

Report On
Assessment on fulfillment of Psychological Contract at
RANCON Trucks & Buses Ltd

By

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An internship report submitted to the BRAC Business School in partial fulfillment of the
requirements for the degree of
Bachelor's of Business Administration

BRAC Business School
BRAC University
August, 2019

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Declaration

It is hereby declared that

1. The internship report submitted is my/our own original work while completing degree at BRAC University.
2. The report does not contain material previously published or written by a third party, except where this is appropriately cited through full and accurate referencing.
3. The report does not contain material which has been accepted, or submitted, for any other degree or diploma at a university or other institution.
4. I/We have acknowledged all main sources of help.

Student's Full Name & Signature:

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Letter of Transmittal

Mr. Zaheed Husein Mohammad Al-Din

Senior Lecturer

BRAC Business School

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Subject: Submission of Internship Report

Dear Sir,

I am here by submitting my Internship Report, which is a part of the BBA Program curriculum. It is a great honor to work under your active support and supervision. This report is based on, “Assessment of Psychological Contract at RANCON Trucks & Buses Ltd”. I would like to recall with gratefulness, the remarkable support and encouragement that I received from you. I tried my level best to follow the guidelines that you have given for making the Internship Report.

I have attempted my best to finish the report with the essential data and recommended proposition in a significant compact and comprehensive manner as possible.

I trust that the report will meet the desires

Sincerely yours,

Nusrat Khan Syba

14304040

BRAC Business School

BRAC University

Date August 25, 2019

Non-Disclosure Agreement

This agreement is made and entered into by and between RANCON Trucks & Buses Limited and the undersigned student at BRAC University, Nusrat Khan Syba.

Confidentiality Agreement (Sign either part 1 or part 2)

Part 1: Confidentiality Not Required

1. The three parties agree that the internship report, in draft or final form, is not considered to be a confidential document and the internship report may be shared with other parties by the student, employer or faculty advisor. The faculty supervisor will maintain a copy of the internship report for at least one year (in case of a grade review), at which time the supervisor may elect to destroy the file copy.
2. The three parties agree that all documents and data provided by the employer to the student in the course of the internship remain the property of the employer, but except where expressly requested by the employer, these will not be treated as confidential information by the faculty supervisor and the student.
3. The three parties shall not be prohibited from disclosing any information obtained during the internship if such information was in the public domain.

Nadia Rahman
SBU HR Lead
RANCON Trucks & Buses
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Student, BRAC University

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Part 2: Confidentiality Required

1. The three parties agree that the internship report, in draft or final form, is considered to be a confidential document and the internship report may not be shared with other parties by either the student or the faculty supervisor. The internship report will be read and evaluated by the faculty supervisor and filed as a confidential document with the faculty supervisor for a period of one year (in case of a grade appeal). After one year the internship report will be destroyed. In the case of a grade appeal involving the internship report, an independent faculty member may be asked to re-read the internship report. In such circumstances the independent faculty member will treat the report as confidential.

2. The three parties agree that all documents and data provided by the employer to the student in the course of the internship remain the property of the employer, and that these will be treated as confidential information.

3. The three parties shall not be prohibited from disclosing any information obtained during the internship if such information was in the public domain. 4. The three parties agree this confidentiality agreement will remain in force for one year from the end of the internship.

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Acknowledgement

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In every step of study, the invaluable help and suggestions from many individuals and institutional experts has supported me a lot. Now it gives me enormous pleasure to acknowledge them with my gratitude.

I would like to express my gratitude and indebtedness to my respected supervisor Mr. Zaheed Husein Mohammad Al-Din Senior Lecturer BRAC Business School, BRAC University from the core of my heart for kind support, guidance, supervision, instructions and advice that motivated me to do this report. His sincere guidance, co-operation and valuable advice enabled me to overcome all the problems that I faced.

Special thanks to Mrs Nadia Rahman, SBU HR Lead, RTBL for guiding throughout my internship period. I am thankful to all my colleagues for their huge cooperation. And also indebted to the persons whose books, working papers, journals and related materials gave me continuous support to write this report.

Executive Summary

This report illustrates my survey and research on the Psychological Contract in "RANCON Trucks & Buses Limited (RTBL)". RTBL is a concern of RANCON group one of the largest conglomerates in Bangladesh. The survey was done on 39 employees of RTBL and also an interview with the employer who gave me valuable insights on the relationship among employee and employers of RTBL.

From the survey, I have found that employees are not satisfied with the job security that RTBL is providing and this has an impact on many factors. The employees are not motivated for a long time commitment with the organization. There is a communication gap between the employer and the employee. Employees have trust issues with their employer and it seems that employees are pessimistic when it comes to keeping promises. Moreover most of them are not satisfied with their job. This clearly indicates a breach of psychological Contract.

However, it was also seen that the employees are flexible enough to work in the challenging situations. Therefore, it goes with one of the notions of psychological contract which mentions that employers want flexibility from the employees. From the survey we could find many aspects of employee expectation. Some of them could fulfill the psychological contract whereas some were a bit divergent.

Keywords: Psychological Contract, Psychological Contract Breach, Job Security, Job Satisfaction, Organization Commitment, Trust

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List of Acronyms

PC	Psychological Contract
PCB	Psychological Contract Breach
ER	Employee Relation
HR	Human Resource
RTBL	RANCON Trucks & Buses Limited

Chapter 1

Company Overview

1.1 Background of RANCON

RANCON Trucks and Buses limited, FUSO Bangladesh is a concern of RANCON Holdings Limited. RANCON started its journey first with RANGS Group which is one of the largest premier conglomerates representing different Global brands in Bangladesh. RANGS is a very popular name in business sector in Bangladesh since 1979. The RANGS Group headquarter is at Tejgaon, Dhaka, with several business units that operates countrywide. Driven by the passion to be the best and with a team of unique professionals, it brings trusted brands of the world within the reach of everyone in Bangladesh. Small, medium and large family owned businesses dominate over Bangladesh's \$100 billion (\$288 billion in PPP GDP) economy, which has been growing at over 5 percent a year since 1995.

RANCON Holdings Ltd was initially a concern of RANGS Group but after few years of operation the company with holds its own potential and got separated from the RANGS Group and formed its own entity as RANCON Holdings. It is one of the largest conglomerates of Bangladesh and has an upper hand on the businesses it holds due to its significant time span in the market. It holds its own dignity and pride in the field of market.

1.2 Mission

“Be the trendsetter in all business we operate.”

1.3 Vision

“We set our vision to be a leader and role model in diversified business sectors that cater to every growing human need”

1.4 Strategic Business Units of RANCON Holdings Ltd.

1. Garda Shield
2. Mercedes-Benz (Bangladesh)
3. Mitsubishi Motors Bangladesh
4. RANKSTEL
5. RANGS Industries Ltd.
6. RANGS Properties Ltd
7. Shell Bangladesh
8. In Space Architecture
9. RANCON Oceana
10. RANCON Automobiles Ltd.
11. Suzuki Bangladesh
12. Bank Asia Limited
13. FUSO, Bangladesh

1.5 Overview of FUSO, Bangladesh

RANCON Trucks and Buses Limited (RTBL) - a concern of RANCON holdings limited- was founded in 2017 and appointed by Mitsubishi FUSO Truck and Bus Corporation (MFTBC), one of Asia's leading commercial vehicle manufacturers, as the authorized general distributor of FUSO trucks and buses in Bangladesh responsible for import and wholesale businesses exclusively for FUSO brands ensuring world class services. FUSO's different bus and truck models have been launched on 15 March at the FUSO showroom, Tejgaon, Dhaka.

