

# The Psychological Contract, Part I: What Motives to Anticipate in Your Volunteer Firefighters

Matthew A. Liao-Troth, Western State University, Bellingham, Washington  
H. Michael Drumm, DePaul University, Chicago, Illinois

UNIFORMS. COFFEE MUGS.  
NETWORKING. FREE LUNCHES.  
CERTIFICATES. AWARD CEREMONIES.  
EXPERIENCE.

These are just some of the hooks or perks managers use to recruit and reward their volunteer employees. Some of the reasons people identify for volunteering their time to organizations: are a chance to make a difference, something to build the resume, a way to get experience, or an imposed requirement to perform community service.

What connects the two, ensuring that managers and organizations are fulfilling the desires of their volunteers? In this paper, we present the concept of the psychological contract as that link between volunteers and their employers. The psychological contract is a construct that captures the informal reciprocal agreement of a work environment from the perspective of the individual (Rousseau, 1995). This contract addresses what obligations employees feel they owe the organization and what entitlements they feel the organization owes them, beyond those issues in the formal employment contract.

All volunteers have a psychological contract with their organization. This psychological contract is all most volunteers "have to go on," especially those with poorly defined roles in loosely structured organizations. The psychological contract, in essence, helps to ensure that employees work effectively and are committed to the organization.

Most psychological contract research has examined how the contract affects behavior

in the workplace (Rousseau and Anton, 1988 and 1991; Rousseau and Aquino, 1993), or separates out the different kinds of psychological contracts that exist (Rousseau 1990 and 1995). Very little work has been done on how psychological contracts form. Understanding an individual's psychological contract could help managers establish a more positive and long term working relationship with their volunteer employees. Knowing how a psychological contract forms allows the supervisor to manage the relationship between the individual and the organization.

We believed that several traits explain the type of psychological contract that volunteers form with their organization, and also explains what those psychological contracts will be about (See Figure 1). One trait that should be of most importance with volunteers is their motive. We will review the psychological contract and volunteer motives before presenting our study.

## THE PSYCHOLOGICAL CONTRACT

Modern contracts theory originated in English common law as enforceable promises, long before the colonization of the Americas (Rousseau, 1995). The *psychological* contract is a contract created in the mind of an employee, based on perceptions of agreed upon employment issues. The psychological contract is different from an *implied contract* (a legal term). Though both the psychological contract and the implied contract are entirely subjective, the difference is whose perception is being addressed. The implied contract

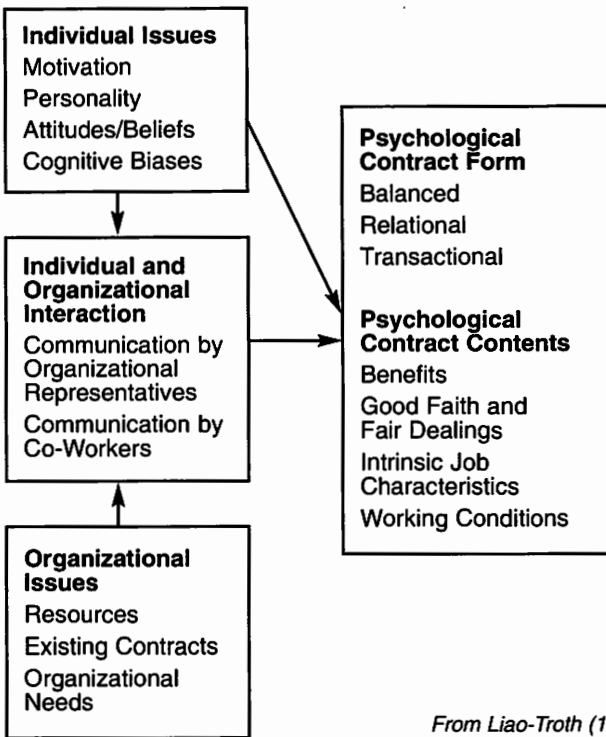
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*Matthew Liao-Troth* received his Ph.D. in management from the Eller College of Business and Public Administration at the University of Arizona, and is an assistant professor of management at Western Washington University. Before his academic career he was a division executive with the Boy Scouts of America. His research interests include volunteer management, the psychological contract of workers, and negotiation and conflict management.

*H. Michael Drumm* received his D.P.A. from the Huizenga Graduate School of Business and Entrepreneurship at Nova Southeastern University, and is a visiting assistant professor in the Public Services Graduate Program at DePaul University. He is also a National Fire Academy certified Executive Fire Officer. Before his academic career he was a career fire chief. His research interests include leadership, ethics, and organizational behavior.

**FIGURE 1**

**The Psychological Contract and its Antecedents**



From Liao-Troth (1999).

*fair dealings* come from the interpersonal interactions between the individual and the organization (through its representatives). *Working conditions* deals with the safety, resources, and intangible aspects of a specific work situation. *Intrinsic job characteristics* are the significance and worthiness of the particular job.

