

## MASTER OF BUSINESS ADMINISTRATION

# Employee Psychological Contract and Job Satisfaction in IT Enterprise of China

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# STUDENT'S DECLARATION

I hereby declare that: I understand the meaning of "Plagiarism" and "Intellectual Property Rights" and Ethics Related to the Principles of Academic Works.

This dissertation is hereby acknowledged as my own work and I have duly acknowledged use of published and unpublished works of other people from the print, electronic and other media.

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#### Abstract

As a technology-intensive enterprise centered on innovation, IT companies are key to maintaining high competitiveness and high productivity (Wang, 2015). However, enterprises have experienced many problems in the rapid development process, such as excessive work pressure, low mood, frequent loss, and low job satisfaction (Liu, 2017). These problems not only endanger the physical and mental health and professional development of employees, but also bring huge losses to enterprises (Gomez, 2015). How to improve employees' job satisfaction from the perspective of psychological contract, mobilize their enthusiasm and creativity, and improve work efficiency has become an important goal of modern human resource management (Zhou, 2015).

This study takes the IT enterprise employees as the research object, selects the psychological contract as the independent variable and uses the questionnaire and statistical analysis method to study the relationship of the psychological contract of IT employees on the job satisfaction. Specifically, based on the mature psychological contract theory and job satisfaction theory, this paper sorts out the connotation, dimension and relationship between the psychological and psychological contract and job satisfaction, and finally constructs the theoretical hypothesis model of this study. Through statistical analysis of various measurement methods, conclusions are drawn.

Through this research, it is expected to provide a valuable reference for the study of psychological contract and job satisfaction, and at the same time play a guiding role in the practice of human resource management.

**Keywords**: IT enterprise employees; psychological contract; job satisfaction

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# **Chapter 1: INTRODUCTION**

#### 1.0 Overview

This chapter mainly makes a research report on the background of China's IT industry. This paper will investigate according to the research purpose and research questions, and verify the hypothesis based on the research results, expound the scope and significance of the research, and enumerate the limitations of the research. Readers can clearly understand the theme of this study.

## 1.1 Background

Today, social work has become an important part of people's lives, and work takes more than half of our personal activities every day (Cascio, 2017). Despite the continuous deepening of reform and opening up, the rapid growth of the national economy, and the improvement of people's living standards, people's satisfaction has not increased (Yusoff et al., 2017). The United Nations' first global satisfaction index rankings released in April 2015 show that China ranks 112th out of 156 countries around the world (Ismail & Chia 2017). This ranking is somewhat inconsistent with the status of China's second largest economy (Kamdron, 2015). Improving national satisfaction has become more and more important (Terera & Ngirande, 2016).

In recent years, subjective satisfaction, a comprehensive psychological indicator that measures the quality of personal life, has received increasing attention from managers and powerful human resource managers (Ahmed & Shafique, 2017). Nowadays, the concept of customer satisfaction has been well known by most companies. (Furnham, 2015). The basic concepts of

"customer-oriented", "customer is always right" and "customer is God" have been deeply rooted in the hearts of the people, but we are usually satisfied with "customer satisfaction" (Gounaris & Boukis, 2017). Understanding is often limited to "external customers", while ignoring the internal customers, that is, the satisfaction of the employees (Moehanah, 2015). Some studies have shown that employee satisfaction is positively related to customer satisfaction (Hashim, 2015).

The improvement of subjective satisfaction of employees is not only beneficial to the improvement of employees' mental health and happiness, but also contributes to the benign management and long-term development of the company (Baran, 2017).

## 1.2 Problem statement

The development of the new economy the individualized tendency of individual employees and the loss of core employees all put pressure on the organization to manage human resources (Lubna et al., 2016). In the 21st century, human society has entered the information age, and today's IT industry has become the main driving force for China's economic growth (Zhao, 2016). According to the survey, the IT industry has become one of the industries with the lowest job satisfaction of employees in China. As shown in Figure 1-1, the satisfaction of employees in IT enterprises is generally low, and the number of people with satisfaction between 1-2 and 2-3 accounts for more than half of the ratio. This phenomenon has to be paid attention to by the industry. The talent crisis brought by the low job satisfaction of IT employees has seriously plagued the growth of IT enterprises in China (Huo &Tang, 2015).

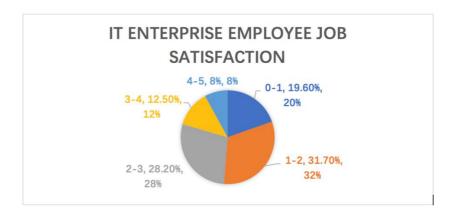


Figure 1-1 IT enterprise employee job satisfaction survey

As a company with high concentration of science and technology, IT enterprises have their own characteristics, which determine the important role of IT talents who master core technologies (Baoyi, 2016). Most IT employees are young and energetic, and their turnover is higher. The high-speed, fast-paced modern lifestyle also makes a dramatic change in personal values. Advocating short-term, temporary contractual relationships and liberalized, casual life attitudes abound, they must have rich Income, but also the space to pursue personal interests (Bogdan, 2015). However, due to the high technical content and fast knowledge update, employees are under greater work pressure and their employees' job satisfaction is low. These problems not only endanger the physical and mental health and professional development of employees, but also bring huge losses to the enterprise (Waheed & Zaim, 2015). Since the degree of job satisfaction directly affects their behavior and performance, improving employee job satisfaction and creating organizational culture as a new method to improve employee job satisfaction has become an urgent need for IT enterprise managers and researchers to solve problems (Bryman, 2015).

## 1.3 Research objectives

With the development of science and technology, the quality and attitude of employees have become more and more important, especially the outstanding talents in the enterprise, and even affect the development direction and destiny of the enterprise (Zhang, 2015). If the company cannot retain these employees, so that employees have low job satisfaction and brain drain, this is a fatal flaw for the company (George, 2015). The root cause is that the psychological contract foundation established between employees and organizations has been shaken and destroyed (Mayhew, 2015).

Therefore, from the perspective of human resource management, this paper puts forward some influences through the analysis of the status quo of subjective job satisfaction of employees in China (Shen, 2015). Employees' subjective job satisfaction factors, which focus on the influence of employee psychological contract violations on job satisfaction, to promote the further development of "people-oriented" enterprise human resource management ideas, and to enable employees to " Satisfied work " to achieve enterprises and employees A win-win vision (Moreno, 2016).

The main purpose of this study is to ascertain the relationship between dimension of psychological contract and employee job satisfaction in IT enterprise of china.

The specific objectives are:

RO1: To determine whether transaction responsibility contract influence employee job satisfaction in IT enterprises of china.

RO2: To determine whether relationship responsibility contract influence employee job satisfaction in IT enterprises of china.

RO3: To determine whether concept responsibility contract influence employee job satisfaction in IT enterprises of china.

## 1.4 Research Questions

In addition to the purpose of the research, it is also necessary to clarify the research questions in order to achieve the research objectives. The specific research questions are as follows:

RQ1: Will the transaction responsibility contract influence employee job satisfaction in IT enterprises of china.

RQ2: Will the relationship responsibility contract influence employee job satisfaction in IT enterprises of china.

RQ3: Will the concept responsibility contract influence employee job satisfaction in IT enterprises of china.

## 1.5 Significance of the Research

## 1.5.1 Significance to Academic

- (1) This study will contribute to the research on the relationship and influence mechanism of psychological contract violation and job satisfaction, and at the same time expand the research on the influencing factors of job satisfaction, Improve the poverty of the theory of employee relations in China's human resource management and promote the development of human resource management theory. (Pathak, 2016).
- (2) Work satisfaction research has always been a long-standing topic in the international academic community, but it has only recently begun to attract the attention of domestic academic circles. The localization of research methods is not high, and the depth and breadth of research are also Slightly lacking.

Therefore, research on job satisfaction is very necessary (Abdul & Rumman, 2016).

(3) At present, the research on the psychological contract of IT employees is still in its infancy in China's theoretical circles. There are still many shortcomings (Morales, 2016). The research of this paper selects high-tech IT enterprises and expands on the basis of the success of predecessors. It has certain theoretical significance.

## 1.5.2 Significance to Industry

This article is based on IT enterprise employees. IT companies can be divided into five categories: computers, networks, communications, software, and semiconductor components (Nazdratu & Rosima, 2016). Compared with other companies, IT companies have five characteristics: fast update, high capital contribution rate, strong penetration, high multiplication influence and high growth rate (Shrafat, 2016).

- (1) Most of the IT employees have higher academic qualifications than other companies, and they have certain specialties in terms of psychological needs, personal traits and working methods (Yuan, Li, Zhong & Gu, 2015). They have higher values and more self-worth, and they Corporate culture construction is very demanding (Xie, 2015).
- (2) Because most of the IT enterprise employees are engaged in very complicated mental work, their work process is difficult to directly monitor, and their labor results depend on many factors, which makes work performance difficult to measure (Ackermann & Palmer, 2016).
- (3) The pressure and mobility of IT enterprise employees is great (Nolan, 2015). If the current job is not attractive to them or lacks upside, employee may choose to leave (Lewis, 2015). Therefore, employees are more likely to be liquid and leave. IT enterprises are the industries that drive the rapid

development of economy and technology (Bhate, 2017). Therefore, in order to retain talents, must pay attention to the management of psychological contracts.

## 1.6 Operational Definitions

This part will highlight the operational definitions of the key terms and concepts that will to be discussed in the research.

## 1.6.1 Job satisfaction (Dependent Variable)

Job satisfaction stems from psychology and is the attitude of employees to the general satisfaction of their work. Generally, the satisfaction of employees in the work is mainly reflected in the satisfaction of the company's management, work content, corporate culture environment, and work remuneration (Hira & Waqas, 2015).

Job satisfaction refers to the overall attitude and perception of an individual's work. Generally speaking, a person who is positive about work has a high degree of satisfaction with his work; a person who has a negative attitude towards work is dissatisfied with his work (Wadhwa & Verghese, 2015). Job satisfaction represents an individual's evaluation of his or her work and the content of his work. It is an evaluation of job characteristics, work environment, and emotional experience at work (Shea,2015).

## 1.6.2 Psychological contract (Independent Variable)

A The psychological contract is a term coined by the famous American management psychologist Schein (2015). Schein believes that the INTI International University (2018)

psychological contract is "a combination of personal dedication and organizational desire, and the organization will provide a tailored response to personal expectations." There is always an expectation that there is no explicit constraint between each member of the organization and the corresponding manager and other members (Ozlen, 2017). This set of expectations plays a very central role in the organization (Salunke, 2015).

The origin of the concept of psychological contract is social psychology, which is then introduced into the management field by organizational behavior (Vrinda, 2015). The concept of psychological contract can also be understood from two aspects: broad and narrow (AlBattat, 2017). The broad psychological contract emphasizes the need to respect the original intention of the two parties, and this is the subjective understanding of the mutual obligation of the enterprise and the employees in the employment process; while the narrow psychological contract emphasizes the individual rights and obligations of the individual and the enterprise. Understanding (Terera, 2016).

The psychological contract of a company employee is simply an implicit, informal, unpublished mutual expectation and understanding of the employee and the company outside the content of the formal employment contract (Akafo & Boateng, 2015).

## 1.7 Organization of Chapters

This research contains of five chapters as following:

Chapter 1 Introduces: This chapter mainly introduces the basic information of the research topic, including the research background, research purpose, research questions, research significance, and research scope. It also introduces the problems and solutions that may occur during the research process. Explain the definition of the chosen independent and dependent variables.

Chapter 2 Literature Review: This chapter mainly analyzes the literature review of other researchers and related theories related to this study, and lists the relevant theories involved in the independent and dependent variables of this study, based on these theories and past studies. The results involve assumptions about the framework.

Chapter 3 Research Methods: In the third major discussion of research design, sampling plan, sample selection and data collection methods, the measurement tools used are described in detail.

Chapter 4 Research Results: This chapter mainly summarizes the survey results in the previous chapter, collects, summarizes and analyzes the survey results, makes discussions based on the survey results, and analyzes the relationship between the survey results and the research objectives. Whether the results match our assumptions.

Chapter 5 Conclusions and Limitations: This chapter provides conclusions and reflections, affirms the significance of the research in this study, and therefore identifies possible research directions in the future. Personal reflections on the process of this survey were also carried out.

# **Chapter 2: LITERATURE REVIEW**

#### 2.0 overview

This chapter mainly discusses some of the literature related to this research. The main purpose is to establish the framework of this research based on the existing research literature. First, this paper will introduce the importance and factors of job satisfaction, and then contact the psychological contract. The key role of job satisfaction, based on the definition of previous research and various factors, establish the hypothesis that the psychological contract is good for work, and the framework and assumptions will be presented at the end of the article.

## 2.1 Definition of Job satisfaction

The official study on job satisfaction first came from Hobok in the United States, and in 1935 he first proposed the concept of job satisfaction in the book. In the book, he proposed that job satisfaction is the satisfaction of workers' psychological and physiological aspects of environmental factors, that is, a subjective reflection of workers' situations.

Different authors have different approaches towards defining job satisfaction. Hoppock defined job satisfaction as any combination of psychological, physiological and environmental circumstances that cause a person truthfully to say I am satisfied with my job (Hoppock, 2015). Vroom in his definition on job satisfaction focuses on the role of the employee in the workplace. Thus, he defines job satisfaction as affective orientations on the part of individuals toward work roles which they are presently occupying (Vroom, 2016).

Job satisfaction is a worker's sense of achievement and success on the job. It is generally perceived to be directly linked to productivity as well as to personal well-being. Job satisfaction implies doing a job one enjoys, doing it well and being rewarded for one's efforts. Job satisfaction further implies enthusiasm and happiness with one's work. Job satisfaction is the key ingredient that leads to recognition, income, promotion, and the achievement of other goals that lead to a feeling of fulfillment (Kaliski,2017).

In general, it can be divided into the following three aspects (Hackett, 2015): (1) comprehensive definition, which holds that employee satisfaction is a single concept, employees can balance the satisfaction of different aspects of work, and further form their overall work reflect (Eisenberger, Huntington, Hutchison, & Sowa, 2016). (2) Expectation gap definition, which defines employee satisfaction as the difference between the employee's return from work and the expected return from the company (Farrell & Stamm, 2015). The smaller the gap, the higher the satisfaction, and vice versa. (3) Referring to the definition of the architecture, this view defines employee satisfaction as the result of interpreting the work characteristics according to the self-reference architecture and is an emotional response to the employee's reference dimension (Tang & Sarsfield-Baldwin, 2016).

