Turnover intention of public sector workers in South Africa across gender and race: The moderating role of psychological contract type and organisational commitment dimension

by Linda Ronnie

Abstract
The purpose of this quantitative cross-sectional study was to investigate the relevance of gender and race to turnover intention among public sector workers (PSW) through the moderation of psychological contract type and organisational commitment dimension. The research hypotheses in this study set out to test relationships between psychological contract type and turnover intention and between organisational commitment dimension and turnover intention. Using gender and race as key variables, further hypotheses tested whether significant differences in PSW psychological contract type existed; whether differences in PSW organisational commitment dimensions were present; and whether significant relationships between psychological contract type, organisational commitment and turnover intention were found. A survey was conducted with 211 PSW in a provincial government department in the Western Cape, South Africa. In terms of turnover intention, the results showed that coloured and white PSW were the groups that showed a positive relationship between transactional psychological contracts and an intention to leave the public sector. For white PSW, this was paradoxically coupled with high levels of continuance commitment. This is a significant finding because high levels of this form of commitment temper the turnover intention of this group. Across gender and race, relational psychological contracts were positively correlated with affective and normative commitment and inversely related to turnover intention. PSW holding relational psychological contracts experienced high levels of emotional attachment and loyalty to the public sector which contributed significantly to a desire to remain with their employer. The study addresses a conspicuous and important gap in the literature and suggests a number of recommendations for public sector management in South Africa in the light of the findings.

Key words: turnover intention, psychological contract, organisational commitment, public sector workers, South Africa

1 Introduction
Globally, the growing interest in employee-employer relationships in the public sector stems from not only an attempt to address the challenge of retention but also a desire to improve the engagement levels and performance of public sector workers (PSW)
Coyle-Shapiro & Kessler 2003) as understanding these dynamics is key to positively influencing service delivery to the population at large (Wright 2001). The public sector in South Africa, like similar sectors worldwide, relies on the drive and commitment of its employees to deliver on government programmes and initiatives. Attraction and retention of talented and skilled public sector employees constitute a serious and ongoing challenge in the country (Paterson 2008), with a third of South African government departments having more than 30% unfilled positions, and almost 40,000 vacancies altogether (Boyle 2006). A further challenge within this environment is the implementation of employment equity legislation that seeks to redress past racial and gender imbalances. According to the Employment Equity Act, all organisations are legally required to promote equal opportunities and implement affirmative action measures (South Africa 1998). As Breier (2009) notes, the debate regarding employment equity strategies is ongoing and has acquired new urgency in the light of skills scarcities facing the country. The public sector in South Africa, in essence the overseer of employment equity, therefore has a mandate to develop Black and female employees (Kock & Burke 2008). Juxtaposing the skills shortage with the drive to motivate and retain employees, the South African public sector – and in particular, its management – faces the twin challenges of redress through equity considerations and ensuring engagement with its entire staff complement.

There is a paucity of research on the subject of the psychological contracts of PSW and limited empirical attention has been paid to employees in the public sector worldwide, including South Africa (Willem, De Vos & Buelens 2010). There have been very few studies linking organisational commitment and the psychological contract to turnover intention. Social exchange theory posits a direct association between the psychological contract and organisational commitment (Blau 1964). However, while the psychological contract is concerned with the exchange of obligations and promises between the parties to the employment relationship, organisational commitment relates to the level of engagement and attachment employees feel towards their organisation. A positive relationship between PSW and their organisations is likely to result in a meaningful psychological contract and consequently in productive outcomes for both parties. This kind of relationship reinforces the employees’ level of organisational commitment and ensures a level of reciprocity (Farndale, Van Ruiten, Kelliher & Hope-Hailey 2011; Ng & Feldman 2008). Conversely, a direct breach of the psychological contract affects employees’ reported commitment to the organisation (Teague, Aiken & Watson 2012). Bringing the concepts of both psychological contract and organisational commitment to bear on the research context allows for a nuanced understanding of their moderating role on the turnover intentions of PSW in South Africa.

Social and legislative contexts play a pivotal role in setting the framework for contemporary employment relationships. Gender and race were therefore considered to be appropriate variables to explore in this study – as opposed to other possibilities such as educational levels and tenure – given the mandatory aspect of employment equity as it impacts the South African public sector and also in view of theoretical findings. Recent research suggests that turnover intentions of women are influenced by the moderating role of the psychological contract (Botsford Morgan & King 2012) and, within the public sector, gender has been observed to impact organisational commitment and loyalty (Moynihan & Landuyt 2008). Given the apartheid history of South Africa, race can be considered a pertinent factor in shaping and influencing the psychological contract (Wöcke & Sutherland 2008). Mixed results have been noted in several studies examining organisational commitment along racial categories (Kinnear
However race is likely to be a factor affecting turnover intention given the low levels of trust between employees and employers in the South African public sector (Von der Ohe & Martins 2010).

2 Literature review

2.1 The psychological contract

The psychological contract first emerged as a concept over fifty years ago through research on organisational behaviour (Argyris 1960). The concept came to be acknowledged as a useful tool for understanding employee behaviour and attitudes during periods of organisational change (Freese & Schalk 2008). It is primarily regarded as a significant regulator of the employment relationship, specifically the employee-employer interface (Coyle-Shapiro 2002; Rousseau 2001). The psychological contract has been defined as “an individual’s beliefs regarding the terms and conditions of a reciprocal exchange agreement between the focal person and another party” (Rousseau 1989:123). It has also been referred to as “the idiosyncratic set of reciprocal expectations held by employees concerning their obligations (i.e., what they will do for the employer) and their entitlements (i.e., what they expect to receive in return)” (McLean Parks, Kidder & Gallagher 1998:698 original emphasis). The concept characterises the employment relationship and comprises the beliefs that employees and employers hold about this relationship (Hui, Lee & Rousseau 2004). The psychological contract is perceived differently and understood uniquely by each party although both parties may believe obligations and commitments exist between them (Rousseau 1995). Importantly then, individual choice – through greater or lesser commitment to the other party – underpins the psychological contract. Exchanges that transpire over a substantial period, combined with an understanding that the employment relationship will continue almost indefinitely, give rise to beliefs premised on explicit promises and elements that both the employee and the employer take for granted (MacNeil 1985) and may increase the dependence of both parties on the relationship (Rousseau 1995). This can be particularly relevant in the South African public sector where the employment relationship may have been sustained for lengthy periods of time owing to the comfort of job security that the sector provides (Holmes, Chapman & Baghurst 2013).

