



MASTER OF HUMAN RESOURCE MANAGEMENT

A Study on the Relationship between Psychological Contract and  
HR Outcomes of workers in Divisional Secretariat in  
Colombo District, Sri Lanka

By

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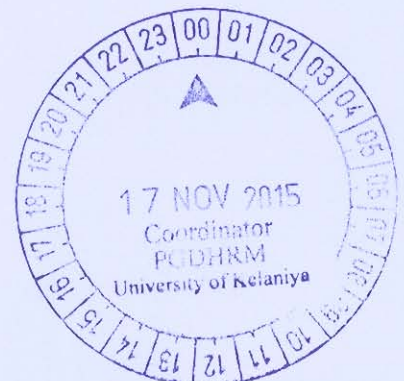
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## ABSTRACT

Psychological contract is an essential factor for human resource outcome. Therefore the aim of this research is to investigate the relationships between psychological contract and human resource outcome of Divisional secretaries in Colombo District. This research investigates for the first time in the public sector, therefore the researcher first identified the factors which effect to the human resource outcome and then identified the most imported HR outcomes with related to the psychological contract. The literature review revealed some theories and practices related to the psychological contract and human resource outcome in several organizations. Based on factors and strategies identified through the literature review as well as experiences of the researcher three most imported HR outcomes were selected for this research.

The study consists of two core concepts: Psychological contract and HR outcomes. The sample population for the study was drawn from 250 employees working for divisional secretaries in Colombo district. Bases on these concepts, the researcher drew up questionnaire. A self-administered questionnaire was developed by combining two instruments. The findings revealed that psychological contract tend to play a significant role in employees' outcomes. Correlation analyses revealed that psychological contract was correlated with HR outcomes and three of its facets including organizational citizenship behaviors job satisfaction and employee commitment.

### **Key words of HR Outcome**

**Employee satisfaction** is a measure of how happy workers are with their job and working environment. (<http://www.custominsight.com/employee-engagement-survey/what-is-employee-satisfaction.asp>)

**Employee Motivation :**

a) Motivation is an employee's intrinsic enthusiasm about and drive to accomplish activities related to work. Motivation is that internal drive that causes an individual to decide to take action. (What Is Employee Motivation? By Susan M. Heathfield on <http://humanresources.about.com/od/glossarye/g/employee-motivation.htm>)

b) Internal and external factors that stimulate desire and energy in people to be continually interested in and committed to a job, role, or subject, and to exert persistent effort in attaining a goal ( <http://www.businessdictionary.com>)

**Employee commitment :** Employee Commitment is the psychological attachment and the resulting loyalty of an employee to an organization. ([http://www.mbabrief.com/what\\_is\\_employee\\_commitment.asp](http://www.mbabrief.com/what_is_employee_commitment.asp))

**Employee retention :**

a) Employee retention is the act of keeping employees. (Webster's Dictionary / <http://www.merriam-webster.com/dictionary/retention>)

b) the process of implementing initiatives to encourage the retention of staff in the workplace. ([www.workplace-communication.com](http://www.workplace-communication.com))

**Employee performance :** The accomplishment of a given task measured against preset known standards of accuracy, completeness, cost, and speed. (BusinessDictionary.com )

**Employee attitude :** A predisposition or a tendency to respond positively or negatively towards a certain idea, object, person, or situation. (BusinessDictionary.com )

**Organizational citizenship behavior :** Organizational Citizenship Behavior (OCB) is a concept that describes a person's voluntary commitment within an organization or company that is not part of his or her contractual tasks. (Organizational citizenship behavior from Wikipedia, [https://en.wikipedia.org/wiki/Organizational\\_citizenship\\_behavior](https://en.wikipedia.org/wiki/Organizational_citizenship_behavior))