the employee's psychological contract. It must be noted that line managers play a vital role in communicating with the employee and establishing his expectations of the company.

In short, once a company knows and understands the fundamental tenets of an employee's psychological contract, it can start to manage expectations and ensure that a breach does not occur.

ABOUT THE AUTHOR

Phephile Simelane-Modiselle is a director at True North and heads up the strategy and employee engagement area.

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