While two main types of contract are found in the workplace, as noted earlier, the psychological contract has been categorised into three main types: transactional, relational, and balanced (Robinson, Kraatz & Rousseau 1994; Rousseau 1995). Transactional contracts tend towards the economic or monetary element of the formal employment contract. Typically, the focus is on reward for performance. Although this type of psychological contract is likely to be short term and is commonly linked to contract or seasonal employment (Millward & Brewerton 1999), most psychological contracts do have an economic component (De Cuyper, Rigotti, De Witte & Mohr 2008).

Longer term psychological contracts are relational and balanced. The relational dimension incorporates both socio-emotional and economic elements. This contract is characterised by mutual satisfaction and open-ended arrangements. If fulfilled, the relational contract has the greatest potential to produce positive employee behaviours and improved organisational outcomes. In the case of PSW, this would probably translate into better service delivery to the country’s citizens. The balanced
psychological contract is a hybrid of the transactional and relational forms creating open-ended relationships with reward-for-performance possibilities. High employee commitment, a characteristic of these longer-term contracts, is connected to three aspects viz an acceptance of organisational values, an inclination to exercise effort on the organisation’s behalf; and a wish to remain in employment (Mowday, Porter & Steers 1982).

2.2 The psychological contract and turnover intention

The moderating effect of the psychological contract on turnover intention within organisations has been explored in various private sector settings in industries across Europe and North America (Alcover, Martínez-Íñigo & Chambel 2012; Blomme, Van Rheede & Tromp 2010; Collins 2010; De Vos & Meganck 2009; Raeder, Wittekind, Inauen & Grote 2009; Teague et al 2012; Zhao, Wayne, Gibkowski & Bravo 2007). According to these studies, while the state of the psychological contract is pertinent as it is linked to turnover intention, the relationship may not be a direct one. Gender and high education levels were also moderating factors in turnover intentions (Blomme et al 2010). Of particular interest are the findings regarding the difference between the factors causing voluntary employee turnover and those affecting the retention of employees (De Vos & Meganck 2009). This may point to a misalignment between what the employer considers an inducement and what the employee actually desires in the workplace.

Current research addresses the challenges of job satisfaction, organisational commitment and turnover intention of PSW (Ito 2003; Manolopoulos 2008; Masibigiri & Nienaber 2011; Rehman 2012); however none of these studies has used the psychological contract as a theoretical lens. The concept of the psychological contract can be used to explore employee behaviour by assessing the degree to which employees believe that their employer has honoured the promises they perceive to have been made (Conway & Briner 2005). If these perceived promises are broken, employees are likely to withdraw commitment and may even leave the organisation.

Only a few studies have focused specifically on the relationship between the psychological contract and turnover intention of PSW. PSW, it is argued, have robust and steadfast psychological contracts as opposed to employees in the private sector (Janssens, Sels, Van der Brande & Overlaet 2002). This may be due to different attraction factors as PSW are typically drawn to the public sector through values such as civic duty, the desire to make a difference to society and self-sacrifice (Vandenabeele 2008). In addition, this sector has often been recognised, in comparison with the private sector, as having low employee turnover (Hwang & Kuo 2006), which may point to satisfactory levels of job satisfaction or organisational commitment (Cooper-Hakim & Viswesvaran 2005). Studies also claim that jobs in the public sector provide a greater sense of accomplishment and have increased task significance in comparison with those in the private sector (Manolopoulos 2008). Coupled with a perception of increased job security and a steady income (Lewis & Frank 2002), these factors may be contributors to the low turnover among PSW. However, there are also factors that could impact employee commitment and potentially cause PSW to leave their organisations, such as a lack of training, development and mentoring, poor leadership, and lack of communication (Holmes et al 2013).

It can therefore be argued that when employees’ expectations are not fulfilled, negative behaviour and high turnover intentions could occur (Linde & Maritz 2013). The
nature of the employment relationship, as measured through psychological contract fulfillment, directly affects PSW turnover intention. When employees perceive only minimal interest on the part of the employer, they are likely to react with lower levels of commitment, trust, loyalty, and performance. These issues are at the heart of the psychological contract. In a UK public sector study, Coyle-Shapiro and Kessler (2003) found that reciprocity was central to the commitment levels of PSW; that is, by fulfilling the expectations of their employees, employers encourage PSW to reciprocate through greater organizational commitment.

Based on the aforementioned literature, the following hypothesis was tested: H1: There is an inverse relationship between psychological contract type and turnover intention.

2.3 Organisational commitment and turnover intention

Like the psychological contract, organisational commitment has been found to have its origin in social exchange theory (Blau 1964; Rousseau 1995). Allen and Meyer (1990) describe three forms of organisational commitment: affective – where the employee shows an emotional attachment, identification, and involvement in the organisation; continuance – where the employee considers the costs or implications of leaving the organisation; and normative – where the employee feels a perceived obligation to stay with the organisation. All three dimensions of organisational commitment are linked to turnover intention (Meyer, Stanley, Herscovitch & Topoñytsky 2002). Therefore, as long as both parties to the employment relationship continue to honour and uphold their end of the employment deal, employees should, over time, intensify their levels of organisational commitment and their intention to leave the organisation should decrease. Studies indicate the strongest and most negative correlation between affective commitment and turnover intention (Blau & Holladay 2006; Kim & Brymer 2011), although the link between specific antecedents of both normative commitment and continuous commitment has also been established (Meyer et al 2002). PSW were found to show a sense of obligation to their employers (implied in the normative commitment descriptor) and an intention to remain with the public sector employer as they felt obligated to stay (Addae, Parboteeah & Velinor 2008).

The features of continuance commitment include the high costs of leaving an organisation, such as pension termination, transferability of job skills, and potential relocation (Allen & Meyer 1990). These costs may provide insight into why PSW remain with the public sector for long periods of time (Wang, Indridason & Saunders 2010). However, lack of trust in senior management can negatively affect continuance commitment in the public sector, thereby influencing turnover intention (Albrecht & Travaglione 2003).

