# What does the student psychological contract mean? Evidence from a UK business school

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Much has been written about psychological contracts in organisational contexts but very little in educational settings, especially within higher education. Using an exploratory single case study this article provides qualitative empirical evidence about the ways in which the psychological contract is perceived by a group of postgraduate students and academics in one English business school. The study explores the concepts and relationships that students attach to the psychological contract. The findings show that the student psychological contract differs in important ways from the employment psychological contract. An amalgam of transactional, relational and ideological expectations was found to form the basis of the perceived reciprocal exchange between students, their tutors and their learning institution.

**Keywords:** students as customers; students' expectations; students' perceptions; university students; psychological contract

## Introduction

Higher education in many advanced countries has gone through considerable change during recent decades. There has been a growth of market-like mechanisms in the university sector, with institutions competing for funding and student enrolment. An apt example of this is the UK higher education sector, where recent state reforms have affected tuition fees and university financing. This has led universities to align their operations with those of profit-driven organisations (Neave 2006), and students to be re-classified as customers (Korczynski 2002; Longden 2006; Redding 2005).

In the light of these trends, psychological contracts are playing an increasingly important role. They have been described as individual beliefs regarding a reciprocal exchange agreement between oneself and another party (Rousseau 1989). Whilst psychological contracts have generated much research activity in the context of the employment relationship, their empirical study in educational settings, particularly in higher education, remains in its infancy. Some studies have dealt implicitly with a key aspect of the psychological contract, that of student expectations (Appleton-Knapp and Krentler 2006; Blackmore 2009; Darlaston-Jones et al. 2003; Geall 2000; Prugsamatz, Pentecost, and Ofstad 2006; Sander et al. 2000; Voss, Gruber, and Smigin 2007; Willcoxson, Cotter, and Joy 2011); yet, there is still a scarcity of research on the concept, origins and experiences of the student psychological contract in tertiary education.

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Students' perceptions of the psychological contract are of vital importance to all those universities that are under pressure to compete at micro and macro level. This is particularly true for those establishments considering students as primary stakeholders. Here the terms of the learning agreement need to respond to student expectations, and, if universities wish to respond effectively to such expectations, they need to comprehend how these are perceived and understood by the students.

One way to explore students' perceptions of expectations is through the application of psychological contract theory in a purposive sample of university students. This study explored postgraduate students' perceptions of the psychological contract. In particular, it examined how a group of postgraduate students and academics perceived the psychological contract in a post-1992 university, which placed the accent on the role of students as customers. This article forms part of a three-stage project that also explored the origins and experiences of the student psychological contract in the same institution. Here, evidence is drawn from rich qualitative data on perceptions of the meaning and nature of the student psychological contract.

The contribution of this study is threefold. First, it offers valuable insights into the student psychological contract in higher education, which is an under-researched area in education studies and in the wider psychological contract literature. The findings of this exploratory work go someway to challenge the definitions of the psychological contract in the boundaries of the employment relationship (cf. Rousseau 1989). They suggest that the psychological contract is perceived and understood differently in the context of tertiary education, especially within universities resembling Korczynski's (2002) customer-oriented bureaucracy. The research's second contribution is that it sheds new light on the nature of student expectations in universities. The findings are inconsistent with findings from previous research on the psychological contract in the employment relationship (De Vos, Buyens, and Schalk 2005; Rousseau 1990) and student expectations in higher education (Prugsamatz, Pentecost, and Ofstad 2006). The results also extend some of the existing concepts (Ulriksen 2009) and research findings (Feldman and Theiss 1982; Sander et al. 2000; Willcoxson, Cotter, and Joy 2011) in the education literature. Finally, this study offers a novel perspective on the student psychological contract by showing how students' considerations of the meaning of the psychological contract may inform their expectations of the university experience.

## Psychological contract and customer-oriented bureaucracy

The psychological contract has long been a source of interest to researchers in fields as diverse as psychology, sociology and industrial relations. This interest has largely derived from a need to understand the functioning of the employment relationship beyond legally sanctioned responsibilities. Argyris (1960) was the first to introduce this concept in an attempt to encapsulate the unwritten expectations that were held by both factory employees and their line managers in respect of each other. Since then the psychological contract definition has evolved, but still there is no single agreed definition. Early definitions emphasised beliefs and expectations (Kotter 1973; Levinson et al. 1962; Schein 1965), whereas more recent definitions have stressed beliefs about promises and obligations (Herriot and Pemberton 1997; Morrison and Robinson 1997; Rousseau 1989, 1995).

Roehling (1997) suggested that the work of Levinson et al. (1962), Schein (1995), and Rousseau (1989) were milestones in the conceptualisation of the psychological

contract. Levinson et al. (1962, 21) put forward a definition that focussed on mutual expectations:

A series of mutual expectations of which the parties to the relationship may not themselves be even dimly aware but which nonetheless govern their relationship to each other.

