The Effect of Psychological Contracts and Organizational Commitments to the Performance of Employees

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Abstract—This study aims to determine the effect of psychological contract and commitment of employees working in CV Visual Data Computer Makassar. This is expected to provide an overview of the influence of psychological contracts and organizational commitment on employee performance. This study took a sample of research all employees with a total of 30 people through total sampling technique. The analysis technique is regression. Data collection tools used are psychological contract scale, work commitment scale, and employee performance scale with a Likert scale model. The results showed that psychological contracts and organizational commitment significantly influence employee performance. However, organizational commitment has a more significant influence on employee performance than psychological contracts owned by employees. Furthermore, this research is expected to contribute to the development of the study of psychology, especially in the field of industrial psychology and organization, so it can become a reference and development for further research.

Keywords—Psychological Contract, Organizational Commitment, Performance

I. INTRODUCTION

The development of information technology from year to year is increasingly becoming a formidable challenge for the users themselves, and encourages every formal and informal organization sector or other institution to be used as a support for work activities so as to produce information that is fast, precise and accurate [1]–[4]. To realize this, other supporting resources such as software that can be relied on in terms of capabilities and human resources must be mastered by information technology capabilities. It is from the development of technology that we must understand and recognize the technology, where technological sophistication will continue to grow rapidly in various aspects of life in the future.

CV. Visual Data Computer is a private company engaged in the sale and repair of computers. CV Visual Data Computer also sells computer accessories such as flashdisk, mouse, keyboard, cartridge, printer, ink and others. In the sales section, CV. Visual Data Computer in processing daily sales data is currently not optimal. These data are archived in one file and then recorded in the ledger and entered into the computer and then saved as an archive. This is felt to cause problems, such as: the risk of data loss is very highly, the data search process is slow because it involves a lot of documents, data processing is complicated, and there is also the possibility of data capture. So if the computer sales and repair report is needed by the leader, the administration feels the difficulties and the information provided cannot be used to support decisions for the leadership.

In the computer repair section in CV. Visual Data Computer, in doing service, there are constraints, namely when the computer wants to service the technician must see or check the inventory first so that it wastes time, because if the item needed by the technician is not available then the item will be ordered first. This will slow down the work of the technicians in repairing the computer. Likewise, the processing of computer data services is the same as the processing of sales data which occurs every day.

Based on the description of the problems above, of course the productivity of the Visual Data Computer CV is very dependent on the performance of employees. Diana [5] research shows that employee performance is also influenced by psychological contracts. Unwritten things are also one aspect to improve employee performance. Although it is not something that is invisible but psychological contract cannot be ignored. Based on [6], organizational commitment has a significant effect on performance. Someone who is very committed to the organization will have a close feeling to maintain the continuity of the organization. Close feelings between employees and the organization become the capital to realize the organization's vision.
[7] study states that personality types and organizational commitment have a positive effect on Organizational Citizenship Behavior (OCB). Psychological contracts, motivation and job satisfaction have a significant positive effect on Organizational Citizenship Behavior (OCB) and have a significant effect on employee performance. Based on several studies, that psychological contract and commitment is something that is not visible but its existence can be felt through the relationship between employees and organizations. Besides that the impact resulting from psychological contracts and commitments has an influence on the organization. Then the psychological contract and organizational commitment are very important to be built and instilled by the organization towards employees.

[8] states that psychological contract is an individual's trust in the exchange agreement between the company and the employee. Based on the definition of a psychological contract, the psychological contract contains things that are mutually agreed upon between the employee and the organization, giving rise to employee trust in the organization.

Defines organizational commitment as a strong desire to retain a member of a particular organization, a strong willingness to strive to maintain the organization's name and acceptance of organizational values and goals [9]–[11]. Like psychological contracts, organizational commitment is also a willingness that is within the employee to maintain the organization. Organizational commitment is outlined in the core values that are upheld by employees for the sustainability of the organization.

According to [12], the performance of human resources is a term derived from the word Job Performance or Actual Performance achieved by a person. Employee performance is a function of motivation and the ability to complete a job task someone who should have a certain degree of willingness and level of ability. Performance is the real behavior that is displayed by everyone as work performance produced by employees in accordance with the role and company. Employee performance is a very important thing in the company's efforts to achieve goals [13]. Then performance is the result of employee work which is an employee's achievement in carrying out duties and obligations in the organization. The duties or obligations carried out by employees are to achieve organizational goals.