FUSO inaugurated a newly built sales facility in Tejgaon, Dhaka and displayed FUSO models FA, FI and FJ of 9, 12 and 16 ton respectively for its customers. FUSO offers range

of trucks from 4 to 65 ton trucks, with outstanding performance, reliability and efficiency. The entire range will be strategically introduced in the market. Initially, models FA, FI, FJ, FJ (RMC) and FZ along with Rosa bus and Canter will be available. RTBL will inaugurate 3S (sales, service, spares) and 2S (sales & service) showrooms later this year in Bangladesh.

FUSO trucks are based on the long-standing Japanese tradition of proven trusted quality, economic efficiency, solid and functional design as well as committed services, belonging to Daimler Trucks Brand, the largest manufacturer of trucks over six tons covering nearly all continental regions - Asia, Africa, Latin America, Europe and the Middle East.

1.6 SWOT Analysis

Strength

- FUSO is produced by Mitsubishi which have a strong brand value.
- The distributor is RANCON Group which also have a brand value
- They have a strong network all over the country

Weakness

- They are new in the market so most people do not about them
- Lack of available After Sales service around the country
- Very less advertisements compare to their competitor

Opportunities

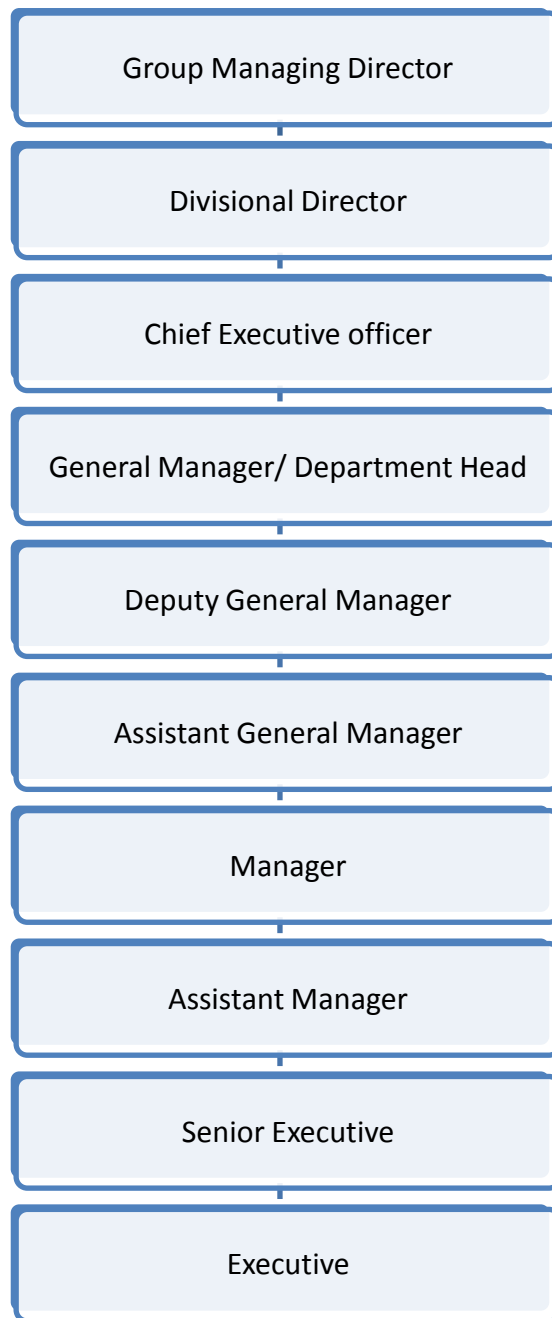
- There is a high demand of commercial vehicle in Local Market
- As the growing economy, there is potential growth of commercial vehicle

Threat

- Indian brands like TATA leading the market in Bangladesh
- Pricing is a bit higher than the Indian Brand

1.7 RTBL Organogram

Figure 1 RTBL Organogram



Chapter 2

2.1 Introduction to study

Psychological contract is the perception of two parties that is employer and employee, about mutual obligation towards each other. Other than the written contracts both employer and employees have some unspoken demand that they expect to be fulfilled which includes:

- Employee from employer- want to be treated fairly, some level of security & certainty, need for satisfaction, fulfillment and advancement etc
- Employer from employee- flexibility, minimum standard competence, fit in changing environment, commitment, team player, leadership etc.

Psychological contact is an important variable because it defines the relationship between the employer and employee through proper communication. Communication is the key element for psychological contract as it creates an impact. When the interactions between both parties are clear it would have positive impact on performance, commitment and organization. On the other hand lack of communication can imbalance the contract and can occur breach which will create a negative impact on the job satisfaction, commitment and employee engagement.

The populations I have selected for this report are the employees of RANCON Trucks & Buses to assess whether the psychological contract is fulfilled and to see whether there is any breach or violation of the contract.

2.2 Research objective:

This report is based on psychological contract and the objective is to understand how the employees and employers perceptions on each other and also about their perception on overall work environment of RTBL. The survey was conducted based on security of employment, social relation & atmosphere, potential for advancement, access to training and

development, Job satisfaction, Environment, flexibility. The main thing is to find out whether RTBL is fulfilling the psychological contract or not.

2.3 Scope of Research:

The whole report is about the study of psychological contract in RTBL. The population I have selected the employer and employees of RTBL. Here the independent variable is the psychological contract and the dependent variable is job satisfaction, commitment and engagement. We will see how the individual dependable variable reacting in RTBL to fulfill Psychological Contract or there is a breach/Violation via survey questionnaire of 15 questions. This will help us to analyze the problem and recommend solution to RTBL.

2.4 Research Methodology

a) Methods of Research Used

- Type of Research – Descriptive Research

- Research Method
 - Survey Research Technique
 - Observations
 - Secondary Data

b) Sample Characteristic

Table 1 shows the demographic profile of the employee. Majority of the respondents are in a younger age more than 90% is below the age 40. Most of the respondents were male (82%) and the type of contract are mostly permanent.

c) Type of Questionnaire

- Simple Attitude scale
- Category scale
- Likert scale

d) Collection of Data

- Primary Data- Data was collected through survey questionnaire and face-to-face interview
- As I am the HR intern of RTBL, I made the questionnaire and distribute it among the employee and interviewed the employer
- Secondary Data from Conference papers, journal papers, books, online databases)

2.5 Limitation of the research:

RTBL is a Strategic Business unit of auto manufacturing division of RANCON Holdings. Result from the study focuses on only one business unit of RANCON and not the whole industry which prevent to compare the result. Moreover, I could survey on limited population and they are the management people from Dhaka as they were reachable.

Moreover, Human Resource department is confidential department so I did not have access to many data. Since HR is a sensitive department I faced difficulties regarding convincing them to participate in the survey. Most of them were not comfortable regarding sharing their internal information and work life perceptions. Moreover, I was not allowed ask about some personal information of the participants like designation.

2.6 Significance of the report:

Psychological contract aims measure the attitude and the emotions of the employer employee. Here in these report I have analyzed the perception of the employee through extensive survey which will benefit RTBL employers, the higher level management to understand the employee and work to improve psychological contract in their business unit.

Chapter 3

Literature Review

3.1 The conception of Psychological Contract (PC)

Psychological (PC) contract deals with beliefs among the employee and the employer. It simply indicates that there are certain obligations that must be fulfilled from both the employee and the employers. Therefore, psychological contract actually holds the beliefs regarding what the employees owe the organization and what the organization owes them (Rousseau, 1989). The more psychological contract is fulfilled, the more employee engagement is increased (Coffman & Gonzalez-Molina, 2002; Bal et al., 2013; Chang et al., 2013). Therefore, the more engaged employee can be more dedicated towards the organization. As a result, the productivity and loyalty of employees towards the company will bring success in the long run. All these are related with the significance of psychological contract in a workplace.