Based on the theoretical concepts and findings outlined above, the following hypothesis was tested:

H2: There is an inverse relationship between the organisational commitment dimension and turnover intention.

2.4 The influence of gender on psychological contract and organisational commitment categories

There have been relatively few studies on the impact of gender on the psychological contract. Despite some studies to the contrary (Chin & Hung 2013), gender plays a significant role in shaping attitudes, behaviours and beliefs in the workplace (Martins &
Women expect more from their relationships in the workplace and therefore their psychological contracts tend towards the relational (Bellou 2009). Blomme et al. (2010) found that work-life balance and promotion were important retention factors for their female respondents whereas clarity regarding job descriptions was related to men’s turnover intentions.

Gender was another significant factor in studies examining organisational commitment and turnover intention. In the public sector, gender has been observed to influence organisational loyalty, commitment and turnover intention (Moynihan & Landuyt 2008). However, some studies showed no significant differences across gender (Metcalfe & Dick 2002; Riketta 2005) in relation to organisational commitment. Thus, the following hypotheses are proposed:

\( H_{3a} \): There are differences in psychological contract type across gender.

\( H_{3b} \): There are differences in organisational commitment dimension across gender.

2.5 The influence of race on psychological contract and organisational commitment categories

Within the South African context, race has significantly impacted on the work environment and consequently the relationships within that setting. Legislation, such as affirmative action measures, has been introduced in an attempt to redress past and present inequalities (Booyisen 2007). However, these interventions have resulted in the breach of the psychological contract between White managers and their employers (Maharaj 2003) and, for Black South Africans, growing frustration levels at the slow pace of transformation (Booyisen 2007). These findings are supported by Wöcke and Sutherland’s (2008) study highlighting differences along racial lines in terms of loyalty, job security, job satisfaction, and engagement. These authors suggest the likelihood of strong retention levels among White men as a result of their lack of career mobility within the current South African employment arena and a high probability of Black respondents leaving their organisations within a year. Although several studies utilising the psychological contract have been undertaken in South Africa (Lee & Faller 2005; Linde & Maritz 2013; Wöcke & Sutherland 2008), none has focused on the public sector and only one has explored the relationship between the psychological contract and turnover intention, albeit in the private sector (Van der Vaart, Linde & Cockeran 2013).

Several studies examining organisational commitment along racial categories have been conducted (Love 2013; Obeng & Ugboro 2003) but their findings have been mixed. Research on the relationship between race and organisational commitment within the South African context has also been minimal (Kinnie & Sutherland 2000). Given the low levels of trust between employees and employers in the South African public sector (Von der Ohe & Martins 2010), organisational commitment is likely to be affected and influenced along racial lines. This study thus addresses a pertinent and important gap in the literature. The following hypotheses are therefore proposed:

\( H_{4a} \): There are differences in psychological contract type across race.

\( H_{4b} \): There are differences in organisational commitment dimension across race.

In the light of the above discussion of the literature and the combination of the four hypotheses, two final hypotheses appear appropriate:
H5a: There are significant relationships between psychological contract type, organisational commitment dimension and turnover intention across gender.

H5b: There are significant relationships between psychological contract type, organisational commitment dimension and turnover intention across race.

2.6 Framework of the study

Figure 1 illustrates the framework of the study.

In this model, the hypotheses formulated are:

Hypothesis 1: There is an inverse relationship between psychological contract type and turnover intention.

Hypothesis 2: There is an inverse relationship between organisational commitment dimension and turnover intention.

Hypothesis 3a: There are differences in psychological contract type across gender.

Hypothesis 3b: There are differences in organisational commitment dimension across gender.

Hypothesis 4a: There are differences in psychological contract type across race.

Hypothesis 4b: There are differences in organisational commitment dimension across race.

Hypothesis 5a: There are significant relationships between psychological contract type, organisational commitment dimension and turnover intention across gender.

Hypothesis 5b: There are significant relationships between psychological contract type, organisational commitment dimension and turnover intention across race.

3 Methods

A cross-sectional quantitative approach was used for the study. As Conway and Briner (2005) noted in their meta-analysis, this is in keeping with numerous similar studies around the psychological contract. Because gender and racial groups were compared at a single moment in time, a survey instrument was deemed appropriate; it also made it possible to collect data from a large group in a relatively short period.
3.1 Sampling
The sample was drawn from provincial government employees who met the definition of public sector workers. In South Africa, there are three spheres of government. Provincial and national government form part of what is legislatively known as the public service and these arms of government are funded by the fiscus. The respondents were PSW workers employed in a single department of the Western Cape provincial government in South Africa who consented to participate on condition of complete confidentiality. A total of 628 office-bound participants, including both permanent and contract employees, were approached via an email request outlining details of the study and were invited to participate in the survey via an electronic survey link. One hundred and nineteen employees who were interns on three-month short-term contracts within the research setting were subsequently excluded from the study. The inclusion of this group had the potential to skew the results as psychological contracts, especially the relational and balanced types, take time to develop. The possible sample was thus reduced to 509 employees who had access to the internet and were therefore able to complete the online survey. One of the challenges of data collection for a sample of this size was ensuring a reasonable response rate. The initial invitation to participate in the survey elicited a response from 92 employees. After two weeks, an email reminder was sent to all participants. This raised the number of respondents to 211, thereby ensuring a 41.5% response rate.

3.2 Measuring instruments
The study used three scales to measure psychological contract type, organisational commitment and turnover intention.