## 2.1.1 Research on job satisfaction phenomenon

Job satisfaction is a variable that reflects how people feel at work (Bas, 2015). It specifies the specific task environment in which employees perform their duties, and it responds more directly in certain aspects (Mowday, Porter & Steers, 2015). Job satisfaction also includes many aspects, such as the salary increase, benefits, promotion system, work environment, work nature, and job security that we often encounter (Kuo, Ho, Lin and Kai, 2015). When there is

some difference between the actual situation and the employee's expectations, it will affect the employee satisfaction with the work (Torres & Kline, 2017). Especially when there are differences in the areas where employees are very concerned about, the degree of satisfaction will be greatly reduced (Robinson & Rousseau, 2016).

## Global phenomenon of job satisfaction

Today, research on subjective satisfaction in economically developed countries such as Europe and the United States is widely used in management (Rousseau, 2015). General Electric's "borderless organization" Motorola's concept of "affirming personal dignity" is a positive psychology with subjective satisfaction as the main content, and it is also a reflection of human-centered thinking in human resources (Schein, 2016).

In 2016, Nature published several articles related to the lives of researchers. Nature publishes the researcher's salary and job satisfaction survey results every two years. In 2016, 5757 researchers participated in the survey. Of the 3,328 people who answered the questions, nearly two-thirds were satisfied with the current job (Hira & Waqas, 2015). At the same time, the survey results also show that many people are still not optimistic about income, career choices and prospects (Dailey & Kirk, 2015).



Figure 2-1 Global Employee Job Satisfaction Survey

Resource: Nature, 2016

## Local phenomenon of job satisfaction

As China's research on subjective job satisfaction started late, there is still no scientifically sound statistical data to directly prove that the subjective job satisfaction of employees in China's enterprises is low (Ackermann & Palmer, 2016). However, from the "China's Job Satisfaction Index" survey report issued by many human resource management and psychologists and powerful media within the United Nations in the United Nations Human Resources Development Network in 2017, and by Gallup, a world-famous survey company in 2016, With regard to the global survey of "satisfaction", we can see that the subjective job satisfaction of employees in our country is generally low (Montano & Kasprzyk, 2015).

First of all, Gallup showed in the April 2016 "satisfaction" survey that only 12% of Chinese people think they are happy, while 71% of Chinese people think that their lives are difficult and 17% say they live hardship (Anvari, Chermahini, Huzaid & Miri, 2017). A person's working time accounts for at least one-third of a person's time, which means that one's satisfaction at work affects people's subjective satisfaction to a great extent, and China has the most in the world (Dunford, 2016). The level of subjective satisfaction of employees and employees of enterprises has a crucial role to the overall " satisfaction " of our people (Saeed et el., 2016).

Secondly, from the "China" Job Satisfaction Index Survey Report, can see that the overall "satisfaction index" of Chinese working people is 2.57 (the highest value is set to 5, the lowest value is set to 0), and it is in the middle-lower state.



Figure 2-2 China Employee Job Satisfaction Survey

Resource: China's Job Satisfaction Index" Survey Report (2016)

As shown in the figure, 8.9% of the people surveyed have a score of "Job Satisfaction index" of 0-1; 19.9% of the respondents have a score of "job satisfaction index" of 1-2. There are 37.2% of respondents who score between 2-3; 24.3% of respondents have scores between 3-4; and 9.79% of respondents are between 4-5 (Wu,2016). In other words, there are nearly 30% of the survey respondents' satisfaction during the work period is low; only one-tenth of respondents have a higher sense of satisfaction, which indicates that our country still needs to be strengthened in terms of improving employees' sense of satisfaction (Spencer, 2015).

## 2.2 Influencing Factors for Employee Job satisfaction

We consider that job satisfaction represents a feeling that appears as a result of the perception that the job enables the material and psychological needs (Aziri, 2018).

Job satisfaction can be considered as one of the main factors when it comes to efficiency and effectiveness of business organizations. In fact, the new managerial paradigm which insists that employees should be treated and considered primarily as human beans that have their own wants, needs, personal desires are very good indicator for the importance of job satisfaction in contemporary companies. When analyzing the logic that a satisfied employee is a happy employee and a happy employee is a successful.

The importance of job satisfaction specially emerges to surface if had in mind the many negative consequences of job dissatisfaction such a lack of loyalty, increased absenteeism, increase number of accidents etc. Spector (2017) lists three important features of job satisfaction. First, organizations should be guided by human values. Second, the behavior of workers depending on their level of job satisfaction will affect the functioning and activities of the

organization's business. Third, job satisfaction may serve as indicators of organizational activities.

Christen, Iyer and Soberman (2016) provide a model of job satisfaction presented in Figure 2-3 in which the following elements are included: Job related factors, Role perceptions, Job performance and Firm performance.

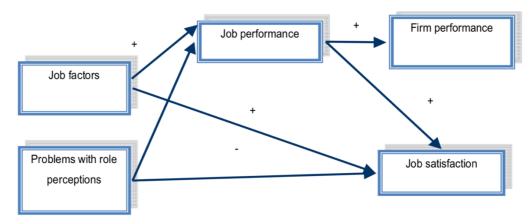


Figure 2-3 Christen, Lyer And Soberman Model of Job Satisfaction

Lawler and Porter (2017) give their model of job satisfaction which unlike the previous model places a special importance on the impact of rewards on job satisfaction, Figure 2-4.

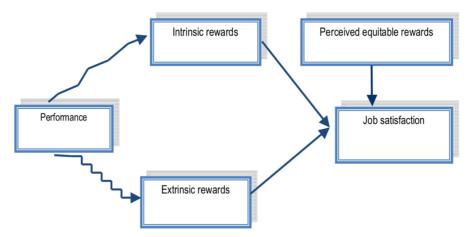


Figure 2-4 Lawler'S And Porter'S Model of Job Satisfaction

Job satisfaction is under the influence of a series of factors such as: The nature of work, Salary, Advancement opportunities, Management, Work groups and Work conditions.

A somewhat different approach regarding the factors of job satisfaction is provided by Rue and Byars, Figure 2-5.

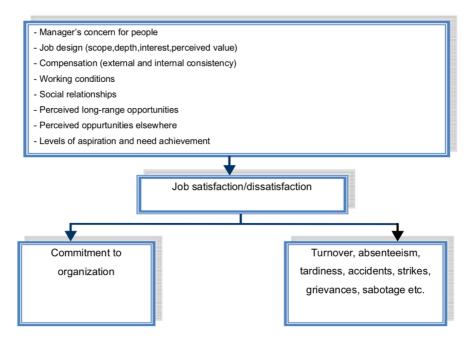


Figure 2-5 Determinants of Satisfaction and Dissatisfaction

## 2.3 Definition of psychological contract

The term psychological contract first appeared in the book "Understanding Organizational Behavior" written by Argyris in 1960. In this book, the "psychological contract" is used to describe the relationship between the foreman and the worker (Robinson, Kraatz, & Rousseau, 2015; Wolfe Morrison & Robinson, 2017). The referendum is positive (Guillot-Soulez & Soulez, 2016). There is a very close relationship between leadership and the work behavior of workers. If the referendum guarantees and respects the accepted informal text specification, workers will maintain higher production (Humborstad & Perry 2016). Levinson deepened and developed the concept of "psychological contract". In a case study of a public utility, he described the psychological contract as "unwritten contract", which is the sum of mutual expectations between the organization and the employee. It is used to emphasize an intrinsic, unrepresented expectation that arises before the INTI International University (2018)

relationship between the two parties. According to Kotter, a psychological contract is a kind of implicit contract that exists between an individual and its organization, and it embodies the price that one of the two parties wants to pay and the return that is obtained from the other. Schein defines a psychological contract as a series of unwritten expectations that exist between members of the organization. He divided the psychological contract into two levels of individual and organizational. He emphasized that although the psychological contract is something that is not clearly written, it is an important determinant of behavior in the organization.

## Contract and psychological contract

In the Oxford Dictionary of Law, the definition of a contract is "an agreement between two or more persons to establish legal obligations between each other." Such a legal contract has legal effect once it is formed. Any party who violates the contract or does not act in accordance with the contract is subject to legal sanctions (Ivancevich and Konopaske, 2017).

In addition to the explicit and expressly defined contract concepts mentioned above, there is an important type of contract in social life (Qureshi, 2017). It is an implicit, informal contract (Turkyilmaz et. al., 2016). There is no explicit provision, but perceptual and individualized (Brewer, 2015). The unexplained mutual expectation and understanding is often in a state of constant change and revision (Lee, Lee & Kang, 2015). This is the psychological contract that is increasingly valued by people, that is, the perception and understanding of the exchange relationship between the responsibilities and obligations of both employees and organizations (Halepota & Shah, 2016).

Both the contract and the psychological contract exist in the organizational environment, but the core content of the two is not the same (Pulver, 2015). Makin summarizes the basic differences between the two types of contract (Humborstad & Perry, 2015).

	Employee's attention	Organizationally
		focused content
Economic contract	Money	Job
Psychological contract	Considerate	Morality

Table 2-1 The basic difference between economy contract and psychology contract in the content

Psychological contract is different from economic contract, and its nature is subjective, depending on psychological expectations, and commitment and reciprocity to obligations (Newstrom, 2016). It is a psychologically recognized provision that arises before the parties to the contract know the state of nature (Ivancevich and Konopaske, 2017). This kind of psychological contractual relationship is universal. The interaction between people and society, between people and organizations, and the interaction between people and people all have mutual expectations (Machell, 2017). Therefore, they have certain obligations. The clear provisions of the contract, there is no mandatory constraint of the legal contract, but it has a profound impact on people's behavior (Mangione, 2015).

## Psychological contract and expectation

There is a close relationship between psychological contract and expectation, but there are also significant differences (Coetzee & Stoltz, 2015). In the early definition of the psychological contract, it was regarded as the mutual expectation of both parties (Heathfield, 2015). More research now accepts the notion that psychological contracts not only have the desired nature, but more importantly include commitment and reciprocity to responsibilities and obligations, which are the forms of existence that employees are entitled to and deserve due to the employer's commitment (Chiu, Luk & Tang, 2015). Faith. Expectation is the overall belief of employees about the existence of future organization and work (Burney, 2017). Distinguishing these two concepts has important practical significance, because the expectation of realization is mainly caused by disappointment (Chew & Chan, 2016). When the psychological contract is violated, it produces a stronger negative emotional reaction and follow-up behavior (Ryu, Lee & Kim, 2015). The core is an angry emotion, employees. I feel that the organization is betrayed and that it is treated unfairly (Hair et al., 2016). It encourages individuals to re-evaluate their relationship with the organization and has a negative impact on organizational commitment, job performance, job satisfaction, and employee turnover (Gefen, Straub & Boudreau, 2015).

## 2.3.1 Research on Psychological contract phenomenon

The early view that the concept of a psychological contract arises from an unwritten contract, implicit contract or expectation between the employer and the employee (Gu & Yang, 2017). At this time, there are still some differences in the definition of different scholars, but "who is the subject of subjective understanding" is not clearly stated, but internally believes that there are two main bodies of employees and organizations, that is, psychological contracts are employees and the subjective understanding of the exchange relationship between the two organizations (Sun, 2016). Because the two subjects often produce understanding differences, which is the non-uniqueness of the content of the psychological contract, it brings many difficulties to the conceptualization and subsequent research of the psychological contract (Greenberg, 2017). Therefore, in the late 1980s, the concept understanding was further deepened, resulting in two schools, namely "Rousseau School" "Classical School"(Xu & Zhang, 2016). In Western countries, psychological contracts have become the latest and most cutting-edge research perspective for employee motivation (Lees & Tinsley, 2017).

## Global phenomenon of psychological contract

## (1) Rousseau

Rousseau believes that a psychological contract is a subjective understanding of the individual employees' obligations to each other in an exchange relationship, and the organization only provides an employee's environment and does not form a psychological contract with the employee. Schalk and Freese believe that there is an exchange relationship between the two sides of the traditional psychological contract definition. If one party decides whether to agree with a certain viewpoint, the expectations and responsibilities of both parties need to be considered at the same time. Robinson further clarified this psychological contract, pointing out that a psychological contract is generally defined as a series of beliefs about the mutual obligations of employees to the organization. These beliefs are based on the subjective understanding of commitments, but not necessarily the organization or its agents are aware of it.

## (2) Classical

Herriot and Pemberton further deepened the concept of the psychological contract first proposed by Argyris, namely, the employment relationship, that is, the organization and the individual, the understanding and perception of the obligations and responsibilities contained in the relationship. They represent the views of the classical school and believe that a psychological contract is a subjective understanding of the relationship between the employer and the employee and the value provided to each other. Thompson and Bunderson, two scholars at the University of Birmingham and the University of Washington, introduced the concept of a conceptual psychological contract, in which employee's invisible expectations of the organization include not only economic interests and emotional components, but also the pursuit of common ideal values as an incentive. To induce organizational commitment and employee contributions.

## Local phenomenon of psychological contract

Chen Jiazhou, Ling Wenzhao and Fang Yiluo have two categories of employee psychological contract and organizational psychological contract in the psychological contract. It is proposed that organizational responsibility and employee responsibility are composed of two dimensions: real responsibility and development responsibility, and more attention is paid to the perspective of enterprise growth. The connotation and essence of the psychological contract, the development of the psychological contract does not inject new ideas. Ding Ronggui and Zhang Tiqin believe that psychological contract refers to a series of mutual psychological expectations, which are mutual perceptions of the contractual parties but are not clearly expressed. In her paper "Research on Employee Psychological Contracts and Related Factors", Li Yuan proposed the three-dimensional structure of Chinese employees' psychological contract, namely, "organizational responsibility to employees" and "responsibility of employees to organizations". It includes three basic dimensions: transaction responsibility, relationship responsibility, and concept responsibility.

