

The Importance of Psychological Contracts for Safe Work During Pandemics

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### The Importance of Psychological Contracts for Safe Work During a Pandemic

COVID-19 has shone a spotlight on how the effects of a pandemic can reverberate throughout a broad spectrum of work-related processes, as eloquently described in the focal article (Rudolph et al., 2020). However, a critical topic overlooked by the authors is the explicit and implicit role organizations play in protecting the health of workers and the community at large. Accordingly, we propose psychological contracts, specifically in relation to workplace health and safety (Rousseau, 1989; Walker & Hutton, 2006), as an area warranting greater attention at this time from researchers and practitioners alike.

Health and safety psychological contracts are crucial given the occupational hazards created by highly contagious diseases. According to recent pre-pandemic estimates, 10% of workers in the U.S. are exposed at work to disease or infection more than once per week, and 18.4% are exposed more than once per month (Barker et al., 2020). In fact, it is estimated that pandemic disease exposure may be greater at work than elsewhere, which has implications for disease transmission to workers and communities alike. For instance, 17 of the first 25 community transmitted cases of COVID-19 in Singapore are believed to be associated with workplace exposure (e.g., infected individual in contact with retail, hospitality, and transportation workers; Koh, 2020). Unlike other forms of workplace risk that do not involve contagions, infected workers can also increase community exposure to contagious diseases, particularly when transmission is airborne and occurs when individuals are asymptomatic, thereby constituting a greater scale of workplace risk than was seen pre-pandemic. Therefore, understanding how to protect the workforce is a critical issue that warrants serious attention.

In what follows, we highlight the importance of psychological contracts for ensuring workplace safety in the context of the current pandemic. We then discuss three key issues for research and practice related to psychological contracts that might apply during a pandemic.

### **Importance of Psychological Contracts During a Pandemic**

Employment psychological contracts describe “perceived mutual obligation between employees and employers, viewed from the employee’s perspective” (Rousseau, 1989; Walker & Hutton, 2006, pp. 433). Rooted in social exchange theory (Blau, 1965), psychological contracts are based on employee perceptions of implied employer promises being contingent for reciprocal employee actions (Walker & Hutton, 2006). Employer promises need not be explicitly stated to be perceived as such (Rousseau, 2001). Perceived employer obligations associated with safety psychological contracts include providing safety resources (e.g., maintain a safe workplace, supply proper equipment) and attending the safety interests of employees (e.g., set a good example of safety behavior). Reciprocal employee obligations involve safe work practice compliance (e.g., following safety rules) and reporting and communicating safety behaviors (e.g., raising safety concerns; reporting hazards and risks) (Walker, 2010; Walker & Hutton, 2006). Importantly, psychological contracts for workplace safety often involve obligations that go beyond legal compliance, and can vary from person to person (Rousseau, 1998).

Most critical from the perspective of COVID-19, and the occupational risks therein, research shows that breaches in psychological contracts are likely to have significant negative behavioral consequences. A breach in an employment psychological contract occurs when an employer is perceived by an employee as not fulfilling an implied reciprocal obligation. This results in intense reactions, such as feelings of betrayal, dissatisfaction, disappointment, and outrage that damages the employee-employer relationship (Rousseau, 1989). When psychological contracts are breached, employees are less inclined to meet their reciprocal obligation, which can have ramifications for organizations. For instance, perceived violations of psychological contracts are associated with lower organization identification and affective commitment, and lower performance (Li et al., 2016). Especially relevant to COVID-19, breaches are associated with decreases in safe behaviors and increases in unsafe behaviors

over time (Pekcan, 2017). Walker (2013), for example, found that nurses who were injured at work perceived their employer had breached safety obligations and also had lower organizational trust. In turn, perceived safety contract breaches were associated with nurses feeling less inclined to fulfill their safety obligations, which translated into a decrease in safety behaviors. Such negative safety spirals suggest safety psychological contract breaches during a pandemic could have catastrophic consequences as transmission of contagious diseases may increase when workers are less vigilant with safety rule compliance.

Anecdotal evidence suggest that psychological contracts have indeed been breached during the pandemic. For instance, during the first few months of the COVID-19 pandemic, U.S. grocery workers were frequently exposed to sick colleagues without being told by their employers, who cited privacy regulations for their silence, and were subjected to discipline (including termination) for voicing safety concerns or for staying home when unwell (Dungca et al., 2020). Some U.S. states have set up websites where individuals can anonymously report workplace safety concerns related to COVID-19. In Massachusetts, for instance, over 900 alleged safety violations were reported since May 2020, suggesting many workers perceive their employers have not fulfilled their safety obligations (Ryan, 2020).