Their study found that these mutual expectations were largely unspoken, thus implied. The work of Schein (1965) was built upon that of Argyris (1960) and Levinson et al. (1962). Schein (1965, 11) concentrated on the mutual expectations of employees and employers by arguing that:

Mutual expectations not only cover how much work is to be performed for how much pay, but also involve the whole pattern of rights, privileges, and obligations between worker and organisation.

Roehling (1997) noted that Schein's (1965) definition was used as the key reference in psychological contract research until the emergence of Rousseau's (1989, 123) definition:

An individual's *belief* regarding the terms and conditions of the *reciprocal* exchange agreement between that focal person and another party. The psychological contract emerged when one party believes that a *promise* of future returns has been made, a contribution has been given and thus, an *obligation* has been created to provide future benefits.

The crucial features of Rousseau's (1989) construct are perceived promises, obligations and reciprocity. Here beliefs and perceptions are seen as promises that are a special case of expectations (Rousseau 1995); whilst obligations imply that a promise has been made (Morrison and Robinson 1997). Rousseau and McLean Parks (1993) observed that, as obligations are also a form of expectation and not all expectations held by a person are always promissory or entail a belief in mutuality or reciprocity, the contract must be seen as a belief about a reciprocal exchange that is mutually understood.

Rousseau's (1989) definition entails two key conceptualisations. One is that the psychological contract exists at individual level (Rousseau 1998), and, because it involves beliefs, is a subjective phenomenon that exists in the eye of the beholder. This means that perceptions would differ between individuals depending on their belief systems (Rousseau 1995). The second conceptualisation is that individual beliefs involve sets of 'reciprocal obligations' to which both the individual and the other party are believed to have committed themselves (Rousseau 1998, 668). This means that an individual believes that an agreement exists because some sort of promise has been made and considerations are offered in exchange. This view is supported by the studies of Robinson, Kraatz, and Rousseau (1994) and Tekleab and Taylor (2003). Rousseau (1995) further observed that individual beliefs about perceived promises in an organisational context are likely to be reinforced by two actors: principals (individuals or organisations that make contracts with others) and agents (individuals acting on behalf of principals).

Guest (2007) argued that obligations in the psychological contract range from those that are clear and explicitly stated, to others that are more informal and implicit. Explicit promises are usually close to components of a formal written contract or explicit verbal contract, whilst implicit promises are concerned with each party's perception of what

the other party owes them over and above that which could be specified in the explicit contract. The implicit and explicit promises within an exchange relationship are said to constitute the contents of the psychological contract (Conway and Briner 2005). These contents refer broadly to the promises an individual believes he/she has made to another party, and what the individual believes the other party has promised in return. The number of items that make up these contents is potentially vast, since they may relate to anything and everything the interested parties have promised to exchange. As Kotter (1973) highlighted, the psychological contract could have literally thousands of items, although the individual could consciously think of only a few.

Psychological contracts were traditionally viewed as containing transactional and relational aspects. Transactional contracts have been described as an economic exchange, which is driven by extrinsic motives (Rousseau and McLean Parks 1993). They comprise of specific obligations of narrow and materialistic scope that the individual has promised to deliver in return for monetary reward (Rousseau 1990). Thompson and Bunderson (2003, 574) explained that:

Organisational inducements within transactional contracts are calculated to fulfil the minimal, narrowly specified requirements to receive those economic rewards. Because employees are concerned about themselves as the primary beneficiaries of the exchange, transactional contracts imply an egoistic or instrumental model of human nature.

On the other hand, relational contracts have been described as an emotional engagement that is influenced by intrinsic factors (Rousseau and McLean Parks 1993). They are seen as being more subjective in nature and are believed to encompass factors such as commitment, loyalty, trust, opportunity for input, and sense of belonging (Maguire 2002). Thompson and Bunderson (2003, 574) commented that:

Employees with a relational contract contribute their commitment and involvement to the organisation often in the form of organisational citizenship behaviours, with the belief that the organisation will provide loyalty, a sense of community, and opportunities for professional growth. In this relationship the beneficiaries of the exchange are largely local (i.e. the employee and his or her organisational community). Relational contracting relies on a collective or socialised model of human behaviour.

Although the transactional and relational elements of the psychological contract appear to be at the opposing ends of the spectrum, there is evidence to suggest that they are not mutually exclusive; thus the employment relationship may consist of both elements that interact and impact upon each other (Bunderson 2001; McDonald and Makin 2000; Rousseau 1990). This conceptualisation is supported by Blau's (1964) social exchange theory, which asserts that the exchange of social (gratitude, respect, love, support) and material (economic) resources is a fundamental element in social relationships. This theory stresses that social exchange rests on the norm of reciprocity, thus what an individual receives from another party will be returned in kind.