## 2.3.2 Influence factors of psychological contract

The reasons for influencing psychological contract are very complicated (Awan, 2017). There are not only external social environment factors, but also internal organizational culture factors (Lebowitz, 2016). Through the analysis of Rousseau, Morrison, and Robinson's research on the violation of psychological contract, it is found that the organization intentionally violated, inability to honor and both sides of the contract (Hooi, 2017). The inconsistency in the understanding of commitments or responsibilities is the three major causes of psychological contract violations (George, 2015). It is precisely this perceived gap that allows employees to generate a psychological contract violation emotional experience based on cognition (Singh, 2017).

- (1) From the formation model of psychological contract, it can be seen that the predisposing factors of psychological contract are employee's occupational orientation, perceived organizational support, and organizational trust (Ivancevidh and Konopaske, 2017).
- (2) The factors affecting the psychological contract are usually employees' behavioral factors, including employee's intention to leave the company, organizational commitment, employee satisfaction, and employee performance (Frese, 2015). Of course, there are many influencing factors that cause employees to leave or job satisfaction, but when the employees' psychological expectations are high, their job satisfaction is usually low under the same conditions (Newstrom, 2016).2.4 Psychological contract dimension

## 2.4 Classification dimension of psychological contracts

## Transaction contract and Relationship contract

Rousseau used a typical correlation analysis to analyze the seven employer responsibilities and eight employee responsibilities of the 129 MBA graduates' psychological contracts. The results extracted two pairs of typical variables. The first pair of variables reflected the employees' overtime and duties (Anis et al., 2016). At the cost of external work, in exchange for the high compensation, performance rewards, training and career development provided by the organization, the contractual relationship based on economic exchange is called "transaction contract"; the second pair of variables reflects the long-term employee Work, loyalty, and willingness to accept internal work adjustments at the expense of the long-term job security provided by the organization is a contractual relationship based on social emotional exchange, called the "relationship contract" (Anvari, JianFu & Chermahini, 2016). Empirical research has verified that the type of contract between the employee and the organization proposed by the jurist MacNeil can be divided into two types: the transaction contract and the relationship contract. This research has aroused people's concern about using empirical methods to study psychological contract issues (American Psychological Association, 2015).

However, it can be seen that although there are two factors of "transaction--relationship" in the psychological contract, there are different factors in the factors of the various studies and the instability of the load of each factor. To define clarity, Rousseau gave a detailed description of the characteristics of transactions and relationship contracts in 1995.

	Transaction contract	Relationship contract
Contract	1. Current money	1. Have economic transactions,
characteristics transaction		but also have emotional input
	2. The basic incentives	2. High degree of
	are specific economic	interdependence and mutual
	conditions	attraction, involving broad
		conditions such as personal and family life
	3. Individual limited	3. Quite a number of employee
	investment in work	inputs (such as skills needed for
		the company, long-term career
		development) and employer
		inputs (such as extensive
		training)
	4. Closed time mode,	4. Open relationship mode and
	such as seasonal	time mode
	employment, working 2	
	or 3 years	
	5. Commit to only very	5. There are written articles, there
	specific conditions	are also contractual clauses that
		do not become
	6. No flexibility, if you	6. Dynamically and actively
	want to change, you	change during the contract period
	need to negotiate the	
	contract.	
	7. Use existing skills, no	7. Comprehensive personnel
	development	relations

Table 2-2 The feature of transaction contract and relation contract

## Conceptual psychological contract

In recent years of management practice, it has been found that in the employment relationship, the content of the psychological contract may include other factors, such as economic and social emotions, in the psychological connection between employees and organizations (Guzzo & Noonan, 2016). The organization's invisible expectations include not only

economic components such as compensation, benefits, resource support, and work environment, but also social and emotional components such as training opportunities, career development, long-term job security, and trust care (Creswell, 2015). It is also possible that employees outside these two factors the pursuit of an organization's common ideal value that transcends economic interests and emotional components can be used as an incentive to induce organizational commitment and employee contributions (Abercromby, 2015). In this case, employees' understanding of organizational responsibility is based not only on individual rights, but also on the conceptual factors that they value. The employer's violation of the psychological contract is not as shown in most studies, only because the employee feels that the organization has been treated unfairly at the economic and emotional level and may also feel that the organization has abandoned the employee's the desired principle or ideal that the organization should adhere to (Latif, 2015). Therefore, based on the transactional and relational psychological contracts proposed by Robinson and most scholars, Thompon and Bunderson, two scholars at the University of Birmingham and the University of Washington, introduced the concept of "ideal currency" in the psychological contract. The contract can clearly distinguish the concept of "remuneration" as the third type of "currency" exchanged in the employment relationship from the economic and social emotional psychological contract, providing another motivation for maintaining the employment relationship, that is, the employer A common belief and pursuit of a concept or principle (Ahmad, 2015). This kind of motivation is of great significance to the maintenance of the employment relationship (Qasim, 2015).

# 2.4.1 Psychological contract responsibility dimension

The exploratory and confirmatory research results of Chinese scholars Chen Jiazhou, Ling Wenzhao and Fang Yiluo show that due to cultural differences, the psychological contract content of employees in China is different from that in the West. The organizational responsibility and employee responsibility in

the psychological contract of employees in China are determined by the three dimensions of transaction responsibility, relationship responsibility and concept responsibility (Tian, 2016). The transaction responsibility is the necessary responsibility to ensure the existence of the relationship between the employee and the enterprise (Mushtag, 2015). If these responsibilities do not exist, there is no realistic bilateral relationship between the employee and the enterprise. The relationship responsibility is the full responsibility to ensure the continuity of bilateral relations, and the conceptual responsibility represents the responsibility of both the organization and the employees to have the same values (Ferdoos, 2015). If these obligations are not present, then the bilateral relationship between employees and enterprises cannot be effectively developed, the difference is that they reveal different perspectives on the dimensions of the psychological contract structure (Naeem, 2015). The "transaction--relationship-ideal" contract is explored from the material economic basis or social emotional basis and the value needs of contractual responsibility (Zhang & Li, 2017).

#### Transaction responsibility

The responsibility of the organization to the employee in the transaction responsibility refers to the current responsibility for the employee to maintain the current normal working life of the employee (Bender, 2015). For example, to provide employees with good working conditions, to provide some welfare bonus items during the Chinese New Year, to provide a safe working environment, providing stable job opportunities, providing opportunities for salary increase and financing, providing corresponding benefits such as medical care, social security, and long-term performance returns (Donohue, 2015).

The responsibility of the employee to the organization in the transaction responsibility refers to the current responsibility of the employee for the organization to maintain the current normal activities of the organization (Heywood, 2016). For example: strive to create benefits for the organization, continuously improve their work skills, comply with all rules and regulations and operating procedures, be loyal to the enterprise, reliably complete their own work, and maintain corporate image (Brown, 2015).

#### Relationship responsibility

Responsibility of the organization in the relationship responsibility refers to the future-oriented responsibility of the organization to maintain the long-term work and life of the employee, such as: signing an indefinite contract with the employee, to respect the rights and dignity of employees, to listen to the opinions and suggestions of employees, to communicate with employees in a timely manner, and to exchange information, allowing the employee representatives to participate in decision-making, organization Rich cultural and entertainment life (Steiner, 2016).

The responsibility of the employee to the organization in the relationship responsibility refers to the future-oriented responsibility of the employee for the organization to maintain the long-term development of the organization (Chan, 2017). Such as: long-term work in the enterprise to accept organizational arrangements, willing to transfer to other positions, work with unit colleagues, leaders and others, to link their development with the future of the company, with the company to breathe, share the fate, accept other tasks besides job duties, and provide rationalization advice to the company (Chandrasekar, 2016).

# Concept responsibility

The responsibility of the organization to the employee in the concept responsibility is the conceptual responsibility refers to how the organization's responsibility for the perception can be completed to allow a considerable degree of subjective judgment (LI & Sun, 2017). For example, the company provides training opportunities for employees, explains the values of the company to employees, gives flexible working hours for employees, and builds corporate culture (Li, 2018).

The responsibility of the employee to the organization in the concept responsibility refers to how the employee's conscious responsibility is completed to allow a considerable degree of subjective judgment (Zhu & Wang, 2017). For example, when the interests of the company conflict with personal interests, you can sacrifice personal interests, and believe in the company's values, and are willing to make their own efforts and actively integrate into the corporate culture (Li & Guo, 2015).

#### 2.4.2 Psychological Contract Dimensional Model

Among the famous scholars in the early stage of psychological contract, Rousseau, Robinson and others have proved through experiments that the psychological contract has two dimensions: transaction responsibility and relationship responsibility (Fu, 2018). This study envisages that "ideal contract" exists in the psychological contract and is part of the psychological contract structure. Therefore, this study believes that the content of the psychological contract should be composed of three-dimensional structure, namely transaction responsibility, relationship responsibility and conceptual responsibility.

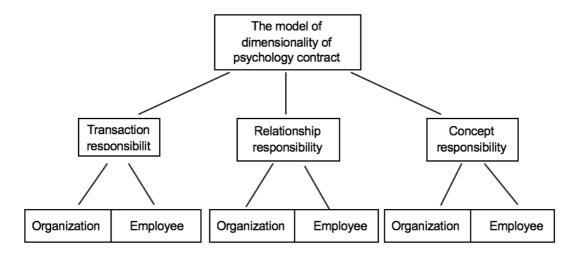


Table 2-3 The model of dimensionality of psychology contract

#### 2.5 Psychological contract violation

Schein (2015), a well-known American management psychologist, believes that psychological contract is a kind of cooperation between the individual who will have some dedication and the acquisition of organizational desire, and the cooperation that the organization will provide for personal expectations (O'Brien & Dowling, 2015). The contract is a series of beliefs of employees on their mutual obligations with the organization, pointing to letters (Rodwell, Kienzle & Shadur, 2017). Although it is not a type of contract, it does play the INTI International University (2018)

role of a typed contract (Kamel, 2017). The realization and violation of the psychological contract will lead to strong emotional reactions and follow-up behaviors, which will have a great influence on individual job satisfaction (Hassan et al, 2016).

Because the psychological contract is subjective and invisible, it often leads to disagreement between both sides of the contract (Waheed & Zaim 2015). Robbins found in the study that there is disagreement between the organization and the employees on their own rights and obligations (Hoffman and Lublin, 2016). In this case, the employees think that the psychological contract is violated (Anderson & Schalk, 2016). Robbins et al (2015) believe that because the psychological contract is formed on the basis of trust, the damage will cause the employees to shake the trust of the organization, re-determine the contractual relationship, and generate strong emotional reactions, such as feelings of betrayal and being Deception, as well as other explicit behavior (Tower Watson, 2016). In the study, it was found that the psychological contract was violated, the relationship in the contract formed a sorting run, and the transactional component was enhanced (George, 2015). Employees' emotional investment in the organization is reduced, and more attention is paid to economic benefits (Hill & Brierley, 2017). The research on the violation of psychological contract also confirms from another angle that the maintenance of psychological contract plays an important role in the development of the organization (Mellinger, 2015). Violation will have a negative influence on employees' work behavior and production efficiency (Das and Baruah, 2017).

# 2.6 The influence of psychological contract on employee job satisfaction

The focus of business management is employee motivation. One of the most important issues in the incentive environment is how employees see their

contribution to the organization and what they get from the organization (Sims, 2016). This is the hidden psychological relationship between the organization and the employee—the psychological contract (Yusoff et al., 2017). The main body of the psychological contract is the psychological state of employees in the organization, and the three basic concepts used to measure employees' psychological state in the organization are job satisfaction, job participation, and organizational commitment (Bateman & Strasser, 2016; Vandenberg & Lance, 2015). Among job satisfaction, job participation, and organizational commitments, among the three measurement indicators, job satisfaction is the most basic and important, and to a certain extent, it determines the role of the other two factors (Lee, 2015).

The decisive factor for job satisfaction is the employee's understanding of the organization's own rewards (Ismail& Chia 2017). How to understand and evaluate them depends on the satisfaction and violation of the psychological contract between the organization and the employee (Schappe, 2017). Therefore, the dynamic formation process of organization psychological contract, including the creation of psychological contract, change and violation process (the dynamic change process of psychological contract) will have an influence on the job satisfaction of employees (Sandhya & Kumar 2016).

#### 2.6.1 Fulfillment of psychological contract on job satisfaction

The fulfillment and maintenance of psychological contract refers to a successful cooperation between the individual's dedication to the organization and the return of the organization to the employees (Kamdron, 2015). The psychological contract between the employee and the organization includes two aspects, the employee's expectation and personal payment, the organization's expectation and reward (Williams & Hazer, 2016). This kind of

psychological contract begins to exist when the employee enters the company and has a role in affecting the employee's job satisfaction (Akafo & Boateng, 2015). In addition to the obligations, duties and powers of the parties as stipulated in the labor contract, the managers in the organization will form a psychological expectation that employees must provide labor, loyalty, and long-term work for the company; employees will also form their own expectations of the company (O'Driscoll & Beehr, 2016). For example, companies provide training, a good working environment, excellent work teams, space for promotion, and generous remuneration (Waheed & Zaim, 2015).

Employees in the organization always pay more attention to the results they have after paying for the organization and the rewards of completing the work (Preacher & Hayes, 2016). This will affect the degree and positive attitude of the staff in the next phase of the organization's efforts, if the organization can to reach a contract that can be experienced and satisfied with each other - psychological contract (Sekaran & Bougie, 2017). Employees have the expectation of recognizing their direct work behavior at work and the realization of the corresponding work rewards, so they can work actively to achieve these aspirations (Spector, 2017). At this point, employees have a higher level of satisfaction with the organization and are therefore more active in their efforts to contribute to the organization (Jyotsna, 2015).

# 2.6.2 Psychological contract violation and job satisfaction

Psychological contract violation is a subjective experience. It refers to one party's recognition that the other party has not fulfilled its promise (Christoph and Benjamin, 2015). Whether or not the psychological contract violation actually occurs, as long as the psychological contract violation is perceived, the negative influence on the behavior will be generated (Srinivasan, 2016).

The satisfaction of psychological contract does not necessarily lead to high performance, but the violation of psychological contract will bring dissatisfaction, resignation and other negative influences (Schappe, 2016).