3.2 Types of PC:

There are two types of contractual relationship (Rousseau, 1995, pp. 90-95) and they are Transactional contract and Relational Contract. Transactional contract are short term contract of employee with specific and limited obligation which includes skills, short time-frame, limited flexibility, compensation etc. Relational contract explains the emotional and interpersonal relationship between the employer and employee. It is a long term contract where employer and employee are interdependent, there is emotional involvement, tend invest on each other, economic exchanges etc.

3.3 Changing Employee Relation (ER) and Psychological Contract (PC):

There are three phases of PC and ER and they are Traditional PC, Transitional phase and the new PC. Traditional PC says that before 90's people preferred to do one job for a lifetime, with regular promotions, good career aspects as they were concern about Job Security. Transitional Phase says after 1990, Job Security was no longer an issue. People started to look switch job frequent as per their needs and wants. The new PC requires that the relation need to be equal. Employer gives fair treatment and pay to the employee and in return employee will deliver the deal that had been made.

3.4 The impact of psychological contract

In the current dynamic working situation, every organization is working towards the welfare of their company. Therefore, different countries use the tool of psychological contract in order to measure the employee satisfaction. Hence, the different studies show the hypothesis testing which has different possibilities regarding what can actually influence the employee engagement. Therefore, it is very important to realize that

different organizations have different obligations towards the employees and hence it is important to analyze each of the possible factors in order to have a broader idea about psychological contract.

3.5 Psychological Contract Breach (PCB)

PCB depends on the trust between the employee and employer. It occurs when the promises are not fulfilled by the firm as a result creates a negative on the employee. An employee perceiving a breach may have trust issues with their employer and response can be in the form negative impact on loyalty, job satisfaction, and commitment and employee engagement.

3.6 Managerial use of PC

PC helps the manager to understand the nature of relationship with their employees. If there is a developed PC then both manager and employee can understand the obligations towards each other on a transactional and relational basis. Moreover it helps the manager to understand what duty as well as extra to give the employee. Using PC manager can predict the employee and based on that he can motivate, improve socialization process and reward

Chapter 4 Summary, Conclusion & Recommendation

4.1 General findings

Table 1 Sample Characteristics

Description	Range	Frequency	Percentage
Age	20-30	24	62%
	31-40	14	36%
	41-50	1	3%
Gender	Male	32	82%
	Female	7	18%
Tenure (months)	0-6	13	33%
	7-12	9	23%
	13-18	13	33%
	19-24	5	13%
Type of Contract	Permanent	26	67%
	Contractual	13	33%

Table 1 shows the demographic profile of the employee. Majority of the respondents are in a younger age more than 90% is below the age 40. Most of the respondents were male (82%) and the type of contract are mostly permanent.

4.2 Specific Findings

4.2.1. Job Satisfaction

In order to know the job satisfaction and commitment level of employees the following question was asked to them:



Figure 2 Job Satisfaction

The result here is that 15 out of 39 employees are sometimes motivated for a long time commitment, 10 of them are most of the times motivated, 1 of them are always up for a long time commitment in the organization, 11 of them are rarely motivated and 2 of them are never motivated for a long time commitment.

The main purpose behind asking this question was to know that whether the employees are motivated and satisfied with their job or not, whether they have the intention of continuing their job for lifetime or just for a short time. This proves their commitment and eventually their job satisfaction. As we know that job satisfaction is one of the major criteria of

psychological contract so this question's responses shows 11 out of 39 are always motivated on the other hand 12 of them are hardly motivated & 15 of them are sometimes motivated which is very high and shows some dissatisfaction among employees. Hence it gives a glimpse of psychological contract breach.

Interpretation: After the survey it was quite prominent that although some employees are quite satisfied with their job but most of them are not satisfied with their job and not ready for a long time commitment RTBL

4.2.2 Trust

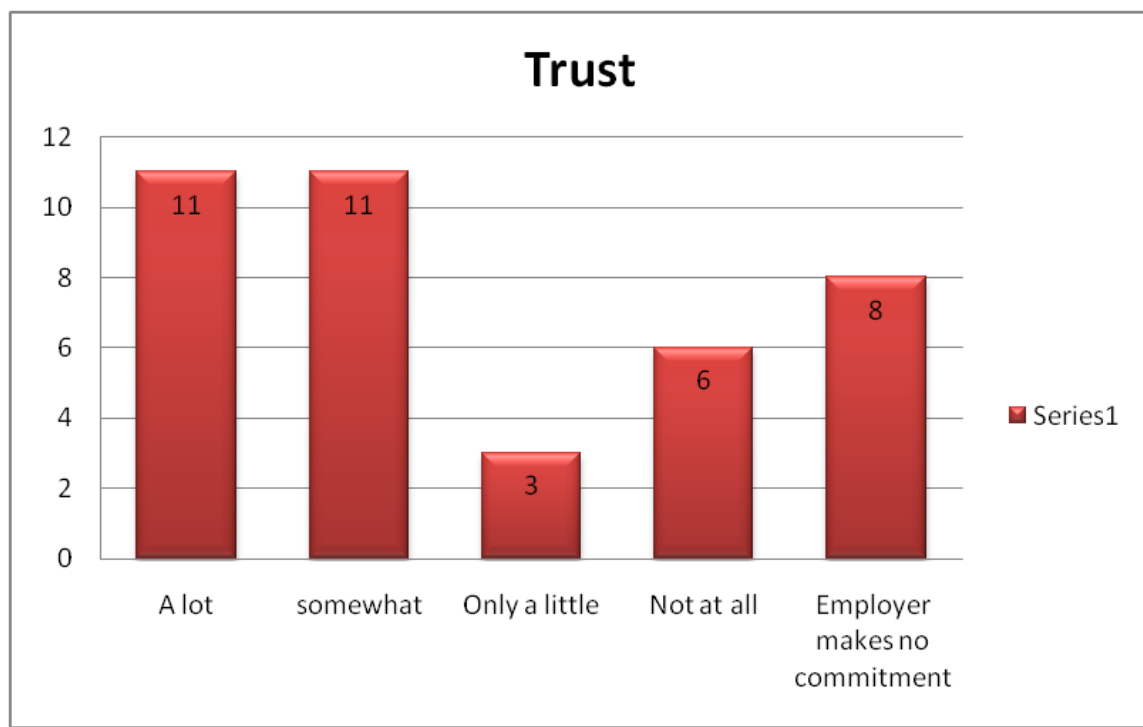


Figure 3 Level of Trust

11 said they trust their employer a lot, 11 said they somewhat trust their employer but not confident enough, 3 trust a little, 6 said not at all and 8 said employer makes no commitment

Interpretation : Employees have trust issues with their employee and it seems that employees are pessimistic when it comes to keeping promises. Hence there is a gap in PC.