Based on the social exchange theory's key assumptions, Rousseau's (2001) work showed that ideology can be a significant aspect of the psychological contract for some individuals. Similarly, Thompson and Bunderson's (2003) work suggested that a new form of contract has emerged, which goes beyond the bipolar framework and incorporates ideology as a third focus. They noted that psychological contracts can be enriched by considering ideological rewards, which are described as credible commitments to pursue a valid cause or principle, that are implicitly exchanged at the nexus of the employment relationship. The authors further observed that contracts that contain ideological elements relate to factors that assume a moral significance amongst individuals who share a given ideology.

Whether psychological contracts are seen through the bipolar framework of transactional-relational exchange, or include ideologies as a third component, many studies on the subject (Coyle-Shapiro and Newman 2004; De Vos, Buyens, and Schalk 2005; Robinson, Kraatz, and Rousseau 1994; Rousseau and McLean Parks 1993; Thompson and Bunderson 2003) have maintained the promissory focus that is exemplified in Rousseau's (1989) conceptualisation of the psychological contract. Conway and Briner (2005) acknowledged that promises have become the preferred term when defining the psychological contract, because these are seen as being more clearly contractual, whereas expectations and obligations have a more general meaning. A limitation of the above studies is that all have examined the psychological contract in the workplace and little is known about other settings, such as higher education. Existing definitions (Rousseau 1989) and conceptualisations of the transactional, relational and ideological elements (Thompson and Bunderson 2003), of the psychological contract have derived from the particularities of the dyadic employer–employee relationship, which might be significantly different from other kinds of relationships, like those involved in universities.

Though the concept of the psychological contract has not been explicitly used by existing work in higher education, it has been implicitly tackled by those studies looking at student expectations. Much of the current research on the subject has focused on the areas of teaching and learning (Blackmore 2009; Sander et al. 2000; Voss, Gruber, and Smigin 2007) and university service quality (Arena, Arnaboldi, and Azzone 2010; Prugsamatz, Pentecost, and Ofstad 2006), especially in relation to student experiences (Darlaston-Jones et al. 2003; Yorke 2000) and attrition (Appleton-Knapp and Krentler 2006; Bean and Eaton 2001; Longden 2006; Willcoxson, Cotter, and Joy 2011). These studies indicated that students have expectations about their teachers or their learning institution. Ulriksen's (2009) work showed that teachers also have expectations, in particular unspoken anticipations, about what the student should be like and how they should act/behave, and introduced the analytical concept of the implied student. Feldman and Theiss's (1982) work further illustrated the joint effects of teachers' expectations about students and students' expectations about teachers on the performance and attitudes of both parties.

Student expectations are believed to derive from the role of the students as customers (Longden 2006; Prugsamatz, Pentecost, and Ofstad 2006). Despite the notion of students as customers often eliciting strong reactions amongst academic circles, university management are increasingly recognising students as the most important stakeholders (internal customers) (Hill 1995; Redding 2005). This is especially true for new universities. Following the Education Reform Act of 1988, the recent introduction of variable fees and the increasing reliance on fees from international students, such universities operate within a much greater competitive context than hitherto. Consequently, many of these institutions have started considering themselves as customer-driven entities, or what Korczynski (2002, 58) has termed 'customer-oriented bureaucracies':

A customer-oriented bureaucracy captures the requirement for such organisations to be both formally rational, to respond to competitive pressures to appeal to customers' wishes for efficiency; and to be formally irrational, to enchant, responding to the customers' wishes, particularly through the perpetuation of the enchanting myth of customer sovereignty. Korczynksi noted that, in the context of the customer-oriented bureaucracy, service exchanges are viewed through the lens of a tripartite relationship, customer– employee–employer, in which each of the three parties is dependent upon the others. He further observed that in customer-oriented bureaucracies the enchanting myth of sovereignty implies that customers expect a certain type of service that meets their rational and irrational expectations. This service is provided by front-line workers and is determined by the employer. In other words, the service exchange involves customer interactions, both with the organisation and its employees. Korczynski suggested that, in order to understand service transactions in this context, it is necessary to understand the customer. So, in this conception, if one wishes to understand service transactions in higher education, it is necessary to understand the student. This research aimed to understand the student by examining students' and academics' perceptions of the psychological contract.

## Methodology

The research's exploratory purpose implied the selection of a design that allowed an in-depth understanding of the phenomenon under examination, thus a qualitative single case study was adopted. Stake (2003) described a case study as the study of the particularity and complexity of a single case, coming to understand its activity within important circumstances. He also argued that, whilst single case studies are often considered as a poor representation of a population, they are preferred when there is an attempt to modify existing theoretical notions. This study attempted to modify the existing theoretical notions of the psychological contract in the employment relationship, and apply them into the university education context. Though generalisibility was not important, the single case study design has enabled the development of naturalistic generalisations, especially in relation to the meaning that participants attached to the psychological contract.