The violation of the psychological contract means that the expectations between the organization and the employees are not reached and this expectation affects the employees' negative emotions (Stringer, 2017).

Efforts made by employees do not get their own expectations (Swanepoel, 2015). This can lead to employees not working hard or working absent in the next phase of the work (Amanda and Neil, 2016). The employees will be deceived, thereby reducing the employees' job satisfaction and seriously leading to the direct departure of employees (S).

Paul and Turnley (2015) believe that if employees' psychological contracts are understood and supported, they will have high job satisfaction and low turnover tendencies (Erasmus, 2016). If psychological contract violations occur, employees' work enthusiasm will be dampened, job satisfaction will be reduced, and the possibility of employees leaving will be increased (Cheung and John, 2015).

#### 2.7 Fundamental theory

Psychological contract is a multi-disciplinary term referring to law, economics, management, and psychology (Schenk, 2015). Many theories can describe its characteristics and essence (Gibbons and Murphy, 2017).

# Psychological contract and Expectation theory

The main point of the theory of expectation is that when people expect their actions to achieve certain goals that they long for, they will be motivated and strive to achieve this goal (McFarlin & Sweeney, 2015).

Each employee has a probability of expectation for each job (Kedia, 2016). For example, the higher the probability of expectation for a certain aspect, the

more motivating it is and the greater the effort to perform a certain job; on the contrary, the incentive is small (Rogelberg, 2015).

In other words, when the employee's inner heart reaches the expected value, it is equal to continuing to fulfill the psychological contract with the company, and work hard (Allen, 2015). At this time, the employee's satisfaction is strong. On the contrary, when the employee's expectation is lost, Causes a violation of the psychological contract (Shuffler, 2015).

#### 2.8 Gaps in the literature

In this chapter, reviewed a lot of research on employee job satisfaction. In the previous section, introduced many scholars' definitions of job satisfaction and their importance and influencing factors. However, there are still many needs for further related topics. The blank of the study.

Secondly, many scholars pay attention to the service industry when they do surveys of employees' job satisfaction (Boikanyo, 2015). Among them, the financial industry and the hotel industry are the most. The IT industry is a hot industry in recent years. In the past, many scholars paid attention to this (Ghanbahadur, 2016). The satisfaction of employees in the field, so there is very little information in collecting this part of the research, which means that the industry needs relevant research to guide practice, so that research is conducive to the psychological development of employees in the IT industry. Therefore, this study will be positive. Meaningful, for strengthening the enthusiasm and enthusiasm of employees.

#### 2.9 Framework (conceptual)

The following is the framework diagram of this study, which fully demonstrates that the factors affecting the employee's job satisfaction are the employees' psychological contract. The three dimensions of psychological contract is the independent variable of this study, and the job satisfaction is the dependent

variable, which is described in detail in the chapter of literature review. The relationship between three dimensions of psychological contract and job satisfaction, and how three dimensions of psychological contract affects employee job satisfaction.

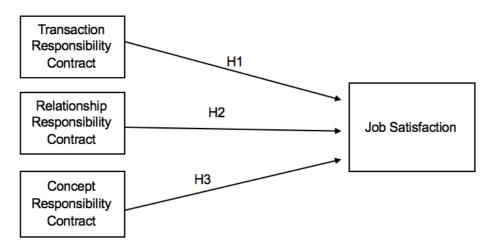


Table 2-4 Conceptual Framework

# 2.10 Hypotheses

Many previous scholars have conducted relevant research on psychological contract, and the research on psychological contract has made very significant progress. Many Chinese scholars have also explored the psychological contract of Chinese corporate employees, but there are still some problems that need to further explore. In the literature study, will used the three dimensions of psychological contract as an independent variable and the job satisfaction as a dependent variable to study the occupational groups. By summarizing the domestic and foreign literatures, can conclude the influence of three dimensions of psychological contract for job satisfaction.

The specific research hypothesis for this study is as follows:

H1: Transaction responsibility contract has a significant influence on job satisfaction in IT enterprise of china

H2: Relationship responsibility contract has a significant influence on job satisfaction in IT enterprise of china

H3: Concept responsibility contract has a significant influence on job satisfaction in IT enterprise of china

#### 2.11 Conclusion

Job satisfaction is the key and key to the organization of psychological contract management. The degree of job satisfaction directly determines the degree and scope of psychological contract implementation. The purpose of psychological contract management is to achieve employee job satisfaction through human resource management, and then to achieve a strong sense of belonging to the organization and a high degree of investment in the work. Although the psychological contract exists only in the minds of employees, it can invisible rules to enable the organization and employees to maintain a good and stable relationship under dynamic conditions, so that employees can integrate their own development into the development of the organization, and these are achieved through the improvement of job satisfaction. The sense of satisfaction is not only a cognitive evaluation of an individual's overall satisfaction with life, but also an important indicator of social harmony. There are many factors that affect employee satisfaction, and psychological contract violation is an important factor. Relevant research and management practices have shown that apart from explicit and explicit economic contracts between employees and organizations, there is indeed another intangible and obscure form of contract—a psychological contract. Therefore, how to improve employees' satisfaction at work from the perspective of psychological contract, mobilize their enthusiasm and creativity, and improve work efficiency has become an important goal of modern human resource management.

# **Chapter 3: RESEARCH METHODOLOGY**

#### 3.0 Overview

This section focuses on the research methods that will be used in the research and will determine the research design based on the frameworks designed in the previous sections. Explain the analysis unit, sampling plan and data collection method in the study. It mainly uses some measurement methods to test the validity of the survey results, reliability to judge the correctness of the survey results, and related methodologies and basic principles. Support this study.

#### 3.1 Research Design

#### 3.1.1 Definition

Research design is a method or procedure for collecting and analyzing results after measuring the variables of the research problem, including research types, research questions, hypotheses, experimental designs, and even methods for collecting data for analysis and planning (Babin, Carr & Griffin, 2015). In general, research design is a set of process frameworks set up to study the answers after setting up research questions (Saunders, Lewis and Thornhill, 2015).

#### 3.1.2 Importance

Because research design is a plan, it is a framework in which each step of achieving research goals are detailed, in other words, explaining how to achieve research goals (Farh, Podsakoff & Organ, 2015). This is a reasonable plan to guide us through the research. It is very important for us to draw correct conclusions through experiments. The complete design is more conducive to our conclusions (Saunders, Lewis & Thornhill, 2015).

# 3.1.3 Descriptive Design and Correlation Design

In this study, descriptive design and correlation design will be used simultaneously. Descriptive analysis refers to a survey that can deeply and objectively depict and reflect the actual situation of the respondents (Saunder, Lewis & Tgornhill, 2015). In this study, we must investigate the real feelings of IT employees about their job satisfaction and the reasons for violating the psychological contract, so descriptive analysis will be used (Cooper & Schindler, 2016). Correlation analysis is the analysis of two or more relevant variable elements to measure the closeness of the two variables (Sekaran & Bougie, 2017). The purpose of this study was to study the relationship between the psychological contract violations and job satisfaction in the Chinese IT industry, and therefore related design.

#### 3.1.4 Extent of interference and Non-contrived

In addition, in this study, the degree of interference of the researchers is small, because the phenomenon of the research is objective and usually occurs (Sekaran & Bougie, 2017). To ensure the accuracy of the study, this study was conducted on non-human conditions (Farquhar, 2015).

## 3.2 Unit of Analysis and Time horizon

# 3.2.1 Definition of unit of analysis

The unit of analysis refers to the type of entity being surveyed in the study. The difference in the unit of analysis will be reflected in the analysis of the results of the questionnaires of subsequent studies, which are mainly divided into individuals and organizations (Zikmund et. al., 2015).

#### 3.2.2. Individual

In this study, we explored the influence of psychological contract violations of Chinese IT companies on job satisfaction. Therefore, the selected respondents were randomly selected 400 employees from 30 IT companies in China to collect data in the form of online questionnaires.

Therefore, the analysis unit of this study is an individual. It must be emphasized that the participants are from different levels and different regions of the IT industry. Therefore, some factors may have different results.

#### 3.2.3 Definition of Time Horizon

The time range, also known as the planned range, refers to a point in time in the future that will be assumed to be the point in time at which the study ends Creswell and Creswell, 2018). The time frame of the study will influence whether the results are the best, and the choice of time horizon depends on the implementation of the research process and its research purposes (Gounaris & Boukis, 2017; Gounaris, Vassilikopoulou & Chatzipanagiotou, 2015; Lings & Greenley, 2018; Rutherford & Park, 2015).

#### 3.3 Sampling Design

Sample design is a framework that is the basis for selecting survey samples and has a crucial influence on many factors of the survey (Kenpro, 2015). When doing research, it is necessary to define a sampling frame and then extract samples from it. The sampling method refers to select the sampling rules included in the survey sample, including random sampling, stratified sampling, and overall sampling (Kamel, 2017).

The population selection of this study is the staff of Chinese IT companies. These employees are the research framework. First, the IT industry is conducive to the data collection of our online questionnaire survey, because they use the Internet to work, and secondly, IT employees generally have work pressure and liquidity (Rosato, 2015). Large, high turnover rate, higher requirements for job satisfaction, so the survey results are more representative.

#### 3.3.1 Sampling Plan

The sampling plan refers to the outline of a series of sampling processes to be taken, which are detailed, including sampling areas, sampling methods, and sampling objects, which will be detailed in the sampling plan (Sekaran and Bougie, 2015).

Probability sampling is also called random sampling. Probability sampling is based on probability theory and stochastic principle to sample the sample, so that each unit in the population has a previously known non-zero probability to be sampled (Ponniah,2015). The probability that the overall unit is drawn can be specified by the sample design, by some randomization operation. Non-probability sampling, also known as unequal probability sampling or non-random sampling, is the method by which the investigator draws samples according to their own convenience or subjective judgment (Chung et al., 2015; Fu, 2016; Ijigu, 2015). It does not strictly sample the samples according to the principle of random sampling.

In this study, the method of probability sampling will be used to ensure that the units in the sample have equal probability of being drawn, avoiding the bias that may occur in non-probability sampling. The main body of this research is the relationship between dimensions of psychological contract and employees job satisfaction. Considering the different living standards, different regions, and different life pressures of the employees surveyed, in order to investigate the universality of the results, it is necessary to ensure different characteristics. Employees are likely to be investigated as a sample.

#### 3.3.2 Sampling Size

The sample size is the range of sizes for which you want to select the number of behaviors in the statistical sample that need to be observed or investigated (Bryman, 2015). The sample size is directly related to the accuracy of the inferred estimate (Cohen,1988)

According to the sample standard form provided by Cohen (1988), the researchers set the sample size is 100 and expect to receive 70% of the feedback. The questionnaire will be distributed by means of a web survey

Exhibit 1.7 Sample Size Recommendation a in PLS-SEM for a Statistical Power of 80%												
	Significance Level											
	1%				5%			10%				
Maximum Number of Arrows Pointing at a		Minim	um R²			Minim	um R²			Minim	um R²	
Construct	0.10	0.25	0.50	0.75	0.10	0.25	0.50	0.75	0.10	0.25	0.50	0.75
2	158	75	47	38	110	52	33	26	88	41	26	21
3	176	84	53	42	124	59	38	30	100	48	30	25
4	191	91	58	46	137	65	42	33	111	53	34	27
5	205	98	62	50	147	70	45	36	120	58	37	30
6	217	103	66	53	157	75	48	39	128	62	40	32
7	228	109	69	56	166	80	51	41	136	66	42	35
8	238	114	73	59	174	84	54	44	143	69	45	37
9	247	119	76	62	181	88	57	46	150	73	47	39
10	256	123	79	64	189	91	59	48	156	76	49	41

Source: Cohen, J. A power primer. Psychological Bulletin, 112, 155-519.

Table 3-1 Table for Determining Sample size of Finite population

#### 3.4 Data Collection Method

There are various data collection methods for academicians, which are chosen based on the approach used in particular research (Sekaran, 2003). Considering the limited time, questionnaire is used as a tool to achieve the research objectives because of this is the fastest way to collect the data.

A questionnaire is a set of questionnaires related to the research objectives, and the respondents are asked to answer the questions to collect data (Antoncic, 2016). It is a common tool used by people to collect data in social research activities (Chiplis, 2016). Researchers use this tool to accurately and specifically measure the social activity process and use sociological statistical methods to describe and analyze the quantity and obtain the required survey data (Milman, 2017).

#### 3.4.1 Questionnaire Design

The design of the questionnaire for this study will consist of two parts, Part A and Part B. Part A focuses on the characteristics of the respondents, including gender, age, education, position, and time of service in the company. Through INTI International University (2018)

basic information, I hope to analyze whether it is gender, age, education and other factors. The questionnaire is in an anonymous form, so the respondent's name and any privacy issues will not be covered in the questionnaire.

Part B deals with the measurement of independent and dependent variables (work satisfaction and psychological contract dimensions). Investigate employee satisfaction with current work, including 6 questions. The other part mainly involves the measurement of independent variables (three dimensions of psychological contract). The first part is mainly to investigate the employee's perception of the transaction responsibility, including 5 questions. The second part is mainly investigating the employee's perception of the relationship responsibility, including 5 questions. The third part is mainly investigating the employees' perception of the concept responsibility, including 4 questions.

In the survey design of the questionnaire, the Likert 5 grade score was used. In the employee survey, the first part is collected the basic information and the second part uses Likert Scale. This research uses "1, 2, 3, 4, 5" stands for "Strongly Disagree", "Disagree", "Neutral", "Agree", "Strongly Agree", a total of 5 measurement scales, to study the subject's recognition of the project.

Part B is used to measure the independent variable and the relationship between the independent variable and the dependent variable. It is the main part of the questionnaire. This part of the survey will directly affect the final research conclusion.

	Item	Author/Year	Reliability value	
	Demographic Profile 5		Ramendran &	
			Kadiresan	
			(2015)	
IV	Transaction	5	Zhang (2015)	$\alpha = 0.718$
	responsibility			
	Relationship	5	Paul (2015)	$\alpha = 0.79$
	responsibility			
	Concept responsibility	4	Zhang (2015)	$\alpha = 0.83$
DV	Job satisfaction	6	Danica (2016)	$\alpha = 0.736$

Table 3-2: Summary Table of Questionnaire

# 3.5 Data Analysis Technique

As mentioned above, this research is quantitative by analyzing in two different ways. All the demographic characteristics will be explored using SPSS software version 20. Second, partial least square structural equation modeling technique will test the research model. The relationships among the variables in this research can be examined by PLS modeling.