4.2.3 Fair and Consistent Treatment

In order to know about the payment policy or to be exact if the policy is fair enough I asked the following question:

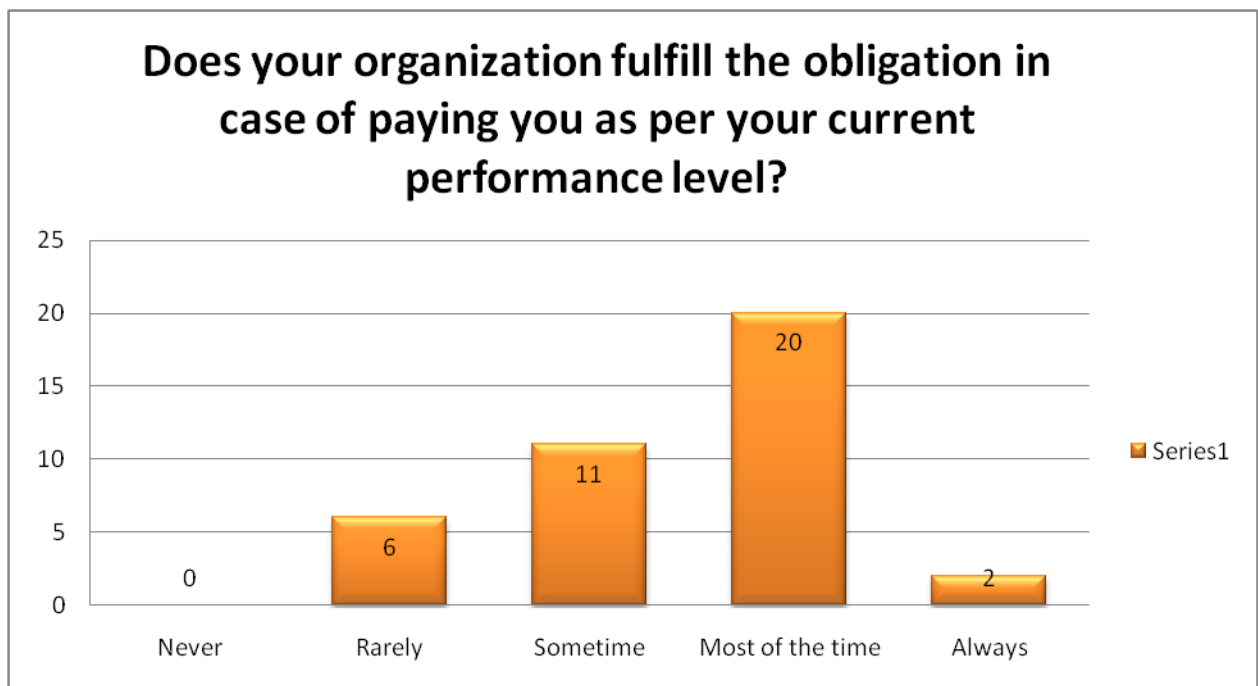


Figure 4 Fair & Consistent Treatment

The result here shows that 6 out of 39 employees think that the organization is rarely fulfilling the obligation in case of paying according to performance level, 11 are saying sometimes, 20 are saying most of the times and 2 are saying they are always paid as per their performance level.

The purpose behind asking this question was to know whether the employees are satisfied with the payment policy of the organization and are they treated fairly. It is because fair treatment and payment is a very crucial element of psychological contract so it is important for us to know about the employees view regarding this. If we try to analyze the responses we

can say that number of employees (17 out of 39) who think they are rarely or sometimes paid as per their performance level are not that satisfied and here the matter of fact is that the percentage is high. Nevertheless, the rest 22 people think that they are most of the time or always paid as per performance level that means they are satisfied.

Interpretation: After the survey I could find a mix reaction of the payment policy as per performance level.

4.2.4 Loyalty and Commitment towards Organization

In order to know about the employees view on commitment towards the organization the following question was asked to the employees:

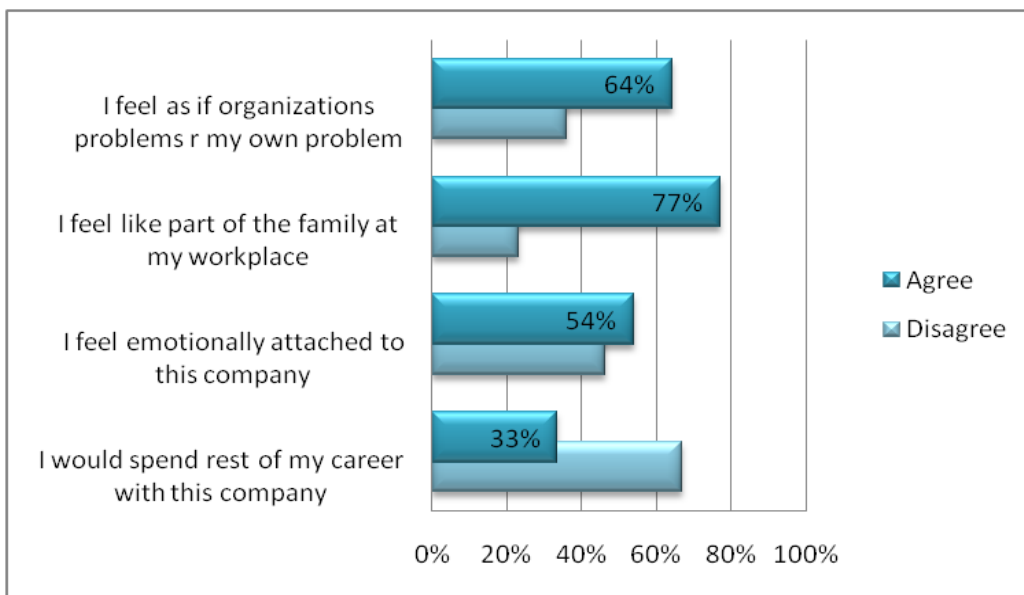


Figure 5 Organizational Commitment

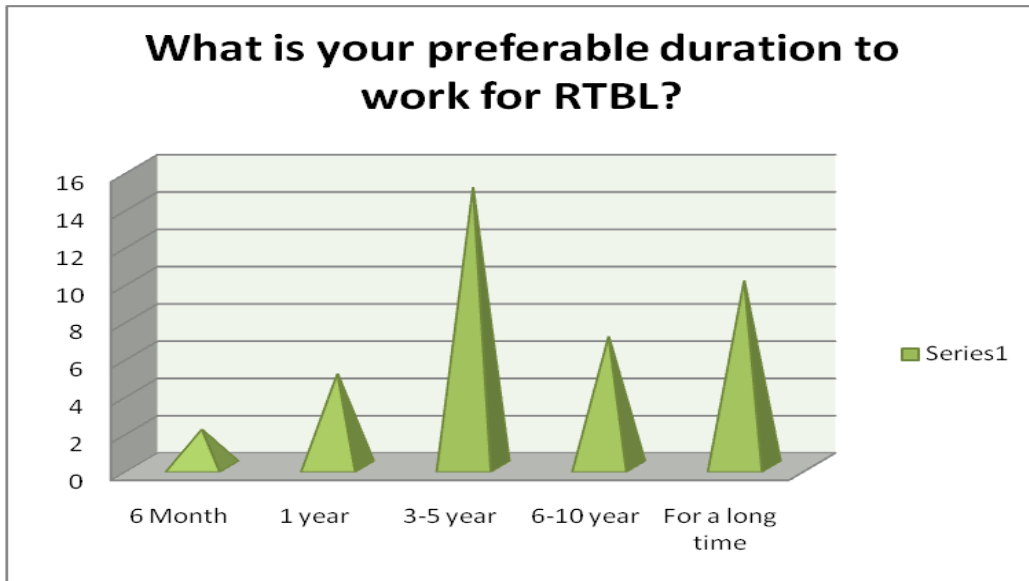


Figure 6 Intention to stay

In the data presented above 64% feels that organizations problem are their own problem, 77% feels like part of the family at workplace, 54% feels emotionally attached with the company and 33% would like to spend rest of the career with this company.