In education case-study research, Merriam (1988) observed that, when emphasis is placed on how to tackle qualitative issues, then the researcher should select a sample from which one can learn the most. Thus, data were collected from a purposive sample. The case, or unit of analysis, was a group of self-selected postgraduate human resource management students in a medium-size new university in England. Cloudland (fictitious name of the studied university) was chosen because of its good reputation according to the Times Higher Education Supplement (e.g. it was recently described as the best English university for student experience) and its high ranking in the Guardian league tables (e.g. it was recently ranked ahead of prestigious universities). Furthermore, the university has set a five-year academic strategy that aims to 'enhance the student experience'. This strategy is supported by an aggressive marketing campaign that projects an idealised image of the university in respect to many academic and non-academic issues.

The most profitable courses in Cloudland are postgraduate. In particular, the fulltime human resource management course recruits a large number of international students, whereas the equivalent part-time course retains strong links with local industry and is the most reputable course in the region due to its professional accreditation. With this evidence in mind, Cloudland's postgraduate human resource management students were selected. Rousseau and Fried (2001) have stressed the importance of the participants' familiarity with context-specific issues in psychological contract research (especially in exploratory research) in terms of validity. Thus, human resource management students provided an apt purposive sample for this study, because they could potentially portray a more accurate picture of how the psychological contract is perceived in a university environment due to their familiarity with this concept. In order to increase further the validity of the research, the purposive sample involved students who had just graduated. These participants could potentially provide a fuller and more accurate perspective on the meaning and nature of the psychological contract, given that they were no longer Cloudland students and could reflect on their university experiences.

All postgraduate human resource management students were contacted directly by the researcher and asked to identify their desire to take part in the research. The prospective participants were informed of the study's purpose, and the researcher deliberately mentioned the term psychological contract for two reasons. First, from an ethical standpoint, prospective participants ought to know the true nature of the research so as to make an informed decision on whether to participate in the study (Bryman 2008). Second, from a validity perspective, this could potentially increase the likelihood of getting closer to the truth and collecting data that elucidates and illuminates the research subject (Rousseau and Fried 2001). With this in mind, the same process was followed in the interviews; yet, the term psychological contract was used only at the end of each interview when students were asked whether they believed that such a contract existed in a university environment, and if so what it meant for them.

Interviews were conducted within a fairly open framework (in-depth, face-to-face, individual, semi-structured interviews) so as to allow for focused yet flexible two-way communication (Bryman 2008); that is, the exploration of issues that both the researcher and each student deemed to be important and relevant. Interviews covered a wide range of areas, from the students' expectations to the importance of different sets of relationships in a learning environment. Overall, 26 interviews were conducted (11 with part-time students and 15 with full-time students). Each interview took place outside the university premises, lasted for about an hour, and was tape-recorded (agreed in advance with each participant). Following the student interviews, interviews with five academics from the human resource management postgraduate teaching team were conducted. These aimed to corroborate the evidence from the student interviews, so as to give a more rounded picture of perceptions of the student psychological contract, and potentially increase the reliability of the findings. The content, context and procedure of staff interviews were similar to those of student interviews.

In terms of analysis, initially the primary data were reproduced as verbatim transcripts indicating what each participant had exactly said. The data were then analysed inductively with the use of grounded theory techniques. In line with Strauss and Corbin's (1990) grounded theory, analysis involved initial and focused coding. The coding process involved, first, thorough reading of each interview transcript, and then systematic examination of each transcript by paragraph or sentence. This allowed the researcher to bring out the major ideas in the transcripts and produce two conceptual labels: understandings and key elements. Then, with the interactive continuous examination of the excerpts that were included in these conceptual labels, data were further categorised in constructed and in-vivo codes. Constructed codes were the result of the literature, whereas in-vivo codes related to the words used by the participants (Strauss 1993). Constructed codes included the concepts of explicit, implicit and agents, whereas in-vivo codes contained the term 'exchange'. At this point, the two conceptual labels were renamed so as to better portray the data they represented. The new names were meaning and nature. During the iterative process of writing-up the results the analysis was presented to the research participants. The aim was to validate the findings by giving the participants the opportunity to scrutinise the analysis (i.e. to see whether or not what was written resonated with their own understanding of the different issues that were related to the meaning and nature of the psychological contract). The participants did not request any changes. Following other studies' (Rousseau 2001; Thompson and Bunderson 2003) strategies for presenting qualitative data, the findings section offers only representative illustrations highlighting the collective voice of the interviewees in each category/theme.

## Findings

The analysis of the data highlighted the key concepts and relationships that participants attached to the notion of the psychological contract, as well as the key features that they believed to characterise these concepts and relationships.

## Meaning of the psychological contract

#### An exchange relationship between three parties

A comparison of conceptions of the meaning of the student psychological contract indicated that different combinations and versions of one key term, 'exchange', were used by all students to describe the psychological contract. This exchange was believed to take place between three parties: the student, the tutors and the university:

A perceived equal exchange ... you get out what you put in!