3.2.1 The Psychological Contract Inventory
While several instruments are available to measure the psychological contract, not all of these fulfil the demands of content and construct validity (Schalk & Freese 2008). The Psychological Contract Inventory (PCI; Rousseau 2008), a validated tool, was chosen to gather data regarding the types of psychological contracts. The measure uses a five-point Likert-type scale for response purposes (1 = not at all; 2 = slightly; 3 = somewhat; 4 = moderately; 5 = to a great extent). The PCI measures employees’ perception of a) their own obligations and commitments to the organisation (Part 1 – 28 items) and b) the employer’s obligations and commitment to the employee (Part 2 – 28 items). Participants were asked to rate statements such as “I have no future obligations to this employer” (transactional contract); “I make personal sacrifices for this organisation” (relational contract); and, “I build skills to increase my value to this organisation” (balanced contract) in Part 1 and “My employer is training me only for my current job” (transactional contract); “My employer makes decisions with my interests in mind” (relational contract); and, “My employer supports me to attain the highest possible levels of performance” (balanced contract) in Part 2. Rousseau (2000) reported internal reliability ranging from 0.70 to 0.95 with a total reliability score of 0.70. This study found a Cronbach’s alpha of 0.82.

3.2.2 Organisational commitment scale
The second scale measured organisational commitment and consisted of 18 items encompassing the three dimensions: affective, continuance, and normative commitment (Meyer, Allen & Smith 1993). Items from the scale included “I would be very happy to spend the rest of my career with the organisation” (affective
commitment); "I feel that I have too few options to consider leaving the organisation" (continuance commitment); and, "The organisation deserves my loyalty" (normative commitment). Four items on the scale were reverse-coded. This scale uses a seven-point Likert-type rating scale (1 = strongly disagree; 2 = disagree; 3 = disagree somewhat; 4 = undecided; 5 = agree somewhat; 6 = agree; 7 = strongly agree). This scale has been widely used and has established good reliability and factor structures. Meyer et al (1993) reported internal reliability ranging from 0.70 to 0.95 with a total reliability score of 0.70. This study produced a Cronbach’s alpha of 0.84.

3.2.3 Intention to leave scale
Turnover intention was measured through the use of a short three-item scale that assessed individuals’ intention to leave their organisation (Landau & Hammer 1986). This measure also uses a seven-point Likert-type scale as described above for response purposes. Participants rated statements such as “As soon as I can find a better job outside the organisation, I’ll leave”. Internal reliability was reported as 0.77 (Landau & Hammer 1986). This study found a Cronbach’s alpha of 0.90.

3.3 Data preparation and analysis
In preparation for analysis, survey data were first exported to Excel. They were then coded in the following manner: gender (female = 0; male = 1) and race (black = 1; coloured race = 2; Indian = 3; white = 4). The four items in the OC scale were reverse-coded manually. SPSS 22 was used to perform the statistical tests as indicated in Table 1.

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>Statistical tests</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. There is an inverse relationship between psychological contract type and turnover intention</td>
<td>Pearson correlation</td>
</tr>
<tr>
<td>2. There is an inverse relationship between organisational commitment and turnover intention</td>
<td>Pearson correlation</td>
</tr>
<tr>
<td>3a. There are differences in psychological contract type across gender</td>
<td>Independent samples- t-test</td>
</tr>
<tr>
<td>3b. There are differences in organisational commitment dimension across gender</td>
<td>One-way ANOVA and Tukey’s post-hoc</td>
</tr>
<tr>
<td>4a. There are differences in psychological contract type across race</td>
<td>Independent samples- t-test</td>
</tr>
<tr>
<td>4b. There are differences in organisational commitment dimension across race</td>
<td>One-way ANOVA and Tukey’s post-hoc</td>
</tr>
<tr>
<td>5a. There are significant relationships between psychological contract type, organisational commitment dimension and turnover intention across gender</td>
<td>Pearson correlation: Overall correlation; then filtered for gender</td>
</tr>
<tr>
<td>5b. There are significant relationships between psychological contract type, organisational commitment dimension and turnover intention across race</td>
<td>Pearson correlation: Overall correlation; then filtered for race</td>
</tr>
</tbody>
</table>

Descriptive statistics were used to present the respondent demographics.
4 Results

4.1 Demographic characteristics of the sample

The demographic information gathered from respondents (n=211) included age, gender, race, highest educational level, employment status, employment category and length of employment both with the current public sector employer and within the public sector as a whole (Table 2).

<table>
<thead>
<tr>
<th>Table 2</th>
<th>Demographic profile</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td>45.97%</td>
</tr>
<tr>
<td>Male</td>
<td>54.03%</td>
</tr>
<tr>
<td>18 to 34 years</td>
<td>35.07%</td>
</tr>
<tr>
<td>35 to 49 years</td>
<td>37.44%</td>
</tr>
<tr>
<td>50 to 70 years</td>
<td>27.49%</td>
</tr>
<tr>
<td>Black</td>
<td>24.64%</td>
</tr>
<tr>
<td>Coloured</td>
<td>39.34%</td>
</tr>
<tr>
<td>Indian</td>
<td>6.16%</td>
</tr>
<tr>
<td>White</td>
<td>29.86%</td>
</tr>
<tr>
<td>Pre-matriculation (incomplete high school)</td>
<td>0.95%</td>
</tr>
<tr>
<td>Senior certificate (completed high school)</td>
<td>14.22%</td>
</tr>
<tr>
<td>Diploma</td>
<td>27.01%</td>
</tr>
<tr>
<td>Undergraduate degree</td>
<td>16.69%</td>
</tr>
<tr>
<td>Postgraduate degree</td>
<td>30.33%</td>
</tr>
<tr>
<td>Master's degree and above</td>
<td>10.90%</td>
</tr>
<tr>
<td>Support staff</td>
<td>32.23%</td>
</tr>
<tr>
<td>Professional</td>
<td>33.65%</td>
</tr>
<tr>
<td>Supervisor</td>
<td>9.00%</td>
</tr>
<tr>
<td>Manager</td>
<td>25.12%</td>
</tr>
<tr>
<td>Permanent employee</td>
<td>90.05%</td>
</tr>
<tr>
<td>Contract employee</td>
<td>9.95%</td>
</tr>
</tbody>
</table>

Length of service in the organisation
- Less than 1 year: 4.74%
- 1 to 5 years: 33.65%
- More than 5 and less than 10 years: 27.96%
- More than 10 years: 33.65%

Length of service in the public sector
- Less than 1 year: 2.37%
- 1 to 5 years: 24.17%
- More than 5 and less than 10 years: 24.17%
- More than 10 years: 49.29%

4.2 Psychological contract type and turnover intention

A positive relationship was seen between transactional contract type and turnover intention (n=211) $r = .183$, $p = .008$. A strong negative relationship between relational contract type and turnover intention was noted (n=211) $r = -.624$, $p = .000$. No significant relationship was found between balanced contract type and turnover intention. These findings indicate that PSW with transactional psychological contracts are likely to have intentions to leave their public sector employer. Conversely, those
PSW with relational psychological contracts showed an inverse relationship to turnover intention. Despite balanced psychological contracts not showing any statistically significant relationship to turnover intention, contracts of this type are considered to be a hybrid form of the other two. H1 can therefore be accepted.