II. METHODOLOGY

A. Type of Research

This research was conducted in the office of CV Visual Computer Data. This type of research is quantitative research, which is a study that aims to examine or look for the influence of psychological contracts and organizational commitment on the performance of employees of CV Visual Makassar Computer Data where the resulting data are numbers and analyzed by statistical techniques (Sugiyono, 2005).

B. Research Location

The study was conducted at CV. Visual Computer Data Cordova located on St. Martadinata No.58 B Makassar, but currently located on St. Dr. J Leimena No. 85B, Panakkukang, Tello Baru, Makassar City, South Sulawesi with the name CV. Visual Data Komputer Tenda.

C. Population and Sample

To obtain complete data and information, the research was carried out by CV. Visual Computer Data. The populations in this study were all of these employees, a total of 30 employees. For that sampling, this study used total sampling technique, namely the technique of determining the number of samples by including the entire population.

D. Research Tools

In the study there are at least three types of data collection tools, namely the scale of psychological contract, work commitment scale, and employee performance scale. The scale in this study uses a Likert scale [14]. Likert scale is a multiple item scale that is a scale used to measure attitudes towards an object by asking a number of questions. This attitude is expressed by agreeing or disagreeing. The scale is not modified anymore because the criteria of the research sample are almost the same, namely the employees of an agency, and the similarity of the indicators measured.

The scale design that will be used is as follows:

**Employee performance scale.** Performance is a function of motivation and the ability to complete a job task someone who should have a degree of willingness and a certain level of ability. The scale used in this activity is the scale of the previous researcher [15], [16].

**Scale of psychological contract.** The Psychological Contract is an employee's trust in the exchange agreement between the company and the employee based on Widayati (2017)'s explanation which includes: 1) Relational psychological contract, 2) Transactional psychological contract, and 3) Organizational commitment scale [17].

**Work Commitment** is all the feelings and attitudes of employees towards everything related to the organization where staffs work, including on staff work. The scale used in this activity is the scale of the previous researcher. The organizational commitment scale consists of several indicators namely: 1) Affective commitment, 2) Continued commitment, and 3) Normative commitment.

E. Scale Validity and Reliability

**Test the validity.** A valid instrument means that the measuring instrument used to obtain data (measuring) is valid [18]. The scale used in this activity is no longer tested. The results of the trial are based on the results of the previous research tryout. Psychological contract scale, work commitment, and employee performance compiled by [19]. The criteria used is if r.count is greater than r.table (r.count > r.table), then the data is said to be valid. The significant level used in this study is 5%. This measurement uses the product moment person correlation technique.

The test results of the validity of psychological contract variables can be seen in the Corrected Item-Total Correlation column. This value is then compared with the
value of r.table. Obtained r.table value of 0.207 at N = 90, if r.count > r.table then the statement is said to be valid. From the output above shows that all psychological contract statements are valid.

From the output of the validity test, organizational commitment shows that the organizational commitment statement is said to be valid, except for the normative commitment statement 3. The normative commitment statement number 3 is invalid because the results of r.count < r.table. So that in regression processing for normative commitment statement number 3 will be omitted. The results of the output showed that all statements of employee performance are said to be valid, because the value of r is calculated. It is greater than r.table.

Reliability test. A reliable instrument is an instrument that when used several times to measure the same object will produce the same data [20]. Reliability measurements sed the Cronbach Alpha statistical test > 0.60 [21].

From the reliability test results show that all the questions for the psychological contract variable (X1) are reliable, because the Cronbach Alpha value is 0.745 > 0.60. Organizational commitment variable (X2) is also said to be reliable, because the value of Cronbach Alpha is 0.841 > 0.60. Employee performance variables are also said to be reliable, because the value of Cronbach Alpha is 0.860 > 0.60.

F. Data Analysis

Data analysis method used in this research is quantitative, that is the data obtained from the results of the scale distribution will be inputted in the form of numbers, then will be analyzed statistically using linear regression analysis techniques, so that the answers to the conclusions about the main problems are formulated.