When one person benefits from learning from another they are grateful and feel they must repay them.

A mutual exchange of expected behaviours, desires, and outcomes.

It is an exchange. I expect the university to provide learning facilities and I am expected to pay my fees. I expect the tutors to teach me and they expect me to be there and contribute.

These conceptualisations focus on individual beliefs in, and interpretations of, a reciprocal exchange. For example, the last quotation entails perceptions about what the student believed they were entitled to receive, or should receive, from the university (facilities) and the tutors (teaching), in exchange for what the student believed they should offer (fees, attendance, contribution in the class).

In terms of the perceived parties that are involved in the exchange relationship, all students emphasised themselves as the main holder of the psychological contract in relation to two other parties – tutors and the university:

The psychological contract is an exchange between students, lecturers, and the university.

It is my perception that the university and lecturers are there for the sole purpose of supporting the students with increasing their knowledge in a subject area.

Academics' perceptions of the meaning of the psychological contract and the parties that are involved in it were similar to the students' perceptions. During interviews, the word 'exchange' was mentioned by all participants, and supplementary terms, like 'reciprocity', 'goodwill', 'promises' and 'agreement', were used to illustrate the nature of the psychological contract. Here the emphasis was placed on a series of 'mutual expectations' between students (e.g. 'attendance', 'do their homework', 'be motivated', 'participate in the class', 'pay their fees'), tutors (e.g. 'deliver classes', 'setting and marking assessment', 'availability outside classroom'), and the university (e.g. 'keep the promises made in brochures and recruitment campaigns', 'students should get what they were promised when registered on the course', 'good facilities'). It was interesting, however, that, whilst academics acknowledged the presence of the tripartite relationship in the psychological contract, they kept referring to their role as 'ambassadors' of the university, who carry the 'burden for all the goods and ills of the students' learning experience'. Students also believed that academics were the representatives of the university, as the next section explains.

#### Tutors as university agents

Despite students' perception that the psychological contract involves three interconnected relationships, all participants saw the university as an abstract entity that was represented by individual lecturers. The student-teacher relationship was seen to play the most important role in the operation of the psychological contract:

The real contract is with the tutors rather than with the university ... tutors are the face of the university.

We learn from teachers not the university ... the contract implies an understanding between teachers and students in fulfilling the 'vows' of learning.

Lecturers can help with learning but also with other university matters, like dealing with administrative staff. They are the most important party in the psychological contract. You can live with poor university facilities but not with incompetent tutors, who lack interest in dealing with students.

All students further highlighted the fundamental role of tutors in establishing the student psychological contract:

My contract ... the mutual expectations established between the student and the various tutors, who deliver the course ... tutors are the university.

The prime contract is between the student and the university ... the university is represented by the lecturers. I know that the psychological contract is much greater than the sole student-lecturer relationship. It is on a simplicity sense that as a student I view the lecturer accountable for my expectations, although I know there are many behind the scene that impact on what a lecturer can and cannot do.

The above quotes stress the perceived role of tutors as agents in acting on behalf of the learning institution. Students saw academics as the key party in the exchange relationship in shaping and managing the psychological contract. Although the contract was initially formed through various means (e.g. university marketing and strategy, induction and socialisation processes), students believed that the way in which academics (tutors, module leaders, course directors) responded to their needs and expectations formed the boundaries in which the contract existed. As one student explained:

On day one there may be no contract, but a few months later there is an expectation on both sides that certain rules must be followed and certain obligations must be fulfilled.

This suggests that the real contract in the eyes of the beholders was the one that they could experience on a regular basis, that of the student-teacher relationship. This contract was formed throughout the course in line with the students' experiences of each module. The contract with the university, although existing in the students' mind, was of secondary importance as long as academics could handle university issues on the student's behalf; a point verifying the academics' earlier arguments on their role as ambassadors in the university-student relationship.

#### Nature of the psychological contract

## Implicit nature

More than three-quarters of the participant students, and nearly all the academics, believed that the student psychological contract consists largely of implicit features. As one academic noted:

There is nowhere written that students should behave themselves, attend lectures, prepare for seminars, participate in group activities, read and so on. Students are adults and they should be treated as responsible grown ups. The quality of teaching partly depends on the way we teach and partly on the students' attitudes to learning. The extent to which our implicit expectations of students' behaviour are met plays a catalytic role in how we [students and teachers] experience learning.

Similarly, a student observed:

The informal expectations are what may make the learning experience worthwhile.

Informal or implicit 'expectations' were related to what students were hoping to receive once they had started their course. These expectations were frequently linked to tutors. Students expected to be taught by lecturers who were: 'punctual', 'positive', 'fair', 'motivational', 'enthusiastic', 'honest', 'transparent', 'supportive' and 'able to build selfesteem'. Tutors were also expected to demonstrate 'excellent knowledge' in a way that students understand, and 'appreciate' how students from 'diverse' cultural, educational, and work 'backgrounds' learn. In other words, students came up with a long list of the most important qualities that they were hoping their lecturers would possess:

Access to tutors to discuss any personal concerns to my learning ... tutors being available and on time for lectures.

