

PSYCHOLOGICAL CONTRACT UPON ORGANIZATIONAL ENTRY OF INTERNSHIP STUDENTS: AN IN-DEPTH INTERVIEW

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ABSTRACT: *The aim of this study is to understand the psychological contract between employers and internship students. An in-depth study was conducted to obtain the expectations from managerial perspectives. This is in conjunction with the Malaysian universities' aspiration particularly on the aspect of producing a holistic graduate which is at par with the companies' requirements. This study discovered two main categories namely self-development and university wide-actions that must be taken into consideration by the university. The respondents for this study were the companies assigned to the researchers which is also the place where the students undertaking their internship. Majority of the respondents agreed that students must be equipped with extra course and knowledge despite their majoring in the university. Managers of the companies highlighted the importance of multitasking, ability to complete the task given to the internship students, well-versed with the background of the company and products, becoming an active team player, managing old and new customers and instill confidence among consumers and ability to value creativity. This study adds another literature to the human resource (HR) discipline and can be used by the university to review their curriculum and quality of their internship students.*

Keywords: Psychological Contract, Internship Students, Organizational Expectations

1. INTRODUCTION

The existence of psychological contract has emerged as a method of investigating the expectations between employers towards their employees, or vice versa [1]. In most cases, employees will establish a positive psychological contract with their employer if the organization put welfare as a top priority [2]. Therefore, it is very important to investigate the notions of psychological contract and its practicality in understanding the demand of engagement relationship especially towards internship students. These students will become the next generation of workforce in our country and very important within the context of human capital development. Henceforth, the centre of attention of this research is given to the psychological contract from the perspective of managers towards internship students in the district of Johor Bahru. This area was chosen based on the assignment given to the researchers for industrial visitation in May 2016.

Psychological contract offers a way of investigation which in the end alterations is expected by those who are affected. It sends a good signal especially on the changes that may occur to employees' attitude. To-date, few researchers have conducted research focusing on the internship students especially in Malaysia. The fact is it would be beneficial for organizations and higher learning institutions to disclose some important aspects in generating high quality graduates according to the demand from the industry.

Since employers' requirement about psychological contract remain unclear, it is necessary to gain a better understanding about the underlying factors that will shape the internship students' attitude which in turn enhancing the quality and productivity of the university graduates. The overall objective of this study is to examine the current demand that managers anticipate from the internship students which later can be used by the higher learning institutions in producing well-versed graduates.

This study adds value to the HRD literature, practice and policy development. This study also assists researchers to understand problems related to psychological contract. The findings of this study could assist universities to understand the changes in demand from the industry which require a better quality graduates that meets with the industry's expectations.

2. LITERATURE REVIEW

Understanding Psychological Contract

The notion of psychological contract can be traced back since 1960s [3], it is currently noticed that the centre of attention has becoming more on academic and experiential research. Psychological contract can be defined as an "unrecorded set of hopes functioning at all times between every employee in an organisation and the managers and others in that same organisation" [4].

Any decision or assurance made by organisation, it will received a significant amount of reaction from employees. Employees will decide their psychological contract with organization based on the foundation of these activities. Employees arrive in the engagement of relationship by accepting that their employer has certain responsibilities towards them, hence creating an atmosphere of mutual understanding.

Though it is contended that psychological contract is a significant motivation on the relationship between the employee and the organisation [1]. Other types of bond, psychological contract has often becoming an important issue on the employee's behaviour and when it is noticeable; both of these will have an influence on the psychological contract. In organization, role expectations can also be viewed through the perspective of psychological contract. One implication from the above is that what employers and employees expect from each other is very dynamic. In response to that expectation, employees are expected to respond "by

demonstrating a good attitude, following directions, and showing loyalty to the organization” [12].

Psychological Contract Expectations

A primary concern in psychological contract is when a promise is made, there must be some kind of offering in return as a mutual agreement [5]. In fact, experiential work develop when new employees enters into an organisation, they have expected the position and the working culture, which may act as the foundation on which psychological contracts are being expressed [6]. However, not all expectations are prescribed [5], some aspects cannot be abandoned during the formation of psychological contract.

These expectations are united into a new employees’ psychological contract. In specific, expectations that are objectified within the context of new employing relationship will become part of a new psychological contract [7]. Assurances set the characteristic possessions of psychological contracting, as these knowledge encrypted by individuals as a promised by the employers, thus heading towards the creation psychological contract[5].