36% do not feels that organizations problem are their own problem, 23% do not feels like part of the family at workplace, 46% do not feels emotionally attached with the company and 67% would not like to spend rest of the career with this company.

Then I asked about their preferable duration 2 people said 6 month, 5 people said 1 year, 15 said 3-5 year, 7 said 6-10 years and 10 said for a long time.

The reason for asking the question was to know how long the employees want to work for the organization. It shows their job satisfaction, comfort, security, loyalty and commitment towards the organization. This is definitely an important aspect of psychological contract. Here almost half of the survey employees prefer the job duration of 3-5 years which is not that longer period of time.

Interpretation: On an average we can say that they are emotionally attached to the company but committed mostly for a shorter period of time. Hence we can see a gap of psychological contract.

4.2.5 Security of Employment

In order to know the employees perception regarding the job security I asked the following question:

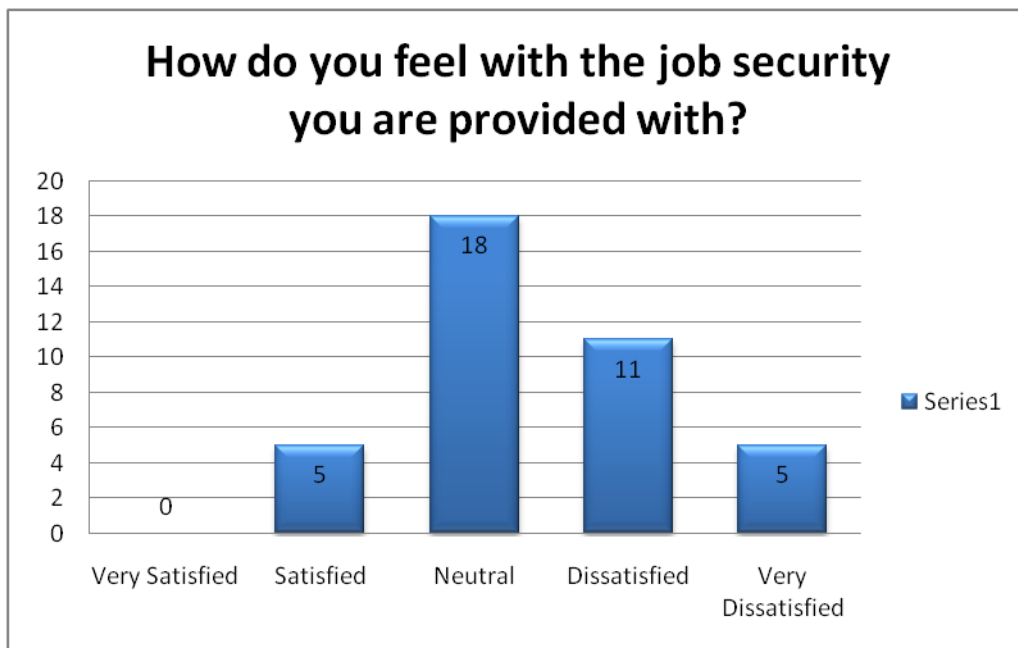


Figure 7 Job Security

From the responses we found 18 out of 39 employees who are neutral on this question. 11 of the employees are dissatisfied with the job security and 5 are very dissatisfied. Only 5 people are satisfied with the job.

The motive for asking the question was to know whether the employees find the job secured. Whether the job environment they get is safe/ secured and also their perception regarding this. And it is quite evident that the job is not providing security to the employees and

although this is an important aspect of psychological contract but the result shows a breach as well as employees dissatisfaction.

Interpretation: From the responses it can be inferred that the employees are not satisfied with the job security RTBL is providing.

4.2.6 Work-Life Balance

In order to know about the benefits provided by the organization and the scope for family life I asked the following questions:

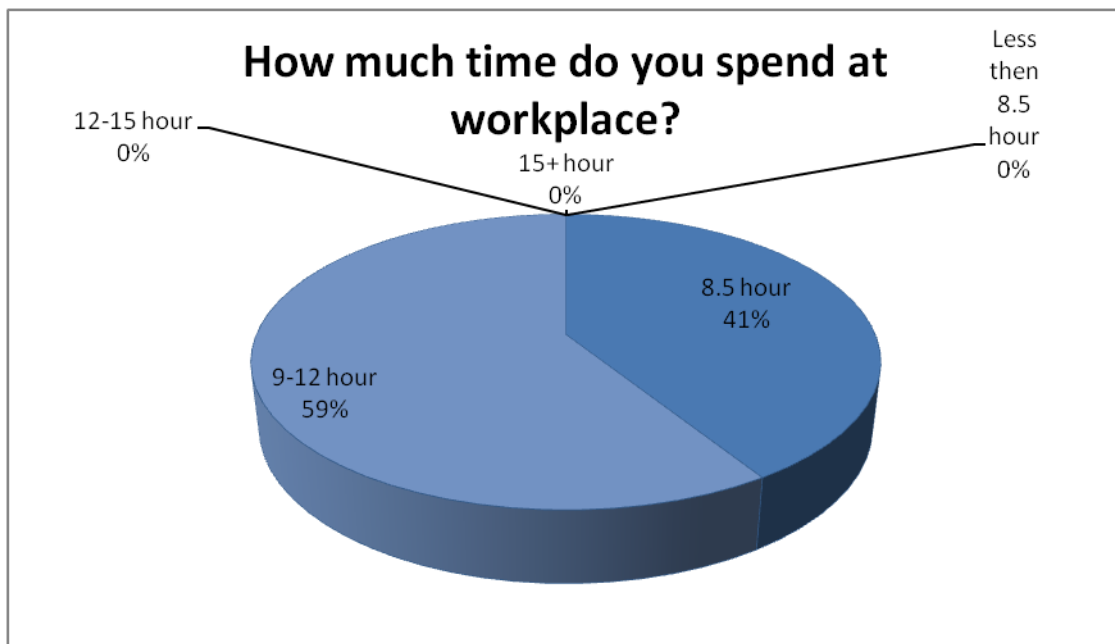


Figure 8 Time spent at workplace

The result here shows 16 spend 8.5 hour which is the standard office hour and 23 spend 9-12 hours in work place.