I was hoping [for] lecturers to be professional and to engage creatively in transferring knowledge to me.

Highly competent tutors, who are well versed in their subject areas ... display supportive behaviours ... listen ... have good communication skills ... good classroom delivery techniques ... are available when required ... show honesty ... transparency.

Deal with competent and dedicated teachers, who can judge students fairly.

To be taught by good tutors ... who can build my self-esteem ... who are passionate and enthusiastic about their subject ... who can balance the needs of all students.

At university level, three-quarters of the participant students included in their list of implicit expectations the opportunity to 'make new friends', 'have new experiences' (e.g. fieldtrips, placements, organisational visits, meet and learn from people from

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different cultural and work backgrounds), develop soft/employability 'skills' (e.g. negotiation, presentation, team working), and become 'members of a positive learning community'. In respect to the latter, all students expected to be part of what most of them called a 'safe', 'relaxing', 'comfortable', 'informal', 'supportive' and 'enjoyable' learning environment that provided opportunities to 'think out of the box', be 'creative' and 'afford to make mistakes without being laughed at'. As explained earlier, academics' implicit expectations were related to the students' attitudes to learning and their behaviour in the classroom. Their expectations complemented the students' expectations, and four of the five tutors were eager to go the extra mile to please those students who met their expectations:

It gives me great joy when I see students who are dedicated to their studies. I wouldn't mind offering extra support to these students even if this adds up to my informal workload.

When students are enthusiastic and well prepared it makes teaching worthwhile. It keeps you motivated. You're keen on improving the module and helping students to get high marks in their assessment.

## Explicit nature

Formal or explicit 'expectations' were related to what students perceived to have been promised when they accepted Cloudland's offer. These expectations included largely materialistic and tangible resources, such as efficient library, union, sports, catering, information technology, parking and other campus facilities. Just over half of the students (mostly part-timers) also highlighted their expectation of efficient academic support mechanisms in relation to registration, timetables, assessment results and other administrative issues. Moreover, all full-time students commented that they did not expect to attend any late-night classes, whilst all the part-time students noted that they did expect their classes to be delivered on the scheduled dates and times. All students essentially saw the administrative elements of the psychological contract as transactional exchanges between themselves and the university. These exchanges were founded on the impersonal dispatching of assumptions of economic rationality, in that students were entitled to efficient services in return for the fees they were paying:

The university, as an institution, has expectations that are overtly stated ... the main expectation is for students to pay their fees ... in the same way that the university is expecting from us to pay our fees we expect from it to provide all the services being promised to us.

An interesting finding, however, was that nearly one-third of the students perceived tutors and their provision of a particular type of service, namely teaching, to be part of this economic exchange.

I expect to be a member of a university that is full of academics, who actually want to teach ... can deliver good service ... can put together teaching material that are up to date, challenging and worthwhile ... want to build professional relationships with students ... I want to get a good service in return for the fees I am paying!

Four-fifths of the participants also stressed their explicit expectations of tutors in providing 'detailed and constructive feedback', 'coursework guidance and advice', 'extra sessions for any classes the tutors failed to deliver' and 'pastoral support'. Beyond these explicit expectations, all students believed that the most important explicit component of their psychological contract was to get a degree along with a professional qualification. As one student argued, 'my number one expectation is to get a master's degree and the CIPD [professional qualification] certificate'. Two full-time students even perceived the degree as some form of a product, which they had come to 'buy' from Cloudland. Overall, students' explicit expectations may be summed up as followings:

My expectations include a formal and professional qualification, excellent teaching, learning and campus facilities, and knowledgeable tutors!

### Promises and expectations

Whilst the students' expectations appeared to be somewhat idealised, these expectations had been largely formed by Cloudland's marketing and recruitment strategy. All participant academics stressed that the way in which the brand image of the university is promoted can be 'misleading', especially in relation to the facilities on offer (explicit promises). They explained that most students come to Cloudland with 'high expectations' and some with the 'attitude of getting a degree the easy way'. This was suggested to be particularly true for the full-time course, where students were more difficult to 'discipline' and a viable psychological contract took longer to be established. To this end, academics frequently found themselves trapped in a position where they had to blow off the students' exaggerated expectations at the beginning of the course, and gradually induce them to the norms of their own implicit expectations (e.g. attendance, preparation, participation). As one of the academics commented: 'it is not really the students' fault but the university's and the promises it makes to attract students'.