### **Three Issues for Research and Practice**

Altogether, there is good theoretical reason – as well as some anecdotal evidence – to suggest the importance of psychological contracts during the pandemic. In the following, we outline how attention needs to be given to the sorts of psychological contracts individuals hold about health and safety; whose psychological contracts should be considered; and how psychological contracts can be managed.

**What psychological contracts do employees hold about health and safety?** It is important to understand what employees expect from organizations to support their health and safety during a pandemic. One issue is clear: simply adhering to legal requirements is

likely to be insufficient in some cases, and/or contested in others. Thus, whilst federal, state, and local authorities have issued a variety of pandemic-related guidelines and legal responsibilities for employers towards creating safe work environments for employees, especially those at higher risk of infection, there is also considerable complexity to these guidelines. They are issued from numerous agencies, may only apply subsets of employees (e.g., equal employment opportunity laws) or in certain conditions, and often vary based on workplace geographical location. Together, there is significant confusion about employers' explicit health and safety obligations in a pandemic. Moreover, it is sometimes impossible for guidelines to keep pace with frequent changes and developments.

Importantly, workplace safety psychological contracts often involve meeting obligations that go beyond legal compliance (Rousseau, 1998). Indeed, beliefs about employers' obligations may misalign with litigated requirements, stemming in part from the complicated nature of the rules, but also from individual differences, such as real or perceived vulnerability to the contagious disease. Other factors in play include the attitudes that people hold, and potentially competing values, such as safety and freedom. For instance, more and more retail businesses are requiring employees and customers to wear face coverings when shopping in store, yet some people feel this is a violation because it infringes on their personal liberties (Mervosh et al., 2020). Another competing interest can be that between ensuring safety and preserving employment. Thus, employers during the current COVID-19 crisis have grappled with striking a balance between keeping their businesses open and providing a safe work environment. Such conflicting beliefs about what employers are and are not obligated to do creates seemingly impossible tensions and moral dilemmas. On the one hand, employers are being required to provide a safe work environment, but determining what is required versus what is recommended is daunting. On the other hand, employees and customers may perceive obligations differently, and those perceived obligations may be at

odds with one another. Understanding what workers expect with respect to health and safety – that is, their psychological contracts – is thus crucial moving forward.

An initial way to understand psychological contracts about health and safety might be to understand where and why breaches occur. For example, analyzing social media and news stories (including the comment sections, where available) could be an informative source for developing a sense of the types of psychological contract violations happening, and the complexities that are behind them. We suspect some of the driving forces behind perceived violations are moral tensions between individual freedoms and sacrificing for the good of the community, challenges associated with managing a maze of regulations so as not to discriminate against protected classes (e.g., age and disability) and privacy rights, and social norms that shape how workers and customers perceive each other's role in workplace safety.

**Whose health and safety psychological contracts are of interest?** Although there is a rich literature on psychological contracts, research on psychological contracts for workplace safety is limited in scope, focusing on occupations where workplace hazards are common (e.g., medical, construction; Newaz et al., 2019; Walker, 2013). However, nowadays safety hazards related to disease spread are relevant in previously unexamined occupations, such as “essential work” (e.g., grocery stores) and jobs involving frequent contact with others (e.g., retail, hospitality), suggesting an urgent need to research these groups. Thus, research of health and safety psychological contracts beyond traditional hazardous occupations is needed.

As noted above, psychological contracts are idiosyncratic, therefore it is important to understand how perceptions vary and why. For example, tolerance for breaches in psychological contracts varies in part as a function of age (Ng & Feldman, 2009). Older workers are thought to be more tolerant of perceived contract violations because they are better able to regulate their emotions and more willing to excuse misconduct compared to younger workers. However, in times of a pandemic where older workers are at greater risk of

serious illness, it is unclear how breaches to psychological contracts related to workplace safety and health will be viewed by older workers, or by others at increased risk or in riskier occupations. Moreover, employees' psychological contracts for workplace safety and health may include perceptions of employers' obligation to others besides employees themselves, such as individuals at high risk that employees come in contact with either as part of their work activities or in their personal lives in the community, including family members.