4.3 Organisational commitment dimension and turnover intention

Very significant relationships were found between affective commitment and turnover intention \( (n=211) \quad r = -0.515, \quad p = 0.000 \). A strong relationship was also observed between normative commitment and turnover intention \( (n=211) \quad r = -0.574, \quad p = 0.000 \). Although no significant relationship was found between continuance commitment and turnover intention, it can be concluded that an inverse relationship exists between organisational commitment dimension and turnover intention and H2 is therefore upheld.

4.4 Psychological contract type across gender

In order to establish the prevalent psychological contract type across gender, an independent-samples t-test was used to check for gender differences.

<table>
<thead>
<tr>
<th>Dependant variable: Gender</th>
<th>F</th>
<th>Sig.</th>
<th>t</th>
<th>df</th>
<th>Sig. (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transactional</td>
<td>2.66</td>
<td>.11</td>
<td>-2.83</td>
<td>209</td>
<td>.01</td>
</tr>
<tr>
<td>Relational</td>
<td>1.23</td>
<td>.27</td>
<td>-2.87</td>
<td>209.00</td>
<td>.01</td>
</tr>
<tr>
<td>Balanced</td>
<td>.16</td>
<td>.69</td>
<td>.62</td>
<td>208.12</td>
<td>.90</td>
</tr>
</tbody>
</table>

The mean rating for the transactional contract type for female PSW (\( M = 35.97, \quad SD = 9.07 \)) was significantly lower than male PSW (\( M = 39.87, \quad SD = 10.68 \)), \( t(209) = 2.87, \quad p = .01 \). The 95% confidence interval for the difference between the population means was between -6.58 and -1.22. Cohen's \( d = .40 \) indicated a moderate effect size. As shown in Table 3, the independent-samples t-test showed no significant results for relational contract types – female PSW (\( M = 56.02, \quad SD = 9.34 \)); male PSW (\( M = 56.19, \quad SD = 10.29 \)), \( t(209) = -.13, \quad p = .90 \). Cohen's \( d = -.02 \) suggested a small effect size. Balanced contract types showed a similar lack of significance – females (\( M = 77.55, \quad SD = 15.46 \)); males (\( M = 76.19, \quad SD = 15.92 \)), \( t(209) = -.62, \quad p = .53 \). Cohen's \( d = -.09 \) indicated a small effect size. Thus psychological contract type shows differences across gender and H3a is supported.

4.5 Psychological contract type across race

A one-way between-subjects Analysis of Variance was undertaken to establish differences in psychological contract type across race.

Analysis of variance revealed a significant difference between the group means, \( F (3, 207) = 11.47, \quad p = .00 \) for race and balanced contract type. As shown in Table 4, post hoc Tukey's HSD test revealed that very significant differences existed between black (\( M = 86.63, \quad SD = 13.58 \)) and coloured PSW (\( M = 75.47, \quad SD = 14.41 \)) \( p = .00 \) and between black and white PSW (\( M = 71.03, \quad SD = 16.53 \)) \( p = .00 \). Significant differences in balanced contract type were also seen between black and Indian PSW (\( M = 74.15, \)
These results indicate that black PSW held significantly stronger balanced psychological contracts than other race groups. H4a is therefore supported.

Table 4
Psychological contract type and race

<table>
<thead>
<tr>
<th>Dependent variable</th>
<th>(l) Race coded</th>
<th>(J) Race coded</th>
<th>Mean difference (l-J)</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balanced</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Black</td>
<td>Coloured</td>
<td>11.16</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Indian</td>
<td>12.48</td>
<td>0.03</td>
<td></td>
</tr>
<tr>
<td></td>
<td>White</td>
<td>15.60</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Black</td>
<td>-11.16</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Indian</td>
<td>1.32</td>
<td>0.99</td>
<td></td>
</tr>
<tr>
<td></td>
<td>White</td>
<td>4.44</td>
<td>0.27</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Black</td>
<td>-12.48</td>
<td>0.03</td>
<td></td>
</tr>
<tr>
<td>Coloured</td>
<td>Coloured</td>
<td>-1.32</td>
<td>0.99</td>
<td></td>
</tr>
<tr>
<td></td>
<td>White</td>
<td>3.12</td>
<td>0.90</td>
<td></td>
</tr>
<tr>
<td>Indian</td>
<td>Black</td>
<td>-15.60</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Coloured</td>
<td>-4.44</td>
<td>0.27</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Indian</td>
<td>-3.12</td>
<td>0.90</td>
<td></td>
</tr>
</tbody>
</table>

4.6 Organisational commitment across gender

To establish the prevalent commitment dimensions across gender, an independent-samples t-test was used to check for gender differences.

Table 5
Affective, continuance and normative commitment in relation to gender

<table>
<thead>
<tr>
<th>Dependant variable: Gender</th>
<th>F</th>
<th>Sig.</th>
<th>t</th>
<th>df</th>
<th>Sig. (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affective commitment</td>
<td>.78</td>
<td>.38</td>
<td>-24</td>
<td>209</td>
<td>.81</td>
</tr>
<tr>
<td>Continuance commitment</td>
<td>.42</td>
<td>.52</td>
<td>-58</td>
<td>209</td>
<td>.56</td>
</tr>
<tr>
<td>Normative commitment</td>
<td>1.38</td>
<td>.24</td>
<td>.14</td>
<td>209</td>
<td>.89</td>
</tr>
</tbody>
</table>

As seen in Table 5, the mean rating for affective commitment for females ($M = 4.24, SD = 1.22$) was similar to that for males ($M = 4.28, SD = 1.34$), $t(209) = -.24, p = .81$. The 95% confidence interval for the difference between the population means was between -.39 and -.31. Cohen’s $d = -.03$ indicated a small effect size. The independent-samples t-test also showed no significant results for continuance commitment – females ($M = 4.38, SD = 1.32$); males ($M = 4.49, SD = 1.32$), $t(209) = -.59, p = .56$. Cohen’s $d = -.08$ suggested a small effect size. Normative commitment showed a similar lack of significance – females ($M = 3.76, SD = 1.40$); males ($M = 3.73, SD = 1.49$), $t(209) = .14, p = .89$. Cohen’s $d = .02$ indicated a small effect size. It may therefore be concluded that there were no significant differences in gender across all three organisational commitment dimensions. These results indicate no support for H3b.