With regards to the part-time students, the formation of a viable psychological contract was said to be a 'much easier task', as most students met many of the tutors' implicit expectations. However, all academics commented that the difficulty in the operation of the psychological contract here was amongst the students and the university, due to discrepancies between what was promised by Cloudland and what was actually on offer (i.e. facilities). Though this was not an issue that had direct effects on the teacher-student relationship, in some cases it had affected the students' 'performance', 'dedication' and 'attendance'; thus, it had indirectly led to a deterioration in the quality of the student-teacher psychological contract. Two of the academics described this situation as 'irritating', 'unfair' and 'disappointing', whereas the other three blamed the university for its 'wrong attitude' and 'unprofessional practice'.

### Discussion

The aim of this study was to identify how students perceive the notion of the psychological contract. The findings relate to the psychological contract's meaning and nature within tertiary education. Students' perceptions were supplemented with academics' perceptions, so as to give a more rounded picture of the student psychological contract.

In terms of meaning, Cloudland's students and academics presented the concepts of exchange, student, tutor, university and expectations as being central to the notion of the psychological contract. This conceptualisation resembles existing definitions (Argyris 1960; Levinson et al. 1962; Rousseau 1989; Schein 1965) of the psychological

contract, in that a reciprocal exchange is emphasised. However, it considers the exchange relationship through the lens of the tripartite relationship of student-teacheruniversity, as opposed to the traditional dyadic employer-employee relationship. Students perceived themselves as the focal person in the student-teacher-university relationship. Academics shared a similar view, yet stressed their mediating role between students and Cloudland. Likewise, students saw the university as having the role of, what Rousseau (1995) has termed the principal, and tutors as having the role of both the principal and the agent. In the students' eyes, academics were the main connecting link between students and Cloudland, yet the existence, role, and significance of the university-student relationship was not undermined by either students (especially part-timers) or academics.

Another interesting finding in relation to the students' conception of the meaning of the psychological contract was that emphasis was placed on expectations. This contradicts the preference for emphasising promises in the employment psychological contract (Coyle-Shapiro and Newman 2004; De Vos, Buyens, and Schalk 2005; Robinson, Kraatz, and Rousseau 1994). In the student-teacher relationship, expectations were found to set the ground upon which the contract was formed; whereas in the student-university relationship, promises were found to be the key determinant of the contract. Rousseau and McLean Parks (1993) have explained that expectations do not necessarily involve a promissory element. In this study, student expectations entailed both promissory and non-promissory elements. Students' perceptions of the psychological contract resembled Blau's (1964) social exchange theory, and those accounts (Bunderson 2001; McDonald and Makin 2000; Rousseau 1990) supporting the idea that social relationships encompass both economic and social exchanges. However, an additional important element in the students' conceptions of the psychological contract was that of ideology. Ideology was found to be part of the students' non-promissory expectations.

At university level, students and academics referred to promissory expectations. These related to a belief that the university has made a number of promises before registration, and that these promises should have been delivered once students joined Cloudland. In other words, promissory expectations were seen as obligations. Similar to the perceived obligations that employees held in other studies (Morrison and Robinson 1997; Robinson, Kraatz, and Rousseau 1994; Tekleab and Taylor 2003), here obligations were perceived to be of an explicit nature, even though they were not written in a formal agreement. In contrast to Rousseau's (1990) assertion that obligations are of a narrow and materialistic scope, the student psychological contract was seen as an exchange of something both materialistic (fees) and non-materialistic (study) for something that can be both intrinsic (learning) and extrinsic (degree as certified knowledge).

Students' promissory expectations pertained to tangible (e.g. facilities) and intangible (e.g. academic/administrative services) resources. In contrast, Prugsamatz, Pentecost, and Ofstad's (2006) study on the explicit exchange amongst Chinese students and two Australian universities has stressed the importance of either facilities (tangible resources) or the quality of teaching staff (intangible resources). This potentially signifies the high level of promissory expectations of Cloudland's postgraduate students. Other studies have also emphasised the significance of quality administrative and academic services in students' expectations (Arena, Arnaboldi, and Azzone 2010; Darlaston-Jones et al. 2003).

In respect to non-promissory expectations, students identified four implicit expectations: social networking, new experiences, development of soft/employability skills and membership of a positive learning community. These expectations were based on probabilistic or normative beliefs, which, according to Conway and Briner (2005), are a fairly constant and somewhat stable feature of our conscious experience. In other words, students' non-promissory expectations were related to their subjective education-related experiences.