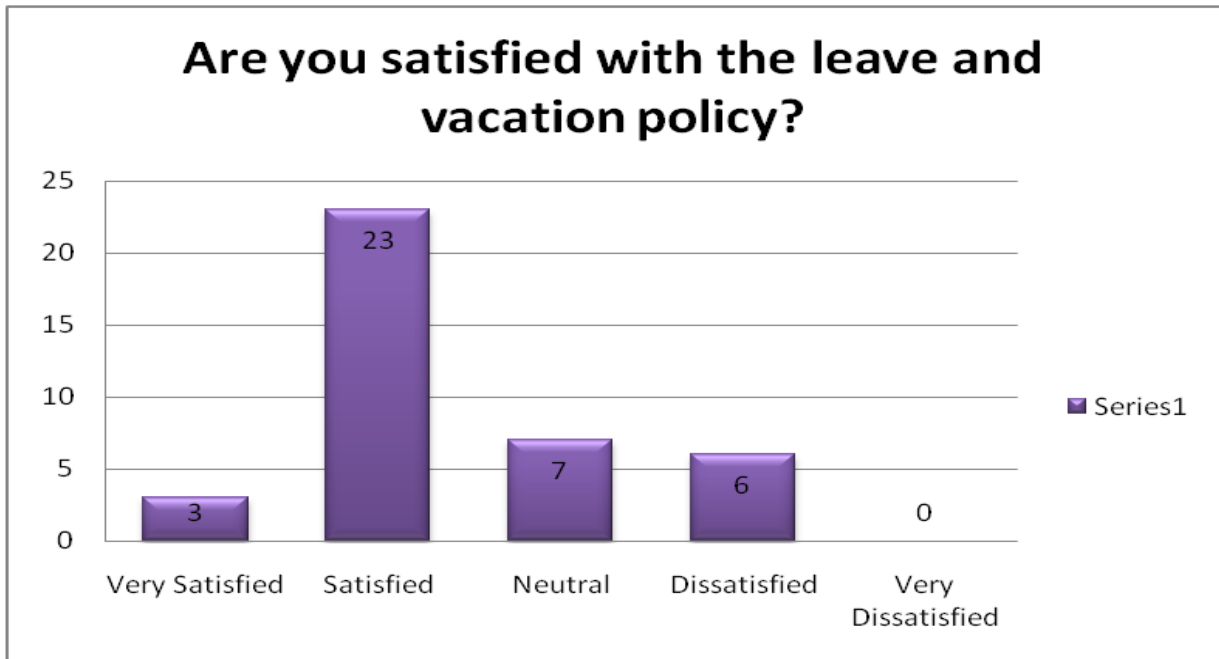


Figure 9 Leave & Vacation Policy

From the responses to this question we found that 3 out of 39 employees are very satisfied with the leave/vacation policy, 23 are satisfied, 7 are neutral about the policy and only 6 are very satisfied.

The reason for asking the question was to know about the employee's satisfaction level regarding the extra benefits they get, the leave and vacation policies and most importantly to know whether they get the scope for work-life balance. From the result we can see although most of them are spending more than the standard time at workplace but employee are satisfied with the leave and vacation policy. Which shows the company contributes to the work-life balance to the employee.

Interpretation: Employees are satisfied with the policy and have a work-life balance

4.2.7. Flexibility in the workplace

In order to know the flexibility of employees in the workplace, the given question in the survey was-

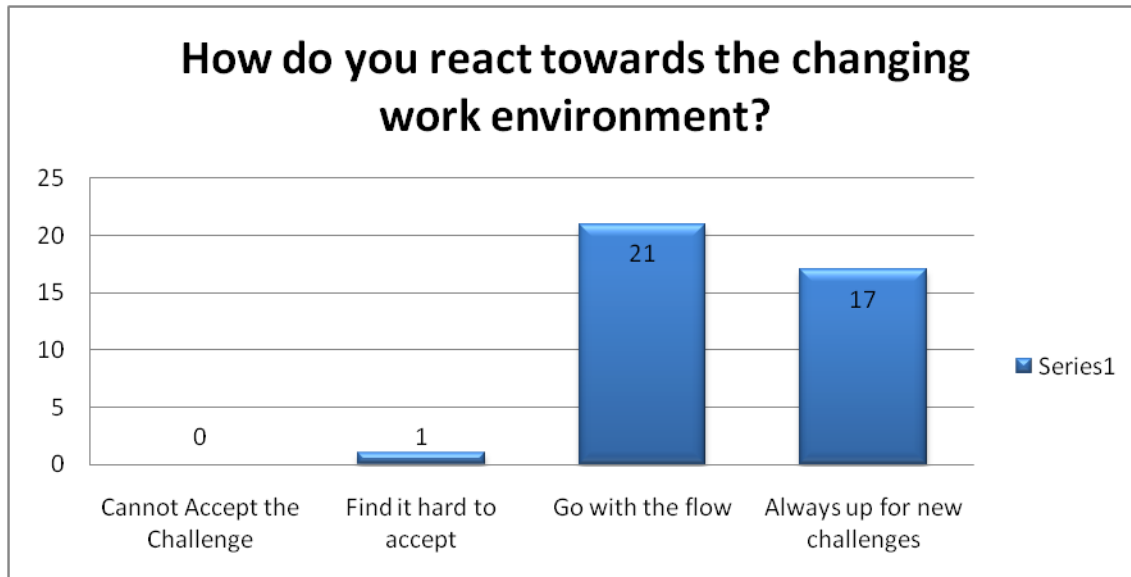


Figure 10 Reaction towards working environment

From the survey it can be clearly seen that 17 people out of 39 were always up for a challenge and were excited about any kind of challenge that occurred in the workplace. Additionally, 21 people went with flow in a sense that they were neither excited nor rigid to face the challenge in the workplace. 1 of them was certain about the fact that they had trouble in order to accept the changes or challenges in the organization.

The main purpose behind asking this question was to know whether the employees were flexible in the organization or not. Being flexible is one of the criteria of psychological contract. Therefore, the question on flexibility focused not only on how much they could work overtime, rather how much they are prepared to go through the challenges that the organization puts them in. After asking the question, the results showed that obligation in case of the employees being flexible was quite present in the workplace. Therefore, as the

psychological contract requires to the task flexibility and functionality from the employees- these elements are definitely present.

Interpretation: After the survey on the employees, it was quite prominent that the employees fulfilled their obligations in order to show flexibility in the workplace. So, this question gave an overall view about one element in case of psychological contract.

4.2.8. Empowerment

To know whether the employers gave responsibility to the employees, the question that was asked:

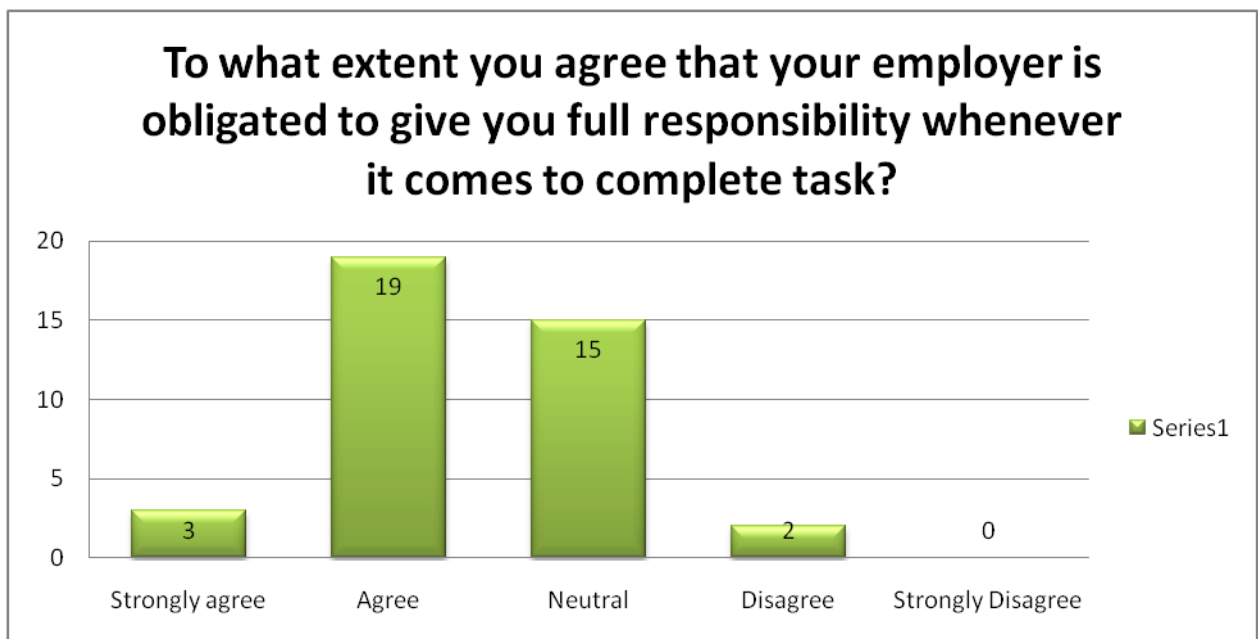


Figure 11 Employer obligation to give full task to employee

From the survey it can be seen that— almost 19 people out of 39 people agreed to the fact that their employers trusted them with different responsibilities. 3 people strongly agreed to

this fact. On the other hand, 15 people out of 39 people were neutral about this question and 2 of them disagreed to the obligation of employers in case of giving full responsibility.