G. Research Stages

In order for the objectives of the activities to be right on target, the execution process is carried out with certain methods. The method used in this activity is a quantitative research method. Specifically, the stages of activities that have been carried out are as follows:

Research Preparation. The preparation phase includes: initial data collection, review using literature and prior research, preparation of activity proposals, activity permits, preparation of scales for activities.

Research Implementation. The research implementation phase includes: Building report cards and distributing scale of activities to employees.

Report preparation phase. The report preparation phase consists of inputting data obtained from employees, analyzing data obtained and compiling activity reports.

III. RESULT AND DISCUSSION

A. Evaluation and Results Achieved

Broadly speaking, these activities have been carried out smoothly in accordance with planning, although there are some obstacles that should be considered in similar activities at a later time.

Employees are cooperative to participate in the implementation of this activity, even though carrying out data filling during working days. A total of 18 employees were actively involved in activities, concentrating and enthusiastic to ask questions when they did not understand written statements on the psychological scale shared. According to participants, this activity is a useful activity for employees because employees can know their performance. The implementation of the psychological contract scale, commitment and employee performance lasts for 1 week. The details of the results are as follows:

B. Normality Test

TABLE 1. NORMALITY TEST RESULTS

<table>
<thead>
<tr>
<th>Hypothesis Test Summary</th>
<th>Null Hypothesis</th>
<th>Test</th>
<th>Sig.</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>The distribution of KONTRAKPSIKOLOGIS is normal with mean 10.90 and standard deviation 2.43</td>
<td>One-Sample Kolmogorov-Smirnov Test</td>
<td>.721</td>
<td>Retain the null hypothesis.</td>
<td></td>
</tr>
<tr>
<td>The distribution of KOMITMEN is normal with mean 27.00 and standard deviation 5.04</td>
<td>One-Sample Kolmogorov-Smirnov Test</td>
<td>.594</td>
<td>Retain the null hypothesis.</td>
<td></td>
</tr>
<tr>
<td>The distribution of KINERJA is normal with mean 16.93 and standard deviation 2.29</td>
<td>One-Sample Kolmogorov-Smirnov Test</td>
<td>.404</td>
<td>Retain the null hypothesis.</td>
<td></td>
</tr>
</tbody>
</table>

The number of respondents in activity as many as 30 employees, so to test the normality used Shapiro Wilk, where if the significance value of p > 0.05, then the data is normally distributed. Based on the table above it is known that the significance value on psychological contract data p = 0.721 (p > 0.05) and the significance value on organizational commitment p = 0.534 (p > 0.05), and the significance value on employee performance p = 0.404 (p > 0.05). Thus it can be said that data is normally distributed.

C. Hypothesis Test

1. Psychological Contracts can affect Employee Performance CV. Visual Data Computer

Based on the results of the analysis it is known that the R value is 0.388 which can be interpreted that there is a strong relationship between workload and work stress. Furthermore, the value of R Square shows 0.150 which is interpreted that the workload has a contribution effect of 15% on employee performance, of which 85% comes from other factors.
Based on the table of the results of the analysis of the significance test, it is known that the significance value of $p = 0.034$ ($p < 0.05$), which means significant data, that is psychological contracts affect employee performance.

2. Commitment can affect Employee Performance at CV. Visual Data Computer.

Based on the results of the analysis it is known that the R value is 0.701 which can be interpreted that there is a fairly strong relationship between social support and employee work stress. Furthermore, the R Square value shows 0.491 which is interpreted that organizational commitment has a 49% contribution to employee performance, of which 51% comes from other factors.

<table>
<thead>
<tr>
<th>TABLE 3 ANOVA</th>
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<tbody>
<tr>
<td>Model</td>
</tr>
<tr>
<td>Regression</td>
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<tr>
<td>Residual</td>
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<tr>
<td>Total</td>
</tr>
</tbody>
</table>

Based on the results of the table significance test it is known that the significance value $p = 0.001$ ($p < 0.05$) which means that the data is significant that meets the criteria for linearity. This shows that work commitment has a significant influence on employee performance.

3. Psychological Contracts and Commitments are factors that influence Employee Performance at CV. Visual Data Computer.

<table>
<thead>
<tr>
<th>TABLE 4 MULTIPLE REGRESSION TEST RESULTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
</tr>
<tr>
<td>Regression</td>
</tr>
<tr>
<td>Residual</td>
</tr>
</tbody>
</table>

Based on the table above, it can be seen that the significance value for commitment is 0.001 ($p < 0.05$), therefore the hypothesis is accepted, which means that organizational commitment significantly influences employee performance. Whereas, the significance value for psychological contract is 0.667 ($p > 0.05$), therefore the hypothesis is rejected, which means that the psychological contract has no significant effect on employee performance.