Likewise, the student-teacher relationship was believed to encompass both promissory and non-promissory expectations. Here, promissory expectations entailed an extrinsic element, whereas non-promissory expectations had an intrinsic and an ideological character. Promissory expectations involved the overt promises that students believed to have been made to them (e.g. coursework guidance/support and feedback, replacement of missed/cancelled classes). Non-promissory expectations were similar to the ones identified by students in other studies (e.g. teaching skills, approachability, knowledge, enthusiasm, friendliness) (Geall 2000; Sander et al. 2000; Voss, Gruber, and Smigin 2007; Willcoxson, Cotter, and Joy 2011). Cloudland's students also included in their list of a good teacher's qualities: honesty, transparency, integrity, supportiveness, humour, and punctuality. Following the findings of other work on student expectations and attrition (Appleton-Knapp and Krentler 2006; Bean and Eaton 2001; Longden 2006; Willcoxson, Cotter, and Joy 2011), it can be suggested that both students' promissory and non-promissory expectations can be important determinants of student retention. This is of relevance to tertiary education in countries, like the UK, where the introduction of tuition fees has promoted a 'consumerist' mentality (Voss, Gruber, and Smigin 2007, 957).

From the academics' viewpoint, implicit non-promissory expectations were also founded on intrinsic and ideological values. The biggest emphasis was placed on the students' attitude to learning and behaviour (e.g. motivation, dedication, attendance, preparation). Tutors were also prepared to offer more than the students expected when students met the tutors' implicit expectations. This finding extends Feldman and Theiss's (1982) argument that teachers' attitudes are affected by their expectations regarding the student. It suggests that academics' attitudes are influenced, not only by their expectations of students, but also when these expectations are met. Indeed, 'quality' teaching cannot be extracted from 'expectations' (Blackmore 2009, 870), yet in many cases students' expectations are 'higher than the reality' (Darlaston-Jones et al. 2003, 49).

In this study, academics' expectations were found to complement students' expectations, but it was not always easy to align the two sets of expectations. The main reasons for this were the initial formation of the student–university psychological contract (big promises and exaggerated expectations) and the difficulties in sustaining this contract on the part of the university (discrepancies between what was promised and what was offered). This had made the formation of the student–teacher psychological contract more difficult, and required academics to put extra effort at the beginning of the course in establishing the implicit elements of the contract (with full-time students). This had further influenced indirectly the quality of the student–teacher relationship and was found to have adverse effects on the operation of existing viable psychological contracts (with part-time students).

## Conclusions

The exploratory work that was presented here suggests that the psychological contract is understood and perceived differently in university educational settings. The study's findings lead to the formation of the following definition of the student psychological contract:

The student psychological contract refers to individual or group subjective understandings of the reciprocal exchanges between students, their teachers and their learning institution. It is made up of promissory (transactional) and non-promissory (relational and ideological) expectations that are not written in any formal agreement; yet, they may operate powerfully as determinants of attitude and behaviour, and potentially attrition and performance.

The study has also highlighted the importance of seeing the psychological contract as a tripartite exchange relationship, students-teachers-university, in which each of the three parties is dependant on the others. By adapting Korczynski's (2002) notion of a customer-oriented bureaucracy to the university context, it can be suggested that relationships in universities that place the accent on the customer, like in Cloudland, can be conceptualised as a triangle in which academics might be framed as 'service providers', students as 'service recipients' and universities as 'service organisations'. In this context, the enchanting myth of sovereignty in service transactions implies that students expect a certain type of service, both from their tutors and their learning institution, that meets their expectations.

In this article, expectations involved both promissory and non-promissory elements. Promissory expectations were seen as being obligatory and referred to explicit expectations of what the university and the tutors should or should not offer. Non-promissory expectations referred to what students implicitly expected to experience from being students. Such expectations attached importance to ideologies of what learning, teaching and university should be like and how. By adapting Ulriksen's (2009) concept of the implicit student to the non-promissory context of the student psychological contract, it can be suggested that students' non-promissory expectations refer to the 'implicit teacher' and the 'implicit university'.

The findings from this research raise a number of important considerations. The study contributes to the limited literature on psychological contracts in educational settings. In this respect, the study proposed a definition of the student psychological contract in higher education and extended the notion of the implied student. Furthermore, the article counterpoised the concept of the customer-oriented bureaucracy in tertiary education. This concept is of great relevance and significance to the literature of management education, especially to those studies that are concerned with student expectations. In addition, the article stressed the vital role of academics as contract makers and managers, as well as the perceived interdependence of the three actors in the student–teacher–university exchange relationship.

Whatever the students' perceptions are of the psychological contract, it is of fundamental importance to understand from where these perceptions have come. This is seen as vital in the study of the psychological contract, as almost any type of communication or behaviour from the focal party could be interpreted by the other person as information about the nature of the promises that exist between them (Conway and Briner 2005). So, further research is needed on the origins of students' perceptions of the psychological contract, especially in environments where students' expectations appear to be somewhat elevated, as in Cloudland's case. Another interesting avenue of research is the examination of the operation of the student psychological contract in customer-oriented bureaucracies. Here, the student experiences and their effects on academic and non-academic issues may be explored. Another potential area of research is to look at the meaning and operation of the psychological contract in different student populations, either within the same university or across different institutions. This study has focused on human resource management students, yet the psychological contract can be applicable to other student populations, especially within higher education institutions where neo-liberalism has commodified and internationalised university learning.

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