Interpretation: Most of the employees agreed to the fact that their employers trusted them enough to give them full responsibility which is an indication towards the empowerment regarding their job.

4.2.9. Effective Feedback

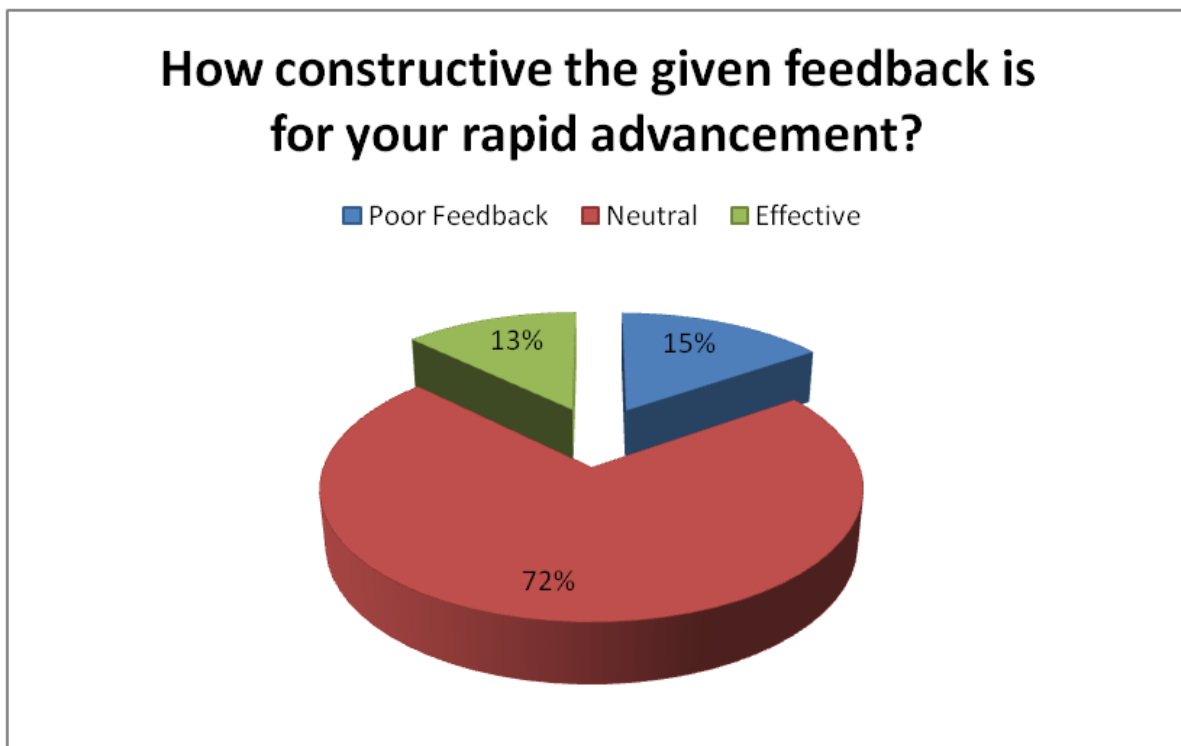


Figure 12 Feedback

Among the 39 Respondents, 5 people agreed that the received feedback was really effective and it helped them for their rapid advancement. On the other hand, 28 people were neutral whether the feedbacks were effective or not. And 6 persons agreed that the feedbacks they received were quite poor in terms of their rapid advancement.

Interpretation: As per the notion of psychological contract, it is very important that the employees receive effective feedback from the employers for their rapid advancement. But 34 out 39 answered Neutral or Poor Feedback which is very high and clearly show a gap in psychological contract.

4.2.10. Meeting Expectations



Figure 13 Meeting expectations

When asked whether the job expectations were met from the recruitment process till the current situation, 12 people said that the expectations met were moderately. On the other hand, 5 people said that it was somewhat met and 10 people said that it was slightly made 4 people said were not met at all. 6 people were really quite excited about the fact that their expectations were fulfilled compared to the past and present. When people indicate that their job expectations are moderately met, it is clear indication that the organization, most specifically the employers were able to deliver things which were part of commitment during the recruitment process

Interpretation: Although 18 said that their expectations were met but 19 people said there expectations were somewhat, slightly or not at all met which is a mix response among the employees which shows that mass employees are not satisfied that their initial expectations been met.

4.2.11. Motivating workplace

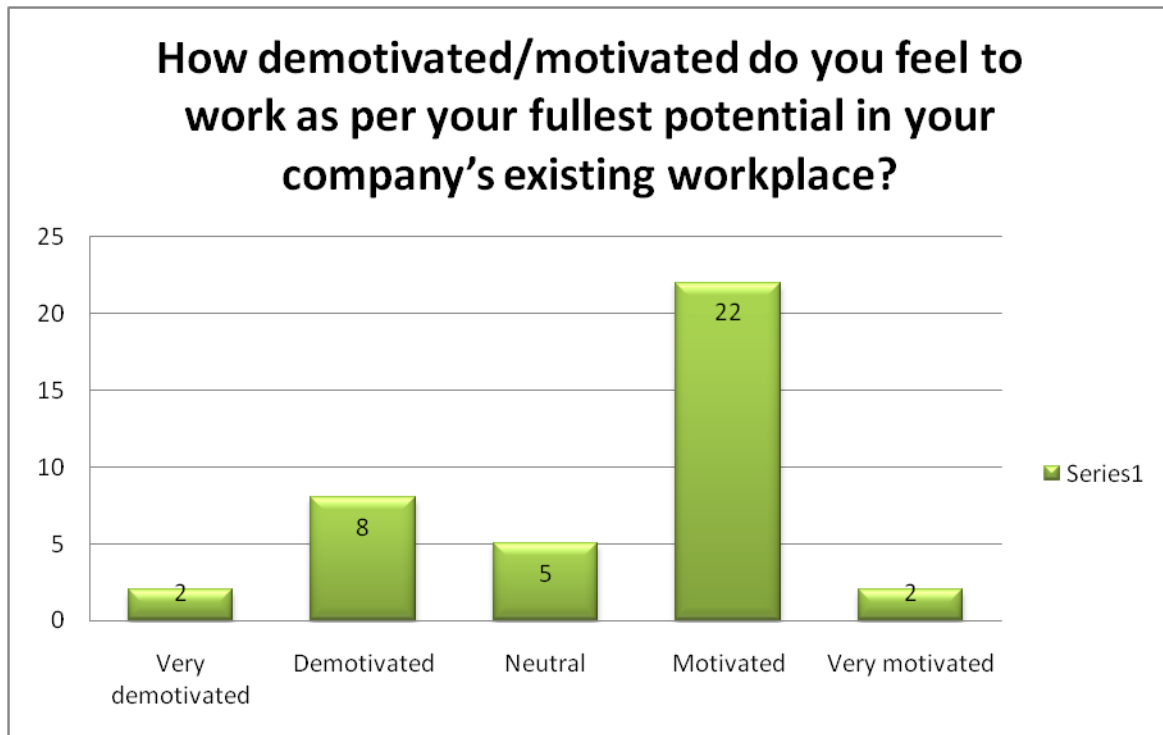


Figure 14 Level of motivation in workplace

The employees agreed to the fact that the working environment was quite motivating in order to work to their fullest potential. This was stated by almost 22 people. Hence, the competent environment was indeed present. On the other hand, 6 person felt demotivated and 5 people were neutral about it. Additionally, 2 people were very motivated to work in their current working place.