Pre-Entry Expectations

At this phase, new employees antedate their skills in the organization they are going to work for certain amount of time. The most obvious part is the focus on recollection [8]. New employees, particularly the fresh graduates upon joining the organization [9,10] will analyse and comprehend the new culture of employment relationship [8,11], and formulate potentials on the potential psychological contract.

Individual tendencies may influence how new employees interpret these expectations. New employees’ past experience, will affect how they interpret and improve their hopes from the new employers. Moreover, these notions will also affected by pre-entry information’s on the future employer through organizational image during job seeking and recruitment procedure.

Taking into consideration the Malaysian perspective, graduates or internship students will use on-line access to gain information regarding the chosen organization hence developing their perception towards the organization.

3. METHODOLOGY

This study was conducted based on the qualitative approach to gain an in-depth understanding about the expectations set by the managers of internship students which can be used by higher learning institutions in order to produce holistic graduates in the future. The researchers believed that an in-depth interview will able to produce a better response from the respondents and their ideas can be used to enhance the quality of education of the Malaysian universities.

In this research, managers or supervisors who supervised internship students were chosen as respondents since they had a close working relationship with the internship students. The researchers were given a set of predetermined organizations located in the area of Skudai, Johor to conduct this research. Six (6) organizations agreed to take part in the interview process. Data were gathered through open ended structured interview.

Questions were designed to obtain the essential information needed for addressing the main research question of this research. The interviewers were concerned with the sensitive prompts, implementing the accurate listening and attempting

to foster a conducive atmosphere for respondents to express themselves as free as possible. Open ended questions were applied in this research such as:

- i. “How long have you been engaged with the internship or practical students that were employed by this organization?”
- ii. “From your opinion, how do you explain the strength of internship students from other university and the university I am representing?”
- iii. “What do you expect from internship / practical students in the future?”
- iv. “What are the areas that you think universities should concentrate in developing future graduates that can meet industry’s demand?”
- v. “Do you think that the university should expose its students with a specific knowledge based from the course that they have taken along with the knowledge that is related to real life?”

Interview sessions were conducted at respondents’ office at their convenience to express opinions within 20 minutes period for each interview. The session was recorded using an electronic audio with consent from managers and all data about participants and transcription of the interview is transliterated using Microsoft Word. Transliteration of the interview was done by the researchers to reduce the inconsistencies and misinterpretation.

Data were analyzed line by line in order to find the expectations towards internship students. These statements were targeted, and tentative codes were printed in the margin for the detection of trends. Alterations and resemblance between codes were compared and codes that were similar in content were grouped and classify into categories. The statements and codes generated were repeatedly reviewed to ensure the consistency of the coding.

4. RESULTS

A total of 11 codes was discovered from the transcript. These codes were then grouped into categories based on the similarities in implication. During the process of extracting and analysing the codes, two categories were discovered; Self-Development and University-wide Actions which represented the groups within the codes. Table 1.0 below explain the codes and their respecting categories.

CODES	CATEGORIES	THEME
Willingness to become multitasking	Self-Development	Demand from Industries
Awareness of all aspects of organization		
The reality of day-to-day operations		
Applying theory and practical at the same time		

Attitude of workers		University-Wide Actions
Cooperation between workers		
Individual discipline of workers		
Managing new and old clients		
Instilling creativity among internship students		
Learning outside their major course		
University should offer electives that are not related with course major.		

Figure(1) Extracted codes and categories

Respondent 1

Respondent 1 is holding a position as branch manager for one of the top insurance company in Skudai, Johor for more than 20 years. He has been engaging with internship students for less than 5 years. Throughout the interview session, Respondent 1 expressed:

“Normally, good attitude in the working environment or good relationship with other employee.....they will take their initiatives in doing their entire job or extra job (using deep voice) that they think they can do.....”

Throughout the interview session, the researchers noticed that the multi-tasking and awareness about the functions within the organization played a significant role towards the internship students. Respondent 1 also agreed that students should learn extra soft skill subjects so that it would be beneficial for them in the future.

“.....strongly encourage especially, of course not to say to teach during the lecture, but maybe can get some games or something like practical training, or can point out why it is important during the lecture in the university”.

Respondent 2

Respondent 2 works as a supervisor in one of the housing development organization in Skudai, Johor for more than 10 years. She has been engaging with internship students for the past 4 years ago starting from 2010. Throughout the interview session, Respondent 2 expressed that positive attitude is crucial in her business line whereby one must be fast and accurate in completing a task and an internship student must learn in note taking skills to show their commitment towards the given tasks.