There are also individual-based antecedents, organizational-based antecedents, and individual-organization interaction-based antecedents in psychological contract antecedent terms (Figure 1). Individual-based antecedents—such as motivation, personality, attitudes, beliefs, and cognitive biases—affect what individuals are willing to make contracts about, and what types of contracts they are searching for when joining organizations.

exists through the eyes of a reasonable third party, such as a judge or a jury, while the psychological contract only needs to exist in the employee's eyes.

Rousseau (1990) places the psychological contract into two broad categories: *transactional*, where hard work earns high pay and advancement, and *relational*, where job security is given by the organization for loyalty and a minimum stay by the employee. Rousseau (1995) subsequently identified a hybrid of the relational and transactional contracts, the *balanced contract*. She also categorized four different types of promises, or contract content, an organization might specifically give to an individual: (a) benefits, (b) good faith and fair dealings, (c) working conditions, and (d) intrinsic job characteristics. These promises are specific to each psychological contract and individual employee, rather than being related to a specific category of psychological contracts (balanced, *relational*, and *transactional*).

*Benefits* include financial and nonfinancial compensatory work aspects. *Good faith and*

**VOLUNTEER WORKERS AND THEIR MOTIVES**

There are different ways of conceptualizing motives. Liao-Troth (1999) found that motives cannot be grouped into mutually exclusive categories in predicting different psychological contracts. This would ignore the likelihood that people have multiple motives. Clary, Snyder, and Ridge (1992) argue that every individual's motives are different, and people should not be grouped into "motive" categories. They found that assessing and matching an individual's motives provided the greatest predictive accuracy of job success.

Clary, Snyder, and Stukas (1996) use the Volunteer Function Inventory (VFI) to expand on the "life functions" that volunteering fulfills. The VFI captures six "life functions": (a) career (work experience), (b) social (interpersonal interaction), (c) values (acting on important personal convictions), (d) enhancement (esteem), (f) protective (ego protection), and (g) understanding (skill practice).

In previous research, Liao-Troth (1999) found no relationship between a volunteer's motives and the psychological contracts that they form with their organization. In our current study, one of two findings is possible: either a concurrence with this previous finding that volunteer motives are not related to psychological contract forms, or a finding that some relationship exists, indicating that the previous finding was methodologically based (in other words a problem with the way motives were measured in the previous study). Our two hypotheses in this study are:

- *Hypothesis One:* Volunteer motives are related to psychological contract content (e.g. benefits, good faith and fair dealings, working conditions, and intrinsic job characteristics).
- *Hypothesis Two:* Volunteer motives are related to the specific type of psychological contract (e.g. balanced, transactional, relational).

## STUDY

Subjects (n = 85) were executive officers (i.e. chief, assistant chief, lieutenant, duty officer) in volunteer fire departments attending the Volunteer Incentive Program (VIP) at the National Fire Academy (NFA) in Emmitsburg, Maryland. This program is considered the top level of training available nationally for such officers in the United States, and is provided by a branch of the federal government (the Federal Emergency Management Administration). The subjects came from volunteer fire departments across the United States, predominantly local municipalities. Demographic data on these subjects can be found in Table 1.

## PROCEDURES

The items presented here were part of a larger survey distributed to each participant attending the VIP training at NFA in April of 2000. The subjects were given one hour to complete the survey, followed by a brief discussion of its content. The study design was a retrospective questionnaire. Data were analyzed with hierarchical regression to control for demographic variables.

**TABLE 1**

**Study 1: Demographics of Subjects**

Demographic Characteristic	Values
<b>Age in Years</b>	42.60 (10.56 standard deviation)
<b>Gender</b>	9.5% female, 91.5% male
<b>Income Category</b>	\$30-\$75k accounted for 50% of the subjects "greater than \$75k" was most represented category (29.5%) all ranges from "\$5k to \$10k" up were represented
<b>Ethnic Identity</b>	91.6% white 1.1% Asian American 1.1% Hispanic 1.1% Middle Eastern 1.1% Native American 1.1% other No African Americans were in this sample

## RESULTS

The only psychological contract contents affected by volunteer motives were good faith and fair dealings contracts, and intrinsic job characteristics contracts. Both were affected by the understanding motive. The good faith and fair dealings contract was also affected by the protective motive in a negative direction.

The firefighters' reliance on specific organizational promises was unaffected by any demographic. In essence, the formation basis for the psychological contract remained the same, regardless of age, experience, or geographic location.

The results supported the first hypothesis, indicating that there are unique and specific expectations in establishing psychological contracts. The results did not support the second hypothesis, indicating that the motives for establishing a psychological contract are not based on defining a specific relationship but rather a set of variables.