4.7 Organisational commitment across race

A one-way between-subjects Analysis of Variance was undertaken establish differences in commitment dimension across race.
Table 6
Continuance commitment and race

<table>
<thead>
<tr>
<th>Dependent variable: Race</th>
<th>(I) Race coded</th>
<th>(J) Race coded</th>
<th>Mean difference (I-J)</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Black</td>
<td>Coloured</td>
<td>-1.29</td>
<td>.00</td>
<td></td>
</tr>
<tr>
<td>Indian</td>
<td>-.79</td>
<td>.18</td>
<td></td>
<td></td>
</tr>
<tr>
<td>White</td>
<td>-1.07</td>
<td>.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coloured</td>
<td>Black</td>
<td>1.29</td>
<td>.00</td>
<td></td>
</tr>
<tr>
<td>Indian</td>
<td>.50</td>
<td>.54</td>
<td></td>
<td></td>
</tr>
<tr>
<td>White</td>
<td>.22</td>
<td>.72</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indian</td>
<td>Black</td>
<td>.79</td>
<td>.18</td>
<td></td>
</tr>
<tr>
<td>Coloured</td>
<td>-.50</td>
<td>.54</td>
<td></td>
<td></td>
</tr>
<tr>
<td>White</td>
<td>-.28</td>
<td>.89</td>
<td></td>
<td></td>
</tr>
<tr>
<td>White</td>
<td>Black</td>
<td>1.07</td>
<td>.00</td>
<td></td>
</tr>
<tr>
<td>Coloured</td>
<td>-.22</td>
<td>.72</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indian</td>
<td>.28</td>
<td>.89</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Analysis of variance revealed no significant difference between the group means, F (3, 207) = .37, p = .78 for race and affective commitment and for race and normative commitment, F (3, 207) = .71, p = .55. As seen in Table 6, post hoc Tukey’s HSD test revealed very significant differences in continuance commitment between black PSW (M = 3.57, SD = 1.46) and coloured PSW (M = 4.86, SD = 1.12) p = .00 and between black PSW and white PSW (M = 4.64, SD = 1.21) p = .00. These differences indicate that black PSW had significantly lower levels of continuance commitment than the other two race groups. Thus organisational commitment dimension shows differences across race and H4b is supported.

4.8 Psychological contract type, organisational commitment dimension, and turnover intention across gender

A positive relationship was seen between transactional contract and turnover intention for both female PSW (n=97) r = .21, p = .04 and male PSW (n=114) r = .20, p = .03. A strong negative relationship between transactional contract and normative commitment (n=97) r = -.29, p = .00 for female PSW and (n=114) r = -.21, p = .03 for male PSW was also noted. Male PSW also showed a strong negative relationship between transactional contracts and affective commitment (n=114) r = -.31, p = .00. This finding implies that, across gender, those PSW holding transactional contracts had low levels of normative commitment and increased intentions to leave their public sector organisation. Male PSW holding transactional contracts also had much lower levels of affective commitment.

A strong negative relationship was observed between relational contract and turnover intention for both female PSW (n=97) r = -.61, p = .00 and male PSW (n=114) r = -.64, p = .00. A strong positive relationship was seen between relational contract and affective commitment for both female PSW (n=97) r = .46, p = .00 and male PSW (n=114) r = -.68, p = .00. Very significant relationships were also found between relational contract and normative commitment for female PSW (n=97) r = .43, p = .00 and male PSW (n=114) r = .53, p = .00. It can therefore be concluded that, for female and male PSW, a relational contract was positively correlated with affective and normative commitment and inversely related to the intention to leave the public sector employer. H5a is therefore supported.
4.9 Psychological contract type, organisational commitment dimension, and turnover intention across race

A positive relationship was seen between transactional contract and turnover intention for coloured $(n=83) r = .31, p = .01$ and white PSW $(n=63) r = .25, p = .05$. This indicates that race groups holding transactional contracts had increased intentions to leave their public sector employer. White PSW also showed strong negative relationships between transactional contract and affective commitment $(n=63) r = -.39, p = .00$ and transactional contracts and normative commitment $(n=63) r = -.44, p = .00$. It was interesting to note that coupled with significantly low levels of affective and normative commitment, white PSW also showed high levels of continuance commitment $(n=63) r = .34, p = .01$.

A strong negative relationship was observed between relational contracts and turnover intention across all race groups: black PSW $(n=52) r = -.62, p = .00$; coloured PSW $(n=83) r = -.57, p = .00$; Indian PSW $(n=13) r = -.68, p = .01$; and white PSW $(n=63) r = -.71, p = .00$. This was combined with a strong positive relationship between relational contract and affective commitment for black PSW $(n=52) r = .49, p = .00$; coloured PSW $(n=83) r = .57, p = .00$; Indian PSW $(n=13) r = .81, p = .00$; and white PSW $(n=63) r = .66, p = .00$. Very significant relationships were also found between relational contract and normative commitment for black PSW $(n=52) r = .41, p = .00$; coloured PSW $(n=83) r = .49, p = .00$; Indian PSW $(n=13) r = .60, p = .03$; and white PSW $(n=63) r = .52, p = .00$. Although the results were more conclusive in the case of black and white PSW, a relational contract was positively correlated with affective and normative commitment and inversely related to intention to leave the public sector organisation for PSW of all races. Given these results, H5b is supported.