She also added that managers are expecting internship students to be more hardworking and be able to complete the task with minimum supervision. Respondent 2 expressed her opinion towards internship students as follows:

“...Most internship students nowadays expecting easier task to be completed because they kept thinking that they are not fully engaged with the day to day operation of this organization.”

From her opinion, it shows that some internship students are not giving their fullest commitment towards organization because they perceived that it is not their task since they are bound by short period of time.

Respondent 3

Respondent 3 is a manager in a construction company in Skudai, Johor that has been established for more than 15 years. When she was asked about her opinion pertaining to the exposing students on the areas that are not related with their majoring, she responded:

“...Yes. For our construction organization, one must know what is happening in other department so that it will align with the organization monthly, quarterly and yearly target. When a worker knows what is happening in other department, they can see the bigger picture on which direction this company is going. We are looking for a multitasking worker in the near future.”

Respondent 3 stated that universities should exposed students into areas that are not from their majoring subjects as it will be beneficial for future graduates to know what is happening in other departments. Apart from that, it can be used to align with the organizational target.

When asking about the characteristics needed from internship student, Respondent 3 stated that the organization did not expect too much from the internship students because they are engaged with the organization for only three months. However, an internship student must possess positive attitude and willingness to learn as it would create a good impression for the managers.

Respondent 4

Respondent 4 is working as an architect manager in Skudai, Johor for more than 15 years. He has been engaging with internship student for 5 years. Throughout the interview session, Respondent 4 expressed:

“...fresh graduate or internship student, the main thing is to come out with the end product, means that they come here not just to learn but at the same time on the business side, they should come with the profit or business for the company.”

Respondent 4 also agreed that instilling students with subjects that are not related to their major courses would help them to become well-versed with the business functions. Respondent 4 expressed:

“....we are a construction company and we made a lot of marketing salesman. Our workers are learning about marketing and they need to know exactly about the technical data about our company and our services produced and it is a technical knowledge to promote our company to clients.”

Respondent 5

Respondent 5 is working in accounting firm as a manager in Skudai, Johor that has been operated for more than 10 years. When the researchers asked about the characteristics needed among internship students, she commented that the organization really looks forward for hardworking students regardless, the duration of their working time as the organization will usually have many clients who wished to engage with services that they offered.

The respondent also commented about the related and unrelated subjects with majoring and she believed that students should be exposed in details towards their majoring subjects before attempting other subjects that is not related with the major courses. She commented:

"...I agree with the suggestion, but I would like to suggest that the university concentrate on the majoring subject of the courses and at the same time offers subject that are not related with their majoring."

Respondent 6

Respondent 6 nature of business is insurance, which resided in Skudai, Johor for more than 5 years. Respondent 6 stated that they are looking forward towards internship students who are keen of managing administration task and promoting insurance products to potential customers. Respondent 6 commented about MMU internship students as:

"...Before we employed any internship students we usually ask them to fill of DISC (Dominance, Influence, Steadiness and Compliance) questionnaires so that we can know their specific characteristics and from there we can put them in the according department."

Respondent 6 commented that universities should offers wide array of elective subjects so that future graduates can choose which electives that meet the demand of their future managers. The respondent continues his comments as follows:

"...if they are not sure about their future, it will be beneficial to them but personally the university should provide high range of subjects so that the students can choose in the future. Because they don't know what to learn and what are their future employers will be. The elective subjects offered by the university should be specific and marketable towards the industries."

5. CONCLUSION

In conclusion, this study provides a glimpse on the basic understanding of current demand from industries towards internship students or graduates within the context of Malaysia. It was proven that the industry demand graduates or internship students possesses multi-tasking ability and knowledge other than their major course of studies.

Universities should take the challenge of developing future graduates to meet the current demand from industries. It can be concluded that the steps taken by universities in offering related and unrelated electives subjects as a compliment to the student's major course is relevant as it will create more multi-tasking graduates in the future. This research also proves that the elective course offered by universities should be maintained and nurtured as one of the major subjects that must be taken by students to graduate.

Universities should consider conserving elective subjects that are being offered to students as it will boost up their knowledge in understanding outside of their major courses.

Managers are looking for well versed candidates who are capable of executing a task that are not related with their courses.

This study is limited to six participants in their own settings. More in-depth study that involves managers from different areas across Malaysia should be implemented. Findings from the deeper and wider spectrum of study will yields a more comprehensive understanding about the demand from the key industry players. The ultimate aim is to develop a well-versed graduate that meets the local and international demands.

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