#### 3.5.1 Partial Least Square (PLS)

Partial Least Square (PLS) regression is a popular tool, which can summarize and combines features according to principal component analysis and multiple regression, which is useful while predicting one or more dependent variables from independent variables (Sliva, 2012). Meanwhile, Sliva (2012) also states that PLS regression can better fit the original data by producing models, as well as handle collinear variables.

#### 3.6 Measurements

Measurement is the process of statistical analysis of the data in the study (Lohr, 2018). Qualitative research and quantitative research are the research methods most commonly used by research scholars to collect data (Chung, 2015). Quantitative analysis mainly adopts statistical data and methods for establishing mathematical models (Huberman, 2017). Through scientific and accurate mathematical models, various indicators of analytical objects are calculated. And a series of values involved (Malhotra, 2017). Qualitative analysis mainly analyzes the status of the analysis object based on the experience and intuition of the analyst (Miles, 2016). Summarize the characteristics of the analysis object and the development law (Turkylimaz, 2016).

Based on this study, we surveyed the employees in China's IT industry for their job satisfaction and collected data in the form of a questionnaire survey. Therefore, this study used a quantitative research method.

#### 3.7 Conclusion

This section details the research methods that will be used during the research process. Including research design, unit analysis, sample design, questionnaire design, and some data collection methods, in order to make data more reliable data measurement tools and methods, the statistical results will be studied in the next chapter.

# **Chapter 4: RESEARCH FINDINGS**

#### 4.0 Overview

This chapter will present the results of the analysis of 100 available data collected from questionnaires. These feedbacks are related to understanding the relationship between the psychological contract dimensions of Chinese IT companies and job satisfaction. The results of research based on data analysis are described, including demographic analysis, preliminary analysis, validity and reliability testing, and hypothesis testing. To ensure support for reliability and factor analysis, a pilot test is performed before the complete data is analyzed, and then the next step is analyzed.

#### 4.1 Pilot Test

The pilot test can be said to be a strategy for testing the questionnaire. The test compares the size of the sample plan with the smaller number of samples. In the research survey, management is based on the percentage of the total sample of the questionnaire, and in some cases, only the convenience sample is managed.

#### 4.1.1 Reliability Test

Reliability testing means that research results remain consistent over time. When using questionnaires, the content and results must be considered, which directly reflects the errors that may occur in the design of the questionnaire, thus avoiding problems and minimizing errors. Therefore, this study will use

reliability testing to ensure reliability between variables (Nawab & Bhatti, 2016).

The respondents to this study were selected from Chinese IT employees and 100 employees accepted the survey. The data will be analyzed by Smart-PLS software, which can test the reliability of the sample of the questionnaire. The analysis may have several problems that are unreliable and can be deleted after the reliability test of all variables. In summary, in the reliability test of the three independent variables "transaction responsibility, relationship responsibility and concept responsibility" and the dependent variable "satisfaction", the composite reliability of the variable analysis should be higher than 0.70, which is regarded as a problem. Have good reliability.

Table 4-1: The Results of The Pilot Test (Reliability Test)					
Variable	Items	Composite			
		reliability			
Transaction	TR1, TR2, TR3, TR4, TR5	0.889			
Responsibility					
Relationship	RR1, RR2, RR3, RR4, RR5	0.889			
Responsibility					
Concept	CR1, CR2, CR3, CR4	0.868			
Responsibility					
Job Satisfaction	Sat1, Sat2, Sat3, Sat4,	0.716			
	Sat5, Sat6				

Table 4-1 The Results of The Pilot Test

As shown in Table 4-1, the composite reliability values of all variables are at high levels, 0.889 (TR), 0.889 (RR), 0.868 (CR), and 0.716 (Sat). However, the high value of composite reliability cannot be evidence, so 100 respondents participating in the study can show different outputs.

# 4.2 Analyzing Demographic Characteristics of Respondents

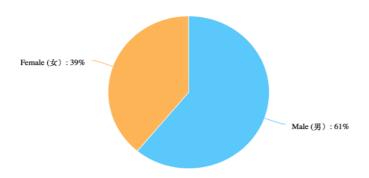


Figure 4-1 Gender Ratio Map

Among the 100 employees surveyed, there were 61 male employees and 39 female employees. The sample males accounted for 61% more than women, because IT companies are mostly males in the high-tech industry.

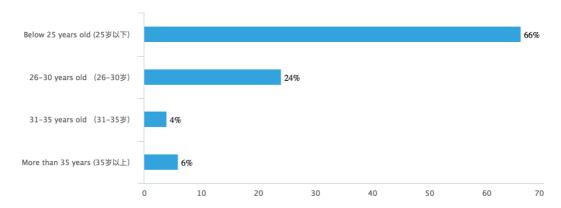


Figure 4-2 Age Distribution Table

Employees under the age of 25 accounted for 66% of the total sample, 24% of those aged 26-30, 4% of 31-35, and 6% of 35+. The age of the respondents is mainly concentrated under the age of 25 and between 26 and 30, accounting for 90% of the total. This indicates that IT companies are emerging as knowledge-based enterprises and high-pressure enterprises. The age of employees is generally small.

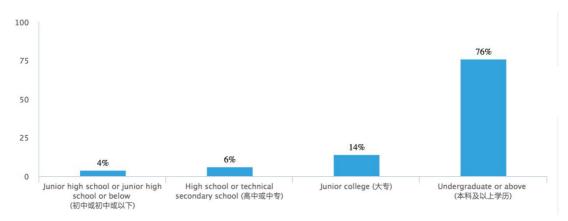


Figure 4-3 Educational Distribution Table

Among IT employees, most of them have a bachelor's degree and a postgraduate degree. This accounts for 76% of the total number of employees, which is more than half of the total. This indicates that in the knowledge industry of the IT industry, the qualifications of employees are relatively high.

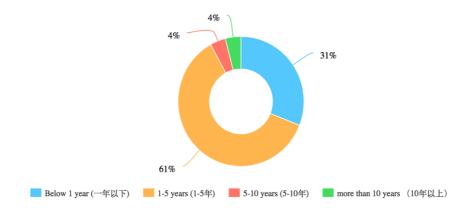


Figure 4-4 Working Age Chart

As can be seen from the figure below, IT employees account for 31% of the total work time of less than one year, 61% of the total in 1-5 years, and 4% of 5-10 years, more than 10O years. The same is 4%, of which less than 1 year and 1-5 years accounted for 92% of the total, indicating that IT employees are updating quickly, working years are short, etc., and employee turnover is very serious.

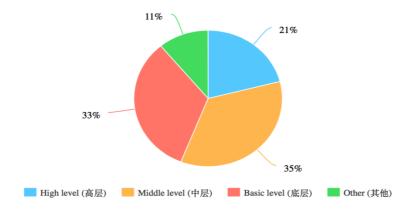


Figure 4-5 Job Rank Distribution Table

In the job hierarchy of 100 respondents, there are 33 low-level employees, 35 middle-level employees, and 21 senior employees, indicating that the positions of employees are generally concentrated between the lower and middle levels.

# 4.3 Specifying the Structural Model

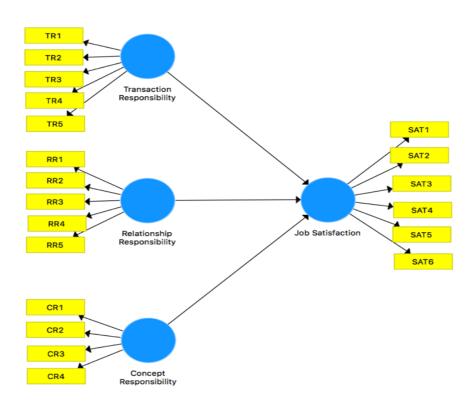


Figure 4-6 Structural Model

#### 4.4 Specifying the Measurement Model

Typically, PLS has two constructs, a formative and reflective construct. For forming a structure, it is an internal model evaluation that can check the relationship between the constructs. In addition, the formation of the structure can also be tested by bootstrap to test the adaptability of the model and the estimation of path stability. For reflective construction, it is an external model evaluation. It can calculate convergence and discriminate validity (Joseph, et al., 2015). This study will use a reactive measurement model.

#### 4.4.1 Reflective Measurement Model

The meaning of the latent variable is reflected by the measurement index, so the meaning of the model is represented by a one-way arrow of the potential construct pointing to the measurement index. This model is called the Reflective Measurement Model, and the corresponding indicator is called the reflective indicator.

# 4.5 Data Collection and Examination

Tak	Table 4-2: Indicators for Reflective Measurement Model Constructs				
	Question of Transaction Responsibility				
TR1	I can get satisfactory salary treatment.				
TR2	I often have the opportunity to help with training.				
TR3	I feel that the working environment is very comfortable.				
TR4	I often get a variety of extra welfare benefits.				
TR5	I feel very likely to be promoted.				
	Question of Relationship Responsibility				
RR1	I can often communicate with leaders on work.				
RR2	I have the opportunity to participate in decision making,				
RR3	I think the company treats me fairly.				
RR4	I have full autonomy.				
RR5	I feel that the company respects and cares for employees very much.				
	Question of Concept Responsibility				
CR1	I agree with the company's corporate philosophy.				
CR2	I think the company has very positive values.				
CR3	I understand the company's cultural pursuits clearly.				
CR4	I am willing to fight for the same goal with the company.				
	Question of Job Satisfaction				
Sat1	I think this job is very suitable for me.				
Sat2	On the whole, I am still willing to stay in the current company work.				
Sat3	I really feel that work is a pleasure.				
Sat4	I can find satisfaction and a sense of accomplishment in my work.				
Sat5	After entering the company, my expectations for the company are in				
	line with my expectations.				
Sat6	I feel that the working hours are adapt and the work pressure is not				
	very big.				

Table 4-2: Indicators for Reflective Measurement Model Constructs

# 4.6 PLS Path Model Estimation

# 4.6.1 Outer Loadings

The external load is the result of a single regression of each indicator variable over its corresponding structure. The load is the primary concern for the

evaluation of the reflection measurement model, and the external load should be greater than 0.7 before it is considered good (Ahlemann, 2015).

	Table 4-3: Outer Loadings					
	Transaction	Relationship	Concept	Job		
	Responsibility	Responsibility	Responsibility	Satisfaction		
TR1	0.830					
TR2	0.814					
TR3	0.800					
TR4	0.784					
TR5	0.846					
RR1		0.773				
RR2		0.656				
RR3		0.772				
RR4		0.830				
RR5		0.883				
CR1			0.738			
CR2			0.836			
CR3			0.884			
CR4			0.836			
Sat1				0.788		
Sat2				0.825		
Sat3				0.867		
Sat4				0.786		
Sat5				0.258		
Sat6				0.323		

Table 4-3 Outer Loadings

As shown in Table 4-3, items below 0.7 should be deleted, such as RR2, Sat5, Sat6. After deleting all these items, the external load of other items is greater than 0.7, which indicates that these items can be considered appropriate, and the reliability of the indicator is achieved.

#### 4.6.2 Path Coefficients

The path coefficient is the relationship between latent variables in the structural model. The larger the value, the greater the influence between the potential variables.

Table 4-4: Path Coefficients				
	Job Satisfaction			
Transaction	0.171			
Responsibility				
Relationship	0.319			
Responsibility				
Concept	0.427			
Responsibility				

Table 4-4 Path Coefficients

As shown in Table 4-4, the responsibility of the concept has the strongest impact on job satisfaction.

# 4.6.3 R<sup>2</sup> Value

The R<sup>2</sup> value is the amount of explanatory variance of the endogenous latent variable in the structural model. The higher the R2 value, the better the potential variables pointed to by the structural model path relationship in the structural model. The high R<sup>2</sup> value also indicates that the constructed values can be well predicted by the PLS path model.

Table 4-5: R <sup>2</sup> Value				
Endogenous Latent Variable	R <sup>2</sup> Value			
Job Satisfaction	0.670			

Table 4-5 R<sup>2</sup>Value

#### 4.7 Assessing PLS-SEM Results of the Reflective Measurement Models

# 4.7.1 Internal Consistency Reliability

To assess internal consistency, the data was analyzed by looking at composite reliability and Cronbach's alpha. However, since Cronbach's alpha limit is sensitive to the number of scale projects (Hair et al., 2016), composite reliability is examined. The composite reliability should be between 0-1. The higher the value, the higher the reliability level. Generally speaking, it should be higher than 0.708, which is the same explanation as Cronbach's Alpha.

Table 4-6: Composite Reliability and Cronbach's Alpha					
	Cronbach's Alpha	Composite Reliability			
Transaction Responsibility	0.874	0.908			
Relationship Responsibility	0.831	0.888			
Concept Responsibility	0.842	0.895			
Job Satisfaction	0.835	0.889			

Table 4-6 Composite Reliability and Cronbach's Alpha

Based on Tables 4-6, the Cronbach's alpha range for all constructs ranged from 0.831 to 0.874, indicating that the construct is reliable because all values are above the rule of thumb of 0.7 (Hair et al., 2015). Composite reliability values ranged from 0.888 to 0.908, indicating that all constructs were reliable for this study. According to Hair et al. (2010), this range shows a satisfactory level of 0.7 to 0.9, where the reliability of each scale shows good internal consistency.

#### 4.7.2 Indicator Reliability and Convergent Validity

# Indicator Reliability

Outer loading must be higher than 0.708 in the indicator reliability analysis.

# Convergent Validity

This validity exists when multiple indicators that measure the same construct are aggregated or related to each other.

According to Fornell and Larcker (1981), the mean variance threshold (AVE) should be greater than 0.5.