5 Discussion

The research hypotheses in this study set out to test relationships between psychological contract type and turnover intention and between organisational commitment dimension and turnover intention. Using gender and race as key variables, further hypotheses tested whether significant differences in PSW psychological contract type existed; whether differences in PSW organisational commitment dimensions were present; and whether significant relationships between psychological contract type, organisational commitment and turnover intention were found.

Hypothesis 1. There is an inverse relationship between psychological contract type and turnover intention.

Although there is some debate regarding the direct relationship between the psychological contract and turnover intention, this study explored the relationship between the three types of psychological contracts and turnover intention. Employees with transactional contracts are likely to observe the employer-employee relationship in its narrowest terms and consider alternative employment when the employer fails to honour the employment arrangement or meet their needs (Rousseau 2004). The findings of this study show that PSW who held transactional contracts also expressed a desire to leave their public sector employer. These PSW have low expectations of long-term involvement and are prepared to be loyal to their public sector employer to a very limited extent (Willems, Janvier & Henderickx 2004).

Relational contracts, unlike the transactional type, are characterised by loyalty, mutual support, trust, and commitment. The notion of stability underpinned by a
relational psychological type suggests that an employee who holds this type of psychological contract would be less likely to leave an organisation (Rousseau 2004). PSW in this study who favoured relational contracts indicated that they were less likely to exit the public sector. This outcome mirrors the findings of O’Leary-Kelly and Schenk (2000).

Hypothesis 2. There is an inverse relationship between organisational commitment dimension and turnover intention.

Organisational commitment is defined as the employee’s emotional attachment to an organisation (Mowday, Steers & Porter 1979) and influences the kind of psychological bond between employee and employer (O’Reilly & Chatman 1986).

The results of this study showed strong relationships between two dimensions of organisational commitment – affective and normative – and turnover intention. There is a wealth of literature confirming the former (Kim & Brymer 2011) and sufficient support for the latter (Addae et al 2008). PSW exhibiting affective commitment behaviours would show connection to, identification with, and involvement in their public sector organisation. Normative commitment is reflected in the sense of obligation or duty of PSW to stay with the organisation. A similar recent finding (Gatling, Jung, Kang & Kim 2016) confirms that levels of organisational commitment have been shown to relate inversely to turnover intention. Therefore, engendering these levels of commitment within South African public sector employees should translate into lower intention to leave.

Hypothesis 3a. There are differences in psychological contract type across gender.

No real attention has been paid to the aspect of gender differences in psychological contract studies, although women and men might differ in their beliefs that underpin the psychological contract (Scandura & Lankau 1997). In their South African study, Scheepers and Shuping (2012) found no relationship between gender and psychological contract type. The findings of this study showed, however, that male PSW held stronger transactional contracts than female PSW. This implies that the group of male PSW in the study performed only within the limits of their job description and were likely to exhibit low levels of identification with their employer (Millward & Brewerton 1999; Rousseau 1995). Women are said to expect more from their employment relationship, which may also account for the difference across gender (Bellou 2009).

Hypothesis 3b. There are differences in psychological contract type across race.

Balanced contracts are typified by dynamic performance objectives, internal advancement and external employability, where the commitment displayed by each party contributes to the other’s development and success, in particular enabling the employee to be more marketable (Rousseau 1995; 2000). The finding of this study was that black PSW held stronger balanced contracts than all other race groups. A similar finding in this regard (Scheepers & Shuping 2012) suggested that black PSW were willing to work harder for the benefit of the organisation in return for their development by the organisation. In the South African private sector environment, black skills are highly sought after and well remunerated. However, in the South African public sector, wages are regulated and therefore career progression is seen as a means of financial advancement. If the public sector organisation delivers career support, training and development, these balanced contracts will continue to be maintained (Rousseau 2000).

Hypothesis 4a. There are differences in organisational commitment dimension across gender.
Organisational commitment has an acknowledged impact on public service motivation (Kim 2009) and it has regularly been suggested that it is a strong behavioural indicator (Moon 2000). In assessing whether organisational commitment differs across the key variables of the study, no differences were observed between organisational commitment dimension and gender. This is in keeping with research, which has found little or no relationship between the two variables (Metcalfe & Dick 2002; Riketta 2005).

Hypothesis 4b. There are differences in organisational commitment dimension across race.

Black PSW showed lower levels of continuance commitment than both coloured and Indian PSW. Because black employees are a sought-after demographic in the South African employment arena, black PSW may have been less likely to consider the costs and implications of leaving the public sector organisation. Employees with low levels of continuance commitment are less inclined to consider aspects such as pension and to be unperturbed by transferability of skills (Allen & Meyer 1990). Black PSW may feel less attached to the organisation or feel that they have little to miss out on in terms of opportunities within the organisation. People often stay in their jobs not because they like them or have an affinity for them but because the cost of leaving the organisation is too high (Lambert, Kim, Kelley & Hogan 2013). Apprehension regarding loss of benefits and labour market realities such as job scarcity are other possible reasons for the higher levels of continuance commitment among the two other race groups.

Hypothesis 5a. There are significant relationships between psychological contract type, organisational commitment and turnover intention across gender.

Transactional contracts, coupled with low levels of normative commitment, were found to be positively linked to turnover intention across gender. Although contrary to findings by Chin and Hung (2013), who discounted gender as a moderating factor, transactional contracts have been found to relate closely to intention to leave (Alcover et al 2012; Hamilton & Von Treuer 2012; Millward & Hopkins 1998). The inclusion of normative commitment in this relationship – through a reduced sense of obligation and duty – supports the findings of a few similar studies (Meyer et al 2002). This suggests that, across gender, if the public sector organisation has not kept its promises to its employees, PSW are likely to experience more unfulfilled work expectations and fewer positive ones. This typically leads to a reduced desire to remain with the organisation and conversely, an increased desire to leave (Teague et al 2012). In line with other results reported (Dabos & Rousseau 2004; Millward & Brewerton 1999), lower levels of affective commitment, as seen in male PSW in the study, exacerbated the lack of loyalty and trust in the employer.

Hypothesis 5b. There are significant relationships between psychological contract type, organisational commitment and turnover intention across race.