## DISCUSSION

The positive relationship between the understanding motive and both good faith and fair dealings, and intrinsic job character-

istics, indicates that people who want to practice their skills end up with perceptions of promises of goodwill from their organization, and a job that is inherently interesting. The fact that the understanding motive leads to psychological contracts

addressing intrinsic job characteristics and has strong face validity: if you are seeking to practice a set of skills on the job, you will find a job that at least promises you can practice that skill and you will find it interesting. It also stands to reason that if you feel that your motive to practice a set of skills is beyond the norm for the organization, then you are being treated with good faith and fair dealings—even being treated better than fair!

The negative relation between the protective motive and contracts that deal with good faith and fair dealings indicate that people who are motivated by a need to protect their ego end up with no promises of good faith and fair dealings. This could be for a number of reasons, but is probably limited by some degree to the subjects of this study. For those with strong protective motives, it means they are protecting their egos from abuse in some other aspect of their lives (for example, home life). If they are on the defensive, they may not be expecting any goodwill in anything that they do, and would not recognize it when it is present.

### **Implications for Practitioners**

This study demonstrates that motives are related to the content of psychological contracts, but not to the type of psychological contract relationship. The former supports our supposition of understanding volunteers' motives. The latter could be a result of the fact that the very nature of building a psychological contract is interactive, and does not flow from individual issues in a vacuum.

Organizationally, the psychological contract is indirectly limited by what the organization and its representatives can provide and is willing to make agreements about. It is

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indirectly limited because the psychological contract is the perception of the agreement by the individual. An individual can believe a psychological contract exists even when the organization would not be able to fulfill such a contract. The

organization's resources affect the individual-organization interaction. Individual-organization interaction will also affect the creation of a psychological contract. The experiences of the individual and the organization and its representatives will create a psychological contract both by the sharing of information and negotiation of the contract, but also by the individual's perceptions of these interactions.

Managers need to establish a friendly, but professional work atmosphere and environment with their volunteer employees. A good way to start this process is by setting high, but realistic, expectations for the volunteer and presenting the work as a challenge to the volunteer. Set the organizational parameters but be flexible on issues that are non-essential. These non-essentials may include meal times, starting times, or even days worked. The goal is to meet the individual needs of the volunteer while at the same time the volunteer fulfills the position responsibilities, helping to achieve organizational goals and objectives.

The effectiveness of volunteers in an organization is highly dependent on the success of the psychological contract. The success of the psychological contract is highly dependent on the relationship established between the organization and the volunteer. The manager is the individual responsible for ensuring that both parties understand this contract. While it is important to treat each volunteer as a unique individual, it is equally important to properly match the need and the volunteer. Make your meetings with your volunteer employees dialogues rather than monologues. Build a positive and honest relationship and frame the psychological contract by asking and telling.

## Limitations

All motives are labile—they change from month to month or hour to hour (Pearce, 1993). The motives captured in this study for volunteers were hopefully the ones that most related to the individual's psychological contractual assumptions—but they may not have been. Their original motives may have shaped their psychological contracts, but may have changed while the contracts remained the same. There is also a social desirability confound in expressing volunteer motives (Smith, 1981): people like to attribute their volunteer work to socially assumed reasons of prosocial orientation. The answers given may not have been the individual's actual motives.

It may be that motives in and of themselves are not important to the development of the relationship that forms a psychological contract. As motives do not consider the organizational side of the contract, perhaps it is the individual and organizational interaction that drives the psychological contract and nothing else. Individual and organizational issues would; however, feed into the interaction between these two issues. In terms of antecedents, individual and organizational issues affect the interaction of the individual and the organization, and the interaction affects the formation of the psychological contract. Thus Figure 1 would be inaccurate in its depiction of individual issues having a direct effect on psychological contract form and organizational promises; the only link between individual issues to these consequences would be through the individual and organizational interaction.

It is also interesting to note the limit placed on the psychological contract theory by this type of study. That is, that this is a practice and theory for the volunteer employee and the nonprofit or government organizations. There may be intrinsic value in evaluating the psychological contracts of all the members and employees of an organization, not just the volunteers. Indeed, Liao-Troth (2001) has found that psychological contracts do not vary across paid and volunteer nurses assistance working in the same organization. An easy first step might be to simply ask current, regular employees what they want and

expect from the organization. This is simply a reversal of the typical evaluation process, where managers inform employees of the organization's needs and wants.

## Directions for Future Research

The findings of volunteer motives relating to the type and content of psychological contracts needs replication with subjects that allow for generalization beyond volunteer fire departments. Other individual issues as predictors of psychological contracts could be addressed as well: personality, attitudes, beliefs, and cognitive biases. Organization issues have not been looked at, and their effects could be investigated (Figure 1). Finally, the interaction between the organization and the individual should be investigated (Figure 1).

It may be that the psychological contract is primarily determined by the interaction between the individual and an organizational representative. If that is the case, then a more structured model relating the psychological contract to existing models of conflict management and bargaining and negotiation might be attainable.

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## ENDNOTES

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