Table 4-7: Results for Convergent and Discriminant Validity of Constructs						
Latent variable	Indicators	Loading	Indicator	Composite	AVE	Discriminant
			Reliability	Reliability		Validity?
Transaction	TR1	0.830	0.689	0.908	0.664	Yes
Responsibility	TR2	0.814	0.663			
	TR3	0.800	0.640			
	TR4	0.784	0.615			
	TR5	0.846	0.716			
Relationship	RR1	0.773	0.598	0.888	0.665	Yes
Responsibility	RR3	0.772	0.596			
	RR4	0.830	0.689			
	RR5	0.883	0.780			
Concept	CR1	0.738	0.545	0.895	0.681	Yes
Responsibility	CR2	0.836	0.699			
	CR3	0.884	0.781			
	CR4	0.836	0.699			
Job Satisfaction	Sat1	0.788	0.621	0.889	0.668	Yes
	Sat2	0.825	0.681			
	Sat3	0.867	0.752			
	Sat4	0.786	0.618			

Table 4-7 Results for Convergent and Discriminant Validity of Constructs

The outer loading shown in Table 4-7 meets the requirement that the value in the reliability analysis is higher than 0.7, so the reliability can be recognized. Based on Tables 4-7, all values of AVE for all constructs were greater than 0.5 and ranged from 0.664 to 0.681. Therefore, this proves a sufficient level of convergence effectiveness.

#### 4.7.3 Discriminant Validity

Discriminant Validity refers to the distinction between observed values when applying different methods to measure different constructs.

(1) An indicator's outer loading on a construct should be higher than all its cross loading with other constructs

Table 4-8: Outer Loadings and Cross-Loadings					
	Transaction	Relationship	Concept	Job	
	Responsibility	Responsibility	Responsibility	Satisfaction	
TR1	0.830	0.580	0.593	0.531	
TR2	0.814	0.581	0.568	0.588	
TR3	0.800	0.456	0.486	0.498	
TR4	0.784	0.549	0.435	0.552	
TR5	0.846	0.561	0.509	0.497	
RR1	0.545	0.773	0.508	0.563	
RR3	0.434	0.772	0.529	0.572	
RR4	0.580	0.830	0.621	0.651	
RR5	0.622	0.883	0.727	0.647	
CR1	0.408	0.528	0.738	0.542	
CR2	0.483	0.616	0.836	0.618	
CR3	0.578	0.596	0.884	0.708	
CR4	0.615	0.685	0.836	0.662	
Sat1	0.707	0.716	0.710	0.788	
Sat2	0.404	0.646	0.577	0.825	
Sat3	0.537	0.586	0.669	0.867	
Sat4	0.442	0.445	0.522	0.786	

Table 4-8 Outer Loadings and Cross-Loadings

Table 4-8 shows the cross-load for each indicator for different constructs. According to the results, the cross loads of all items are significantly loaded on their own construction, and their own constructed index loads are higher than their loads on other structures (cross loads). According to Hair et al. (2011), which satisfies the constructive validity of all the scales of the variables contained in the questionnaire. Therefore, the results show that the discriminant validity is satisfied in the study because both criteria are met.

(2) The square root of the AVE of each construct should be higher than its highest correlation with any other construct.

INTI International University (2018)

According to Fornell and Larcker (1981), the square root of all mean variance extractions (AVE) should be greater than all other cross-correlations.

Table 4-9: Discriminating Validity of Variable Constructs				
	Transaction	Relationship	Concept	Job
	Responsibility	Responsibility	Responsibility	Satisfaction
Transaction	0.815			
Responsibility				
Relationship	0.672	0.816		
Responsibility				
Concept	0.637	0.736	0.825	
Responsibility				
Job	0.657	0.748	0.771	0.817
Satisfaction				

Table 4-9 Discriminating Validity of Variable Constructs

Tables 4-9 show that these diagonally displayed values are higher than the non-diagonal values associated with other latent variables, so the results are appropriate and supported. This means that these projects are related to their own structure and have a stronger relationship with their own structure than other structures in the study. This therefore suggests that all indicators and structures can be considered appropriate.

### 4.8 Assessing PLS-SEM Results of The Structure Model

# 4.8.1 Assess structure model for collinearity issue (VIF)

The VIF value should exceed the acceptable value of 5(Hair et al., 2006)

Table 4-10: VIF Value				
	Job Satisfaction			
Transaction	1.984			
Responsibility				
Relationship	2.571			
Responsibility				
Concept	2.376			
Responsibility				

Table 4-10 VIF Value

As table 4-10, the VIFs of the three variables are all below 10, indicating that there is no collinearity between the variables.

# 4.8.2 Assess the significance and relevance of the structure model relationship

Table 4-11: Significance Testing Results of the Structural Model Path Coefficients							
	Path	t Value	Significance	P Value			
	Coefficient		Levels				
Transaction	0.171	2.098	**	0.023			
Responsibility-Job							
Satisfaction							
Relationship	0.319	2.768	***	0.006			
Responsibility-Job							
Satisfaction							
Concept Responsibility- Job Satisfaction	0.427	4.255	***	0.000			

Note: NS=Not Significant; \*p<0.10; \*\*p<0.05; \*\*\*p<0.01

Table 4-11: Significance Testing Results of the Structural Model Path Coefficients

Table 4-11 display the path coefficient, the t values and their significance levels, P values. This table shows entire results for illustrative purpose, find that all relationship in the structural model are significant.

# 4.8.3 Assess the effect sizes f<sup>2</sup>

f<sup>2</sup> is used to assess whether the missing construct has a substantial impact on the endogenous construct when R2 changes, as shown in Table 4-12.

Table 4-12: Result of effect size f <sup>2</sup>				
Effect Size f <sup>2</sup>	Job Satisfaction			
Transaction Responsibility	0.046			
Relationship Responsibility	0.124			
Concept Responsibility	0.240			

Table 4-12: Result of effect size f<sup>2</sup>

# 4.8.4 Assess the level of $R^2$ and the predictive relevance $Q^2$

# R<sup>2</sup> Value

The most commonly used measure to evaluate the structural model is the coefficient of determination. This coefficient is a measure of the model's predictive accuracy, the r<sup>2</sup> value ranges from 0-1with higher levels indicating higher levels of predictive accuracy.

# Q<sup>2</sup> Value

This measure is an indicator of the model's predictive relevance. In the structural model, Q<sup>2</sup> values larger than zero for a certain reflective endogenous latent variable indicate the path model's predictive relevance for this particular construct.

Table 4-13: Result of R <sup>2</sup> and Q <sup>2</sup> Value					
Endogenous Latent Variable	R <sup>2</sup> Value	Q <sup>2</sup> Value			
Job Satisfaction	0.670	0.399			

Table 4-13 Result of R<sup>2</sup> and Q<sup>2</sup> Value

The  $R^2$  value can be seen from Table 4-13. The value is 0.670, Within acceptable limits, so the accuracy is good. The value of  $Q^2$  in Table 4-13 is 0.399 greater than 0, which proves predictive relevance.

# 4.9 Summary of Findings

Table 4-14: Structure Model and Hypothesis Testing						
Hypothesis	Relationship	Path	T-Statistics	Remarks		
		Coefficient				
H1	Transaction	0.171	2.098	Support		
	Responsibility-Job					
	Satisfaction					
H2	Relationship	0.319	2.768	Support		
	Responsibility-Job					
	Satisfaction					
H3	Concept	0.427	4.255	Support		
	Responsibility-Job					
	Satisfaction					

Table 4-14 Structure Model and Hypothesis Testing

The hypothesis tests for this study are shown in Table 4-14, which lists the analysis of path coefficients and T-statistics, which means that the three hypotheses of this study are true, indicating the three dimensions of the psychological contract: The conclusion of transaction contract, relationship contract and concept contract has a positive impact on employee's job satisfaction. Among them, in the impact level of employee job satisfaction, the concept responsibility contract is greater than the relationship liability contract than the transaction responsibility contract.

#### 4.10 Conclusion

This chapter is part of the data analysis and model building of this paper. Through a series of data calculations and evaluations, it is verified that all data analysis of this study is reliable and effective. Combining research purposes and research questions, we can conclude that the three independent variables of this study (transaction responsibility, relationship responsibility and concept responsibility) has a positive impact on the dependent variable (job satisfaction). The concept responsibility contract has the greatest impact on job satisfaction of IT industry employees. The next chapter will introduce the main findings, contributions and significance of this research.

# **Chapter 5: CONCLUSION AND RECOMMENDATION**

#### 5.0 overview

In the final chapter, based on the major results, conclusion, academic contributions, managerial implications, recommendation, limitation, future research and personal reflection are conducted in this chapter.

## 5.1 Findings

According to the conclusions of Chapter 4, the three independent variables all show positive effects on the dependent variable, confirming the previous hypothesis, in which a conclusion can be drawn from the path coefficient and p value, the responsibility of the concept responsibility to the employees The most influential, the most intense relationship, followed by relationship responsibility, the impact is relatively strong, the job relationship with employee job satisfaction is the weakest, but still shows positive impact.

### 5.1.1 Finding for Transaction Responsibility

The meaning of transaction responsibility to employees' job satisfaction is two stars, indicating that transaction responsibility has a strong influence on job satisfaction. According to the questionnaire on the transaction responsibility, and the analysis of transaction responsibility data and work satisfaction. Relationship data between degrees, you can see TR1 "I can get rewards for excellent performance", TR2 "I often have the opportunity to help with training", TR3 "I feel very comfortable working environment", TR4 "I can often get each

"Additional welfare subsidies" and TR5 "I feel very likely to be promoted" all show good reliability and have an impact relationship.

### 5.1.2 Finding for Relationship Responsibility

The impact of relationship responsibility on employee satisfaction is three stars, indicating that relationship responsibility has a strong impact on job satisfaction, based on the question of transaction liability in the questionnaire survey, and the analysis of transaction responsibility data and job satisfaction. The relationship data shows that in addition to the RR2 "I have the opportunity to participate in decision-making", the problem has a slight deviation in the factor load, and other issues have some impact on employee job satisfaction. RR1 "I can often communicate with leaders on work", RR3 "I feel that the company treats me fairly", RR4 "I have full autonomy", RR5 "I feel that the company respects and cares for employees" and the reliability meets the conditions.

### 5.1.3 Finding for Concept Responsibility

Concept responsibility has the greatest influence on job satisfaction among the three independent variables. It is also three stars. The path coefficient value is the largest, indicating that it has the closest relationship with the dependent variable and the most influential, according to the questionnaire. Regarding the issue of transaction liability, and the relationship between the data of the analyzed transaction liability and the job satisfaction, it can be seen that the four questions of the questionnaire are in line with the conceptual responsibility requirements and affect the level of satisfaction. Looking back at the issues CR1 "I agree with the company's corporate philosophy", CR1 "I think the

company has very positive values", CR1 "I clearly understand the company's cultural pursuits", CR1 "I am willing to fight for the same goal with the company."

#### 5.2 Recommendation

In the previous chapter, we collected employee satisfaction data, built models, and made statistical analysis through questionnaires. Therefore, we will propose specific data based on data reporting for IT employees' job satisfaction factors combined with independent variables, opinion.

### 5.2.1 Recommendation for Transaction Responsibility

Employees pay more attention to training opportunities, remuneration packages, work environment, promotion opportunities, benefits and other factors in transaction responsibilities. Therefore, we will mainly provide some suggestions to enterprises from these points as follows:

(1) Strengthen internal training - improve together and share satisfaction Employees gain the knowledge and skills to connect with the business in training.

# (2) Performance Orientation - Establish a fair and reasonable compensation system

IT enterprise employees have the freedom to work. IT companies want to attract and retain talent and must ensure that the compensation provided to employees is fair and reasonable (Nazdratu & Rosima, 2016). Fair pay can not only improve employee satisfaction, but also increase motivation.

#### (3) Work environment - creating an environment suitable for employees

The performance of IT enterprise knowledge workers is inextricably linked to the working environment and atmosphere (Simmons, 2015). A good working environment not only includes various hardware measures provided by the company for employees, but also a soft environment such as various management methods and personnel communication is extremely important. IT companies should start from a variety of perspectives, create a good working environment for their employees, mobilize the enthusiasm of employees, and achieve the effect of incentives (Head & Noar, 2016).

# (4) Promotion opportunities

Employees are often not interested in the immediate interests, but also pay attention to the future development and promotion opportunities (Samuel & Chipunza, 2015). Therefore, enterprises should create platforms for employees and provide them with opportunities for promotion.

## (5) Benefits - provide buffet benefits

Good corporate welfare attracts and retains employees with certain capabilities. Due to the autonomy and uniqueness of IT employees, the needs of IT employees are different, so IT companies can provide self-service benefits for employees (Karatepe, 2017). Buffet-style benefits refer to the fact that each employee is no longer required to enjoy the same welfare program, but rather allows employees to freely choose among multiple welfare programs (Yusoff, 2017).

# 5.2.2 Recommendation for Relationship Responsibility

In relational responsibilities, we should pay attention to psychological maintenance points such as "communication, fair treatment, autonomy, and respect for respect". The recommendations are as follows:

# (1) Strengthen communication - create a harmonious and comfortable democratic atmosphere

Enterprises should have an open communication system to enhance their sense of participation, promote the exchange of opinions between the upper and lower levels, and promote the effective communication of work tasks (Waheed & Zaim, 2015). There are many contents of communication, including work communication, ideological communication, learning communication, life communication, etc.

# (2) Fairness and justice - establish a system, managers establish a sense of justice

Employees want to be treated fairly and fairly, otherwise they will have a great sense of loss, and the improvement of fairness and fairness will promote the improvement of employee satisfaction (Ismail& Chia 2017).

(3) Self-realization - increase the independence and authorization of work I believe that everyone does not want to spend a lifetime in the inaction. Try to provide employees with the opportunity to complete a job from beginning to end and increase the authority of employees to make independent decisions at work, which is conducive to personal ability, initiative, creativity, followed by a sense of accomplishment from work and this A sense of accomplishment brings employees satisfaction with their work (Boso, Story & Cadogan, 2017).

# (4) Respect for employees – listen to employees and create an equal culture

When survival and safety are no longer a problem, employees are more eager to receive full respect. Therefore, it is very important for employees to appreciate the respect from companies and colleagues (Holtom et all., 2017). Enterprises should fully communicate the business development and internal operation management of the enterprise, especially the various policies and decisions related to the employees' interests, listen to the opinions and suggestions of the employees, and obtain the understanding, recognition and support of the employees. To create an equal cultural atmosphere, advocating different levels of employees is only a different division of labor, their status is equal, the goal is common, everyone is very important.