During a pandemic, it might also be crucial to understand the psychological contracts of customers, clients, other beneficiaries of work, and even the general public - because the consequences of these contracts extend to workers. For example, in the case of retail business requiring masks, evidence suggests employees may perceive this as employers fulfilling their safety obligation. However, some customers may see this as overreach and retaliate, sometimes violently, against the employees who are left to enforce the mask rules (MacFarquhar, 2020), which in turn infringes on the employees' safety. Further, businesses stand to lose customers if they try to enforce safety measures, like mask wearing. Other times the retaliation is against businesses attempting to respect individual choice about safety, such as a national movie theatre chain in the U.S. that reversed its policy of not requiring patrons to wear masks after an intense backlash from the public (Gross, 2020).

**How can workers' psychological contracts about safety be managed?** One key question to consider is how might psychological contracts be managed during periods of rapid change and high risk, such as the current global pandemic? Psychological contracts are believed to be dynamic, evolving over time (Rousseau, 1995; Schalk & Roe, 2007), although research on changes in psychological contracts is limited. Schalk and Roe (2007) proposed that critical events, such as organizational or individual changes, have a profound impact on assessing and revising psychological contracts. To date, the dynamic nature of psychological contracts in times of extreme external environmental change has received limited attention,

leaving questions about how the contracts can change, and which individual differences contribute to contract changes. Understanding the likely highly dynamic nature of psychological contracts during a pandemic is important, as the external situation evolves, and as individuals' perceptions of risk change. Individuals likely revise their psychological contracts for safe work, altering their previous beliefs about employers' obligations for creating and maintaining a safe work environment.

In practice, upholding the integrity of a psychological contract may become disproportionately important for vulnerable groups during a pandemic. Individuals with certain health conditions (e.g. cardiovascular disease, hypertension, diabetes, and chronic respiratory disease), older adults, the obese, and those with compromised immune systems (Cirrincione et al., 2020; Jordon et al., 2020; Richardson et al., 2020) may experience more adverse outcomes as a result of a breach of psychological contract than the general population. Such vulnerability might imply perceived greater investment of 'capital' on the part of at-risk workers and a corresponding expectation of obligation on the part of the employer. Organizations may therefore need to be strategic in managing psychological contracts with their employees during COVID-19.

The literature provides some general guidance for avoiding perceived breaches and maintaining psychological contracts. Perceived violations of psychological contracts are often attributed to two factors, renegeing and incongruence (Morrison & Robinson, 1997; Robinson & Morrison, 2000). Renegeing refers to organizational agents knowingly failing to meet an obligation, whereas incongruence stems from differing views on whether an obligation exists and the nature of the obligation. Perceived psychological contract violations caused by renegeing can be reduced by being careful about promises made, particularly in times of uncertainty, whilst violations stemming from incongruence can be reduced by clear and frequent communication with potential and new employees (Robinson & Morrison,

2000). Perceived incongruence might be especially relevant during a pandemic because of different beliefs employees have about employer obligations towards workplace safety.

Finally, Niehoff and Paul (2001) proposed strategies for employers to sustain psychological contracts. First, develop and maintain clear, honest employee communication. Second, offer fair and competitive wages and benefits that meet employees' expectations. Third, clearly communicate performance evaluation criteria. Fourth, provide periodic performance feedback to clarify evaluation standards. Next, develop consistent and fair disciplinary procedures that include a process for stating grievances, and communicate those procedures to all employees. Finally, include employees in organizational change processes.

### **Conclusion**

Until a pandemic is contained, increases in the challenges associated with effectively managing workplace risk will occur, especially involving vulnerable populations. In this commentary we brought to light a topic vital during a pandemic, namely protecting the health of workers, and highlighted the important role psychological contracts play in achieving that goal. A complex interplay of external and internal factors is associated with shaping these contracts and evaluating breaches, with high stakes for individuals and organizations alike. The COVID-19 pandemic offers a unique opportunity to understand the complex nature of health and safety during periods of intense change. This implies options for expanding the scope of research on psychological contracts for workplace safety to include individuals not previously considered in 'high-risk' work, like supermarket and retail employees. Balancing the needs of vulnerable workers alongside economic constraints requires careful development and maintenance of psychological contracts. Employers should remain vigilant to the risks and signs of contract breaches in order to maintain a healthy and productive workforce.

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