Interpretation: RTBL is quite an exciting workplace. As per the survey, most of the employees were motivated enough to perform their best.

4.2.12 Interview Result

When the employer of RTBL was asked whether the working environment was competent or not, it was quite prominent that the employees being highly motivated loved to work in a competent environment. Therefore, they were responsible enough to take the lead and perform smoothly. Their dedication was also shown through the extra hours they worked. However they also said even though the environment was competent, employees often are anxious about their job as the company is most of the time restructuring in order to keep up with the competition

4.3 Notions of Psychological Contract: (EMPLOYEE)

There are some demands of employees in psychological contract which the employees want to get fulfilled. Those are:

- **Security of employment-**A feeling by an employee that he or she will be able to stay in the same job.
- **Social relations and sociable atmosphere-** There will be friendly environment and friendly behaviour of co-workers.
- **Potential for advancement-** Opportunity of promotion will be there.
- **Access to training and development-** Opportunities of getting required trainings and scope of self-development.
- **To be treated as a human being rather than as a commodity-** Employees want to be treated as human being not machines.

- **Job satisfaction and empowerment regarding their job-** Employees want to be satisfied with the task they are assigned to do and also want to have some authority as well over their task.
- **Family-friendly work–life balance conditions of work-** Balance between work life and family is required.
- **Fair and consistent treatment-** Fair evaluation and treatment by the employers are very much required. Unfair or biased decisions are not acceptable by the employees.

4.4 Notions of Psychological Contract: (EMPLOYER)

- **Functional, task flexibility-** Employers wants their employees to be flexible with any task at any situation.
- **Minimum standards of competence-** Employees need to have minimum ability to do something efficiently.
- **Willingness to change-** Employees should be ready to face any changes or challenges.
- **Ability to work as a member of a team-** Employers want the employees to be team players and work as a group.
- **Commitment to achieving organisational objectives-** Employees must complete their task within due time.
- **Capability to take initiative-** Employees should take initiative or leadership sometimes to proceed further.

4.5 Key Findings

4.5.1 Employees' Perspective:

From the survey we have found that the employees feel motivated enough to work as per their fullest potential in their current workplace. We can relate it with one of the notions where friendly atmosphere of the workplace was mentioned.

Majority of employees said most of the times RTBL fulfil the obligation in case of paying as per their current performance level. It goes under 'fair and consistent treatment' notion of psychological contract.

In the survey, we got to know that most of the RTBL employees are satisfied with their leave and vacation policy. This refers to the 'family-friendly work-life balance conditions of work' notion where employees want some family time as well to balance their work life and personal life.

From the survey, we can see that the employees are flexible enough to work in the challenging situations. Therefore, it goes with one of the notions of psychological contract which mentions that employers want flexibility from the employees.

The employees agreed to the fact that employer is obligated to give them full responsibility whenever it comes to complete a task. This refers to job satisfaction and empowerment of the employees and the commitment that employer seek in the employees to achieve organizational objective.

From the survey, we have found that most of the times employees does not feel motivated enough for a long time commitment with their current organization which is RTBL. Almost

every employee is always anxious about job security. This is one of the notions of psychological contract where employees want long term job security. But RTBL is failing to do so. This is having a impact on trust and commitment for long term.

In the survey, majority of the employees said that the feedback they get from their employer is not effective enough to motivate them for rapid development.

Lastly, Employees also said that their expectation while joining RTBL has not met by the organization fully.

4.5.2 Employers' Perception:

In the survey, we got to know from the employers that their employees are committed enough to complete their day-to-day task within the time and if required then they are willing to do extra hours to complete organizational task.

Employers evaluate the employees and then find whether the employees are committed enough to the organization by their attitude and behavior.

Moreover, the employers of RTBL support the fact that employees are getting enough competent environment in order to work to their full potential. Also, they think that their employees are capable enough to take initiative in any project.

4.6 Conclusion:

In psychological contract, it is expected from both employees and employers sides that there will be a mutual understanding between the two parties. Employees will have some unspoken demands wanting to be fulfilled by the employers and in returns employers will be seeking maximum commitment in the employees to fulfill organizational goal.

By doing the survey on Psychological Contract in RTBL, In spite of many of the psychological notions been taken care of, I have found that lack of job Security have created a breach of psychological which created a gap on communication, trust and long term commitment.

4.7 Recommendations:

- For HR department my recommendation is during the recruitment process, they should perfectly clear the candidate about the responsibilities, what expect and what not.
- Employer should focus on building trust among employees. It can be done by being supportive and honest even when mistakes are being made, keep promises and behave the way the employer expect the employee to be.
- Communication- communication is a key element in psychological contract. Employer should be well communicated with their employee. This will help to understand more .
- Employer should provide adequate feedback to employee. Feedback helps to improve the performance of the employee. Moreover, when achieve something, recognition should be given. They will feel and stay motivated.
- Employer should give the employee task that aligns with their strength. If a task given he is not an expertise of then the employee may get frustrated.

- Frequent training and development should be provided to the employee. Employee should feel that they have the opportunity of developing themselves and company cares and support for their future advancement.

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Appendix A.

Assessment on the fulfillment of psychological contract in

RANCON Trucks & Buses Limited

By Nusrat Khan Syba

- 1) Age:
- 2) Gender:
- 3) Tenure:
- 4) Type of Contract:
- 5) Put a tick on the following:

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
I feel as if organization problems are my own problem					
I feel part of the family at my workplace					
I feel emotionally attached to this company					
I would spend rest of my career with this company					

6) Do you feel motivated enough for a long commitment with RTBL?

- Never
- Rarely
- Sometimes
- Most of the times
- Always

7) How much do you trust your employer in terms of keeping promises?

- A lot
- Somewhat
- Only a little
- Not at all
- Employer makes no commitment

8) What is your preferable duration to work with this company?

- 6 Months
- 1 Year
- 3-5 Years
- 6-10 Years
- For a long time

9) How do you feel with the job security you are provided with?

- Very Dissatisfied
- Dissatisfied
- Neutral

- Satisfied
- Very satisfied

10) Are you satisfied with the leave and vacation policy?

- Very Dissatisfied
- Dissatisfied
- Neutral
- Satisfied
- Very satisfied

11) How do you react towards the changing work environment?

- Find it hard to accept
- Cannot Accept the challenge
- Go with the Flow
- Always up for new challenges

12) To what extent you agree that your employer is obligated to give you full responsibility whenever it comes to complete task?

- Strongly disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

13) How constructive the given feedback is for your rapid advancement?

- Poor feedback
- Neutral
- Effective Feedback

14) To what extent have your initial expectations at the time of hire been met regarding what you thought you would get from your job?

- Not at all
- Slightly
- Somewhat
- Moderately
- To a great extent

15) Does your organization fulfill the obligation in case of paying you as per your current performance level?

- Never
- Rarely
- Sometimes
- Most of the times
- Always

16) How demotivated/motivated do you feel to work as per your fullest potential in your company's existing workplace?

- Very demotivated
- Demotivated
- Neutral
- Motivated
- Very motivated