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#### 5.2.3 Recommendation for Concept Responsibility

In the concept responsibility, employees pay more attention to factors such as "corporate philosophy, values, cultural pursuits, and corporate goals". Make the following suggestions:

# (1) Sharing of ideas - building a community of interests with consistent goals

In the enterprise, an important factor that enables employees to be motivated is the consistency of their personal goals with corporate goals. And this consistency comes from the recognition of common goals and common interests, the shared values, and the formation of a common interest community.

### (2) Corporate culture - establish a good corporate atmosphere

Enterprises should pay attention to the physical and mental health of employees, relieve the pressure of work for employees, and regularly hold psychological counseling, paid vacations and other systems (Oladapo, 2016). Business managers should continuously understand the needs of employees, strengthen communication and communication with employees, and let employees have a sense of belonging. And sense of responsibility to improve employee productivity

#### 5.3 Contribution

#### 5.3.1 Contribution for Academe

Although this study has encountered some limitations, at least one contribution to the literature is one of the purposes of this study. In addition, by studying the relationship between psychological contract dimensions and job satisfaction,

we can further understand the mental thinking of IT employees with low job satisfaction (Salleh, 2016). In the IT industry in China, the job satisfaction research process is limited and limited. Because the same research has not been done before, it is a wise choice to do this research in order to minimize the academic findings of the industry's literature in employee job satisfaction. The gap (Wong, 2012). This research can narrow the gaps in the literature and improve knowledge of job satisfaction with Chinese IT industry employees (Ayupp, 2011).

## **5.3.2 Contribution for Industry**

This paper mainly studies the relationship between the three dimensions of psychological contract and employee job satisfaction. With reference to the past literature, we find that there are many studies on the psychological contract and job satisfaction of a single research employee, but the psychological contract is linked with job satisfaction. The academic field is very few. This paper uses the three dimensions of psychological contract for the first time as a factor affecting employee satisfaction. Therefore, this study is academically necessary to provide some contributions. This paper finds through the research that the psychological contract three dimensions have a positive impact on employee job satisfaction and have made some contributions to the study of the relationship between psychological contract and employee satisfaction, providing some basic contributions for future research on employee psychological contract and job satisfaction. Enterprises have made a meager effort to improve employee job satisfaction with psychological contracts.

#### 5.4 Limitation

#### 5.4.1 Scope of the Study

The purpose of this study is to determine the relationship between psychological contract violations and employee job satisfaction, mainly from the IT industry, because IT industry employees have high work pressure and high turnover rate is relatively obvious. Therefore, this study will focus on those employees who work in the IT industry in China.

The geographical selection of this study is mainly in China. There are two main reasons. First, China is in the stage of rapid economic and technological development. In particular, the development of the IT industry has gradually caught up with the international footsteps, and the industry has gradually expanded. Demand for talent is also growing. Secondly, China has a large population and a large number of employees, which is conducive to our sample survey and ensuring the wide range of survey results.

This study collected data and information from Chinese IT employees through questionnaires. The units analyzed are concentrated in the IT industry, so the unit of analysis is the individual.

#### 5.4.2 Limitation of the Study

## 1. Regional restrictions

This research area is mainly located in China. As we all know, there are many cities in China, and the economic and technological development of these cities are not the same. The life pressure and consumption level are different. The first-tier cities and third-tier cities will different, therefore, we must take into

account the living standards of each local employee to measure job satisfaction, which will be a very large workload.

#### 2. Data collection is difficult

Considering the nature of the work of IT companies, they are usually busy every day, and the pressure is very high, so it is very difficult to collect data, only a very small number of people are willing to accept the questionnaire.

#### 3. Time limit

When doing this survey, because the sample size is large, the survey time is not enough. We must do a good survey in a short period of time and collect the survey results, which may be difficult.

#### 5.5 Further Direction of Research

This paper is mainly based on the research background of the IT industry. Then, do companies of different natures have differences in job satisfaction caused by differences in psychological contract performance? Will different scale enterprises also have differences in job satisfaction caused by differences in psychological contract fulfillment? Are employees of different working ages and different positions different in job satisfaction? Therefore, broadening the scope of research and conducting differential analysis of research variables is one of the focuses of follow-up research.

Secondly, this paper mainly discusses the mechanism of psychological contract from the active perception of job satisfaction. In fact, due to the two-way nature of the psychological contract, it is the embodiment of mutual responsibility and responsibility. Therefore, the introduction of organizational responsibility into research is also a general direction. At the same time, due to the dynamic nature of the psychological contract, it is more important to conduct long-term follow-up research on employees.

#### 5.6 Personal Reflection

After several months of hard work, I completed my thesis. It also indicates that I will end a stage of my life. During the completion of the thesis, I realized that this process is not easy. I have to read it and collect materials, to organize and analyze, but the more difficult the process is often harvested, I learned a lot of things that can't be learned in the classroom where the knowledge is directly taught, such as learning initiative, communication skills and methods, in the process of collecting information, I have learned a lot of knowledge that I have not learned before, and in the end I have benefited a lot. In the future, I will reflect on myself and do my best to do everything. do the best.

#### 5.7 Conclusion

This paper analyzes the status quo of job satisfaction at home and abroad through the investigation of psychological contract and employee job satisfaction, to explore the impact of psychological contract on employee job satisfaction, and how psychological contract affects employee job satisfaction. The three-dimensional theory of psychological contract is mainly used to support the conceptual framework of the article. In the course of the investigation, I also encountered many problems, such as the difficulty of data collection and the definition of too broad, but the teacher's guidance and my own research have been solved one by one. Through an understanding of psychological contracts and employee satisfaction, a combination of literature research and data analysis, we have come to the assumption that the three dimensions of psychological contract: transaction responsibility, relationship responsibility and conceptual responsibility are significantly positive influence for job satisfaction.

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# **Appendix**

# **Appendix 1: MBA Project Log**

# **PROJECT PAPER LOG**

This is an important document, which is to be handed in with your dissertation.

This log will be taken into consideration when awarding the final mark for the dissertation.

Student Name:	WANG Jin
Supervisor's Name:	Syarifah Mastura
Dissertation Topic: Employee P	sychological Contract and Job
Satisfaction in IT E	nterprise of China

# **SECTION A. MONITORING STUDENT DISSERTATION PROCESS**

The plan below is to be agreed between the student & supervisor and will be monitored against progress made at each session.

Activity		Milestone/Deliverable Date			
Review Chapter 1-3 & confirm the conceptual framework	9/8				
Modify Chapter 1-3		11/9			
Done Chapter 1-3		20/9			
Review presentation slides for proposal		8/10			
Proposal presentation		26/10			
Draft questionnaire		2/11			
Modify the questionnaire		9/11			
Showing data & start Chapter 4-5			15/11		
Done Chapter 4-5			25/11		
Final Viva & modify Chapter 1-5				1/12	

# **SECTION B. RECORD OF MEETINGS**

The expectation is that students will meet their supervisors up to seven times and these meetings should be recorded.

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Date of Meeting	4/10/2018
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Supervisor's Signature	Munt
Meeting 5	1
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Date of Meeting	25/10/2018
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Student Signature

Supervisor's Signature

# **Section C. Comments on Management of Project**

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# **Appendix 2 Example of Spine and Cover of the Thesis**

# **Example of Spine and Cover of the Thesis**

WANG JIN	Employee Psychological Contract and Job Satisfaction in IT Enterprise of China
MASTER OF BUSINESS ADMINISTRATION	WANG JIN
STRA	MASTER OF BUSINESS ADMINISTRATION
TION	FACULTY OF BUSINESS, COMMUNICATION & LAW
	INTI INTERNATIONAL UNIVERSITY
2018	2018

# **Appendix 3 Declaration**

#### **Declaration**

I hereby declare that this thesis is my own work and effort and that it has not been submitted anywhere for any award. Where other sources of information have been used, they have been duly acknowledged.

Name: WANG Jin

Student ID: I17013764

Signature: WANG JIN

Date: 7/12/2018

# **Appendix 4 Title Page**

#### **Title Page**

#### INTI INTERNATIONAL UNIVERSITY

#### MASTER OF BUSINESS ADMINISTRATION

Employee Psychological Contract and Job Satisfaction in IT Enterprise of China

**Author: WANG Jin** 

**Student No: I17013764** 

**Supervisor: Syarifah Mastura** 

**Submission Date: 14/12/2018** 

**Final Word Count: 14610** 

# **Appendix 5 Initial Research Paper Proposal**

# INTI International University Master of Business Administration MGT7999 Initial Research Paper Proposal

STUDENT NAME & ID NO	WANG Jin I17013764
BROAD AREA	Human Resource Management
Concise Title	Employee Psychological Contract and Job
	Satisfaction in IT Enterprise of China
Problem Definition	The development of the new economy the
	individualized tendency of individual employees
	and the loss of core employees all put pressure
	on the organization to manage human resources
	(Lubna et al., 2016). In the 21st century, human
	society has entered the information age, and
	today's IT industry has become the main driving
	force for China's economic growth (Zhao, 2016).
	According to the survey, the IT industry has
	become one of the industries with the lowest job
	satisfaction of employees in China. As shown in
	Figure 1-1, the satisfaction of employees in IT
	enterprises is generally low, and the number of
	people with satisfaction between 1-2 and 2-3
	accounts for more than half of the ratio. This
	phenomenon has to be paid attention to by the
	industry. The talent crisis brought by the low job

satisfaction of IT employees has seriously plagued the growth of IT enterprises in China (Huo &Tang, 2015).

# Research Objectives and Research Questions

The main purpose of this study is to ascertain the relationship between dimension of psychological contract and employee job satisfaction in IT enterprise of china.

The specific objectives are:

RO1: To determine whether transaction responsibility contract influence employee job satisfaction in IT enterprises of china.

RO2: To determine whether relationship responsibility contract influence employee job satisfaction in IT enterprises of china.

RO3: To determine whether concept responsibility contract influence employee job satisfaction in IT enterprises of china.

In addition to the purpose of the research, it is also necessary to clarify the research questions in order to achieve the research objectives. The specific research questions are as follows:

RQ1: Will the transaction responsibility contract influence employee job satisfaction in IT enterprises of china.

RQ2: Will the relationship responsibility contract influence employee job satisfaction in IT

enterprises of china.

RQ3: Will the concept responsibility contract influence employee job satisfaction in IT enterprises of china.

#### Scope of study

The geographical selection of this study is mainly in China. There are two main reasons. First, China is in the stage of rapid economic and technological development. In particular, the development of the IT industry has gradually caught up with the international footsteps, and the industry has gradually expanded. Demand for talent is also growing. Secondly, China has a large population and a large number of employees, which is conducive to our sample survey and ensuring the wide range of survey results (Liao, 2015).

# Significance of the Research

#### Significance to Academia

- (1) This study will contribute to the research on the relationship and influence mechanism of psychological contract violation and job satisfaction, and at the same time expand the research on the influencing factors of job satisfaction, Improve the poverty of the theory of employee relations in China's human resource management and promote the development of human resource management theory (Pathak, 2016).
- (2) Work satisfaction research has always been

- a long-standing topic in the international academic community, but it has only recently begun to attract the attention of domestic academic circles. The localization of research methods is not high, and the depth and breadth of research are also Slightly lacking. Therefore, research on job satisfaction is very necessary (Abdul & Rumman, 2016).
- (3) At present, the research on the psychological contract of IT employees is still in its infancy in China's theoretical circles. There are still many shortcomings (Morales, 2016). The research of this paper selects high-tech IT enterprises and expands on the basis of the success of predecessors. It has certain theoretical significance.

#### **Significance to Industry**

- (1) Most of the IT employees have higher academic qualifications than other companies, and they have certain specialties in terms of psychological needs, personal traits and working methods (Yuan, Li, Zhong & Gu, 2015). They have higher values and more self-worth, and they Corporate culture construction is very demanding (Xie, 2015).
- (2) Because most of the IT enterprise employees are engaged in very complicated mental work, their work process is difficult to directly monitor,

and their labor results depend on many factors, which makes work performance difficult to measure (Ackermann & Palmer, 2016).

(3) The pressure and mobility of IT enterprise employees is great (Nolan, 2015). If the current job is not attractive to them or lacks upside, employee may choose to leave (Lewis, 2015). Therefore, employees are more likely to be liquid and leave. IT enterprises are the industries that drive the rapid development of economy and technology (Bhate, 2017). Therefore, in order to retain talents, must pay attention to the management of psychological contracts.

#### **Literature Review**

Job Satisfaction: The official study on job satisfaction first came from Hobok in the United States, and in 1935 he first proposed the concept of job satisfaction in the book. Job satisfaction is a variable that reflects how people feel at work (Bas, 2016). When there is some difference between the actual situation and the employee's expectations, it will affect the employee satisfaction with the work (Torres & Kline, 2016).

Psychological Contract: The early view that the concept of a psychological contract arises from an unwritten contract, implicit contract or expectation between the employer and the employee (Gu & Yang, 2017). Therefore, in the late 1980s, the concept understanding was

further deepened, resulting in two schools, namely "Rousseau School" and "Classical School" (Xu & Zhang, 2016).

ork and job rewards are benefits and employee development, and work collaboration is mutual respect between employees (Liu & Zhang, 2015).

#### **Research Methodology**

The design of the questionnaire for this study will consist of two parts, Part A and Part B. Part A characteristics focuses on the of the respondents, including gender, age, education, position, and time of service in the company. Through basic information, I hope to analyze whether it is gender, age, education and other factors. The questionnaire is in an anonymous form, so the respondent's name and any privacy issues will not be covered in the questionnaire. Part B deals with the measurement of independent and dependent variables (work satisfaction and psychological contract dimensions). Investigate employee satisfaction with current work, including 6 questions. The other part mainly involves the measurement of independent variables (three dimensions of psychological contract). The first part is mainly to investigate the employee's perception of the transaction responsibility, including 5 questions. The second part is mainly investigating the

employee's

perception

of

the

relationship

responsibility, including 5 questions. The third part is mainly investigating the employees' perception of the concept responsibility, including 4 questions.