Coloured and white PSW were the groups that showed a positive relationship between transactional contracts and intention to leave. For white PSW, this was coupled with low levels of affective and normative commitment but with high levels of continuance commitment. This is a significant finding because, although Addae et al (2008) noted that low levels of continuance commitment imply an intention to leave, high levels of this form of commitment should temper the turnover intention of white PSW. Jaros, Jermier, Koehler and Sincich (1993:953) describe continuance commitment as “being locked in a place” and this may well explain the feelings of this group of PSW. Maharaj (2003) argues that a breakdown in the psychological contract
stems from white employees’ beliefs that they have been marginalised through affirmative action practices. This may provide some insight into the intriguing commitment dimensions reported by this group.

Very significant relationships were found between relational contracts, high levels of affective and normative commitment and reduced turnover intention. This correlation finds substantial support in the literature, particularly for affective commitment (Alcover et al. 2012; Blau & Holladay 2006; Herriot, Manning & Kidd 1997; Kim & Brymer 2011; McInnis, Meyer & Feldman 2009) and to a lesser degree for normative commitment (Meyer et al. 2002). These results of the study emphasised that all PSW across gender and race who hold relational contracts experienced high levels of emotional attachment and loyalty to the public sector organisation. This indicates a high likelihood of increased motivation to make a meaningful contribution. All these factors contribute significantly to a desire among PSW to remain with their employer.

6 Implications and recommendations

This study showed significant differences across gender and race between PSW psychological contract type, organisational commitment dimensions and turnover intention. Recommendations on addressing these challenges within public sector organisations include appropriate recruitment strategies, improved induction and socialisation processes, use of surveys, targeted interventions for demographic groups, and ongoing employee engagement.

Fit between PSW and their organisations can be improved through targeted employment of those with concomitant values desired by the public sector. For example, public sector employees place a higher emphasis on individual recognition and the ability to participate in interesting work (Karl & Sutton 1998) and are interested in making a difference to society (Vandenabeele 2008). Sound recruitment and selection strategies will ensure that the person-organisation fit is sound and that the ideal candidates are employed.

Induction and socialisation processes also need attention. As Coyle-Shapiro and Kessler (2003) argue, the socialisation phase of the psychological contract is critical as, once formed, these contracts are relatively rigid and resistant to change. Management within the public sector should ensure that initial PSW experiences are positive and beneficial through each party fulfilling the expectations of the other. Organisations that encourage relational psychological contracts with PSW are likely to increase loyalty and overall commitment levels, especially affective and normative commitment dimensions (McCabe & Sambrook 2013). The opportunity for breach of psychological contract could be reduced, thereby heightening organisational commitment, decreasing turnover intention, and ultimately reducing actual turnover (Lub, Bijvank, Bal, Blomme & Schalk 2012).

The findings of this study imply that management within the South African public sector should carefully and constantly monitor PSW perceptions of the psychological contract and levels of organisational commitment. For example, regular surveys could be administered to determine the current state of the employer-employee relationship. The outcomes of these surveys should highlight the gaps in employer-employee expectations and inform appropriate improvements in human resource practices.

Management in the public sector may need to address overarching concerns of PSW while designing specific people management strategies for each of the groups within
the South African context. All too often when attending to these issues in the workplace, management tends to use a one-size-fits-all approach. The challenge within the South African environment is to balance the legislative need for redress in terms of past racial and gender imbalances against the motivation and retention of all PSW. Interventions targeting different groups would be more successful and at the same time strategies should be developed to build a cohesive organisational culture (Wöcke & Sutherland 2008). For example, the reasons why male PSW tend towards a more transactional psychological contract could be explored and addressed.

Importantly, human resource management in particular should take into account what rewards, beyond mere financial rewards, are valued by employees (De Vos & Meganck 2009). Given that employees in the public sector are more motivated by a supportive working environment (Buelens & Van den Broeck 2007), turnover intention can be significantly reduced through employee engagement. Retention is a likely outcome when PSW believe that their contributions are valued and the work they do is important. The South African public sector is currently finding it difficult to attract competent and capable individuals (Paterson 2008). A common understanding needs to be created and maintained regarding mutual intentions by both parties to fulfil obligations, commitments and promises (De Jong, Schalk & De Cuyper 2009). For the public sector, taking steps to improve organisational commitment levels of PSW could enhance and improve the level of service delivery to all South Africans.

By failing to attend to the fundamentals of the employee-employer relationship, there is a risk of turning intention to leave into actual exit from the public sector.

7 Limitations of the study
One limitation of this study is that all the variables were measured at the same time. This makes it difficult to infer any causal relationships. Although it seems likely that a transactional psychological contract, coupled with lower levels of organisational commitment, will increase turnover intention, it cannot be argued definitively unless it is tested in a longitudinal study. Another limitation was that self-report questionnaires were used and were the only source of information. Nevertheless this method is thought to be an appropriate one for measuring both the psychological contract (Freese & Schalk 2008; Rousseau 1995) and organisational commitment (Allen & Meyer 1990). A further aspect is that psychological contracts are shaped by a number of variables – societal, organisational, and individual (Herriot et al 1997; Rousseau 1995; Rousseau & Schalk 2000) – not all of which have been covered in this study.

Despite these limitations, the findings of this study make a contribution to the body of knowledge on PSW. While the research took place in a provincial government department in the Western Cape, South Africa, and may only apply within that sphere of government, the distinctive dimension of its historical background provides a unique insight into the state of employee-employer relationships in the South African public sector. Regardless of the sphere of government and the study's geographical setting, similarities between several results of the research and the results of many other studies suggest that a broader application of the findings is possible.

8 Conclusion
Empirical research linking psychological contract, organisational commitment, and turnover intention is uncommon. The current study is valuable in that it provides insight
into these issues by investigating a group that was previously neglected in the literature. Given the importance of the public sector in making a difference to society – especially in a context such as South Africa – research interest in public sector workers should be an area of growth. Although no certainty is possible regarding the relationships between psychological contract type, organisational commitment dimension and turnover intentions for PSW, the inherent objective of this study was achieved: to provide insights to both scholars and practitioners regarding the role of the psychological contract type and organisational commitment dimensions in influencing turnover intention in the public sector, thereby highlighting the need for better people management practices both now and for the future.

List of references