In the survey design of the questionnaire, the Likert 5 grade score was used. In the employee survey, the first part is collected the basic information and the second part uses Likert Scale. This research uses "1, 2, 3, 4, 5" stands for "Strongly Disagree", "Disagree", "Neutral", "Agree", "Strongly Agree", a total of 5 measurement scales, to study the subject's recognition of the project.

# **Appendix 6 Turnitin results**

Employee psychological contract and job satisfaction in IT Enterprise of china

ORIGIN	IALITY REPORT				
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10	Ping, Teoh Ai. "The Impact of Leadership Styles and Organizational Culture on Job Satisfaction of Employees in Malaysian Manufacturing Industry.", Global Business and Management Research: An International Journal	<1%
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13	L. Lvova. "CHEMICAL IMAGES OF LIQUIDS", NATO Security Through Science Series, 2007	<1%
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## **Appendix 7 Questionnaire**

#### Employee job satisfaction questionnaire

Dear Sir/Madam,

I am Wang Jin (ID: I17013764) and I am currently pursuing a master's degree in business administration at INTI International University in Malaysia. As part of the implementation of the plan, I am conducting the following research:

Job satisfaction survey of Chinese IT enterprise employees.

The information collected will be treated confidentially and will retain the anonymity of the respondent. I would be very grateful if you filled out the attached questionnaire (approximately ten (10) minutes). In addition, please note that participation is voluntary and participants can choose to refuse to participate or opt out at any time.

Thank you for your cooperation.

Your faithful

Wang Jin

#### **SECTION A- Demographic Profiles**

Instruction: please t	ick ( $\checkmark$ ) at the appropriate box.
1. Gender: Male	Female
2. Age: B	elow 25 years old 26-30 years old
3	1-35 years old More than 35 years
3. Education:	Junior high school or junior high school below
	High school or technical secondary school
	Junior college
	Undergraduate or above
4. Position level:	High level Middle level
	Basic level Other
5. Length of service	: Below 1 year 1-5 years
	5-10 years more than 10 years

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#### Section B Job satisfaction and influence factors

Please tick " $\sqrt{}$ " the following.

Rate each statement using 5-point Likert Scale 1=Strongly Disagree, 2= Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree

NO.	Questions	1	2	3	4	5
	Transaction Reliability					
1	I can get satisfactory salary treatment.					
2	I often have the opportunity to help with training.					
3	I feel that the working environment is very comfortable.					
4	I often get a variety of extra welfare benefits.					
5	I feel very likely to be promoted.					
	Relationship Reliability					
6	I can often communicate with leaders on work.					
7	I have the opportunity to participate in decision making.					
8	I think the company treats me fairly.					
9	I have full autonomy.					
10	I feel that the company respects and cares for employees					
	very much.					
	Concept Reliability					
11	I agree with the company's corporate philosophy.					
12	I think the company has very positive values.					
13	I understand the company's cultural pursuits clearly.					
14	I am willing to fight for the same goal with the company.					

	Job Satisfaction			
15	I think this job is very suitable for me.			
16	On the whole, I am still willing to stay in the current			
	company work.			
17	I really feel that work is a pleasure.			
18	I can find satisfaction and a sense of accomplishment in my			
	work.			
19	After entering the company, my expectations for the			
	company are in line with my expectations.			
20	I feel that the working hours are adapt and the work			
	pressure is not very big.			

Thank you very much for reading this information and considering taking part in this study.

# **Appendix 8 Tables**

#### **Pilot Test**

Table 4-1: The Results of The Pilot Test (Reliability Test)			
Variable	Items	Composite reliability	
Transaction Responsibility	TR1, TR2, TR3, TR4, TR5	0.889	
Relationship Responsibility	RR1, RR2, RR3, RR4, RR5	0.889	
Concept Responsibility	CR1, CR2, CR3, CR4	0.868	
Job Satisfaction	Sat1, Sat2, Sat3, Sat4, Sat5, Sat6	0.716	

Table 4-1 The Results of The Pilot Test

#### Demographic

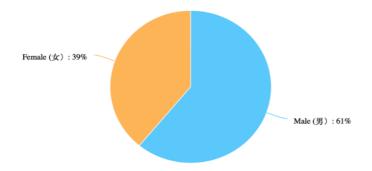


Figure 4-1 Gender Ratio Map

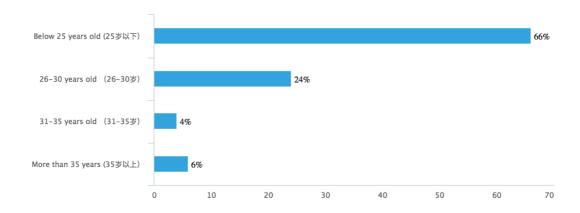


Figure 4-2 Age Distribution Table

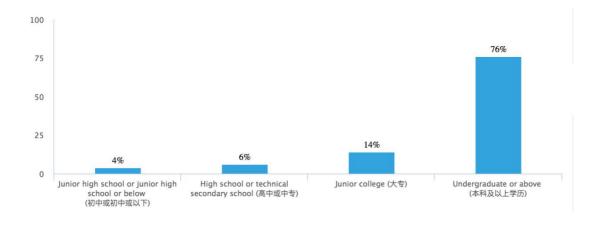


Figure 4-3 Educational Distribution Table

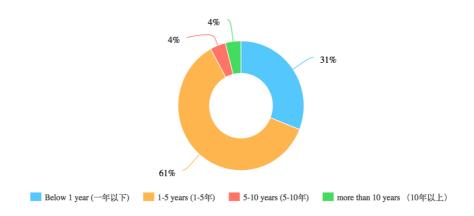


Figure 4-4 Working Age Chart

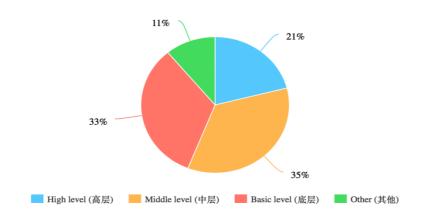


Figure 4-5 Job Rank Distribution Table

#### **Structural Model**

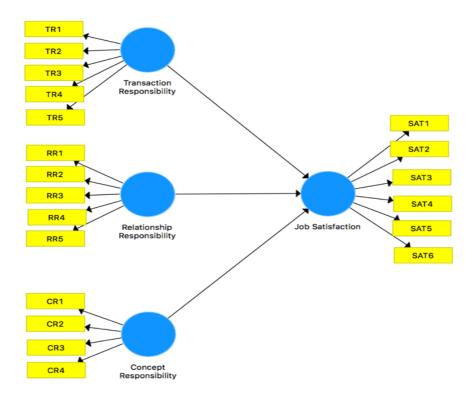


Figure 4-6 Structural Model

#### **Data Collection**

Tak	Table 4-2: Indicators for Reflective Measurement Model Constructs		
	Question of Transaction Responsibility		
TR1	I can get satisfactory salary treatment.		
TR2	I often have the opportunity to help with training.		
TR3	I feel that the working environment is very comfortable.		
TR4	I often get a variety of extra welfare benefits.		
TR5	I feel very likely to be promoted.		
	Question of Relationship Responsibility		
RR1	I can often communicate with leaders on work.		
RR2	I have the opportunity to participate in decision making,		
RR3	I think the company treats me fairly.		
RR4	I have full autonomy.		
RR5	I feel that the company respects and cares for employees very much.		
	Question of Concept Responsibility		
CR1	I agree with the company's corporate philosophy.		
CR2	I think the company has very positive values.		
CR3	I understand the company's cultural pursuits clearly.		
CR4	I am willing to fight for the same goal with the company.		
	Question of Job Satisfaction		
Sat1	I think this job is very suitable for me.		
Sat2	On the whole, I am still willing to stay in the current company work.		
Sat3	I really feel that work is a pleasure.		
Sat4	I can find satisfaction and a sense of accomplishment in my work.		
Sat5	After entering the company, my expectations for the company are in		
	line with my expectations.		
Sat6	I feel that the working hours are adapt and the work pressure is not		
	very big.		

Table 4-2: Indicators for Reflective Measurement Model Constructs

#### **Outer Loadings**

Table 4-3: Outer Loadings				
	Transaction	Relationship	Concept	Job
	Responsibility	Responsibility	Responsibility	Satisfaction
TR1	0.830			
TR2	0.814			
TR3	0.800			
TR4	0.784			
TR5	0.846			
RR1		0.773		
RR2		0.656		
RR3		0.772		
RR4		0.830		
RR5		0.883		
CR1			0.738	
CR2			0.836	
CR3			0.884	
CR4			0.836	
Sat1				0.788
Sat2				0.825
Sat3				0.867
Sat4				0.786
Sat5				0.258
Sat6				0.323

Table 4-3 Outer Loadings

#### **Path Coefficients**

Table 4-4: Path Coefficients		
	Job Satisfaction	
Transaction	0.171	
Responsibility		
Relationship	0.319	
Responsibility		
Concept	0.427	
Responsibility		

Table 4-4 Path Coefficients

# R<sup>2</sup> Value

Table 4-5: R <sup>2</sup> Value			
Endogenous Latent Variable	R <sup>2</sup> Value		
Job Satisfaction	0.670		

Table 4-5 R<sup>2</sup>Value

#### **Internal Consistency Reliability**

Table 4-6: Composite Reliability and Cronbach's Alpha				
	Cronbach's Alpha	Composite Reliability		
Transaction Responsibility	0.874	0.908		
Relationship Responsibility	0.831	0.888		
Concept Responsibility	0.842	0.895		
Job Satisfaction	0.835	0.889		

Table 4-6 Composite Reliability and Cronbach's Alpha

#### **Indicator Reliability and Convergent Validity**

Table 4-7: Results for Convergent and Discriminant Validity of Constructs						
Latent variable	Indicators	Loading	Indicator	Composite	AVE	Discriminant
			Reliability	Reliability		Validity?
Transaction	TR1	0.830	0.689	0.908	0.664	Yes
Responsibility	TR2	0.814	0.663			
	TR3	0.800	0.640			
	TR4	0.784	0.615			
	TR5	0.846	0.716			
Relationship	RR1	0.773	0.598	0.888	0.665	Yes
Responsibility	RR3	0.772	0.596			
	RR4	0.830	0.689			
	RR5	0.883	0.780			
Concept	CR1	0.738	0.545	0.895	0.681	Yes
Responsibility	CR2	0.836	0.699			
	CR3	0.884	0.781			
	CR4	0.836	0.699			
Job Satisfaction	Sat1	0.788	0.621	0.889	0.668	Yes
	Sat2	0.825	0.681			
	Sat3	0.867	0.752			
	Sat4	0.786	0.618			

Table 4-7 Results for Convergent and Discriminant Validity of Constructs

#### **Discriminant Validity**

Table 4-8: Outer Loadings and Cross-Loadings				
	Transaction	Relationship	Concept	Job
	Responsibility	Responsibility	Responsibility	Satisfaction
TR1	0.830	0.580	0.593	0.531
TR2	0.814	0.581	0.568	0.588
TR3	0.800	0.456	0.486	0.498
TR4	0.784	0.549	0.435	0.552
TR5	0.846	0.561	0.509	0.497
RR1	0.545	0.773	0.508	0.563
RR3	0.434	0.772	0.529	0.572
RR4	0.580	0.830	0.621	0.651
RR5	0.622	0.883	0.727	0.647
CR1	0.408	0.528	0.738	0.542
CR2	0.483	0.616	0.836	0.618
CR3	0.578	0.596	0.884	0.708
CR4	0.615	0.685	0.836	0.662
Sat1	0.707	0.716	0.710	0.788
Sat2	0.404	0.646	0.577	0.825
Sat3	0.537	0.586	0.669	<mark>0.867</mark>
Sat4	0.442	0.445	0.522	0.786

Table 4-8 Outer Loadings and Cross-Loadings

Table 4-9: Discriminating Validity of Variable Constructs				
	Transaction	Relationship	Concept	Job
	Responsibility	Responsibility	Responsibility	Satisfaction
Transaction	0.815			
Responsibility				
Relationship	0.672	0.816		
Responsibility				
Concept	0.637	0.736	0.825	
Responsibility				
Job	0.657	0.748	0.771	0.817
Satisfaction				

Table 4-9 Discriminating Validity of Variable Constructs

#### **Collinearity issue**

Table 4-10: VIF Value			
	Job Satisfaction		
Transaction	1.984		
Responsibility			
Relationship	2.571		
Responsibility			
Concept	2.376		
Responsibility			

Table 4-10 VIF Value

#### Significance and relevance

**Table 4-11: Significance Testing Results of the Structural Model Path Coefficients** Significance Path t Value P Value Coefficient Levels \*\* **Transaction** 0.171 2.098 0.023 Responsibility-Job Satisfaction \*\*\* Relationship 0.319 2.768 0.006 Responsibility-Job Satisfaction Concept Responsibility- 0.427 \*\*\* 0.000 4.255 **Job Satisfaction** 

Note: NS=Not Significant; \*p<0.10; \*\*p<0.05; \*\*\*p<0.01

Table 4-11: Significance Testing Results of the Structural Model Path Coefficients

#### Effect sizes f<sup>2</sup>

Table 4-12: Result of effect size f <sup>2</sup>			
Effect Size f <sup>2</sup>	Job Satisfaction		
Transaction Responsibility	0.046		
Relationship Responsibility	0.124		
Concept Responsibility	0.240		

Table 4-12: Result of effect size f<sup>2</sup>

## R<sup>2</sup> and Q<sup>2</sup>

Table 4-13: Result of R <sup>2</sup> and Q <sup>2</sup> Value				
Endogenous Latent Variable	R <sup>2</sup> Value	Q <sup>2</sup> Value		
Job Satisfaction	0.670	0.399		

Table 4-13 Result of R<sup>2</sup> and Q<sup>2</sup> Value

## **Hypothesis Testing**

Table 4-14: Structure Model and Hypothesis Testing					
Hypothesis	Relationship	Path	T-Statistics	Remarks	
		Coefficient			
H1	Transaction	0.171	2.098	Support	
	Responsibility-Job				
	Satisfaction				
H2	Relationship	0.319	2.768	Support	
	Responsibility-Job				
	Satisfaction				
Н3	Concept	0.427	4.255	Support	
	Responsibility-Job				
	Satisfaction				

Table 4-14 Structure Model and Hypothesis Testing