D. Discussion

There is a psychological contract influence on employee performance on the CV. Visual Data Computer. The psychological contract in this study has a p-value of 0.034. This value is smaller when compared to $\alpha = 0.05$, so the hypothesis one is accepted, which means that the psychological contract partially affects the performance of employees at CV. Visual Data Computer. The results of this study are consistent with the research conducted by [22] which shows the results of this study that psychological contracts affect employee performance.

[23] study explains that psychological contracts are reciprocal relationships between employees and organizations. This is in line with researcher [5] who conducted research which showed that psychological contract itself has a significant influence on employee performance. This is also in line with [24] opinion that a psychological contract is a set of expectations an individual has regarding what he will contribute to the organization and what the organization will provide as remuneration.

In this psychological contractual relationship, employees have expectations for the organization in relation to factors such as; promotions, salaries, and career development. On the other hand, the company expects employees to work optimally [24]. The company expects to have employees who are willing and able to carry out their duties well, even better than expected. Therefore, good communication is needed between employees who can help and work together.

In addition to psychological contract factors, there is an organizational commitment that contributes to employee performance. There is an influence of organizational commitment to employee performance on CV Visual Data Computer. Organizational commitment in this study has a p-value value of 0.020. This value is smaller when compared to $\alpha = 0.05$, so the second hypothesis is accepted, which means that partially organizational commitment has an effect on employee performance.

The results of this study are consistent with the research conducted by [25]–[28] that organizational commitment has a significant effect on performance. Someone who is very committed to the organization will have a close feeling to maintain the continuity of the organization. Close feelings between employees and the organization become the capital to realize the organization's vision.

Organizational commitment is the feeling of employees towards the organization to continue working on the organization. A high level of organizational commitment in employees will improve employee performance. When employees feel there is security, a comfortable work environment, a good co-worker, a satisfactory salary, then employees will continue to work for the company, and will not move to another company [29], [30]. The results of data analysis showed that at the time of the research, the research sample had a low organizational commitment. The testing of this hypothesis shows that organizational commitment can determine an employee's performance. Employees who feel there is security, a comfortable work environment, a good
co-worker, a satisfying salary, then the employee will continue to work for the company, and will not move to another company.

Simultaneously, psychological contracts and organizational commitment have an influence on employee performance on CV Visual Data Computer. This can be proven when tested its effect on employee performance, the resulting probability value is 0.001 which is less than 0.05 (5%), it can be concluded simultaneously or simultaneously, psychological contract and organizational commitment affect employee performance.

Based on several studies it is known that psychological contracts and commitment are things that are not visible but their existence can be felt through the relationship between employees and organizations. Besides that the impact resulting from psychological contracts and commitments has an influence on the organization. So psychological contracts and organizational commitment are very important for the organization to build and instill in employees (Ernawati, 2017). Thus it can be said that the commitment and psychological contract of employees is a factor that influences the individual's self in a company. Employees are considered to be committed to the company if they are willing to continue their relationship with the company and dedicate themselves to achieving company goals. The high level of effort provided by employees with a level of corporate commitment will lead to a higher level of employee performance at CV Visual Data Computer.

Although both variables affect employee performance, organizational factors have a significant effect compared to psychological contracts on employee performance. This is shown from the results of multiple regression, namely organizational commitment significantly influence employee performance. Whereas, the significance value for psychological contract is 0.667 (p > 0.05), therefore the hypothesis is rejected, which means that the psychological contract has no significant effect on employee performance.

Contractual psychology variables do not significantly influence employee performance variables in CV. Visual Data Computer Makassar if analyzed stimulatively with organizational commitment. Psychological contracts are unwritten contracts. These contracts only exist in the psychological employees. This is in line with Rousseau's opinion [8] which states that psychological contract is an individual's trust in the exchange agreement between the employee and the company [25]. Therefore, employees' trust in the exchange agreement between employees and the company has no effect on the employee's work. [7], [22], [31] also stated that the basic causes of psychological contract violations, namely renegoting and incongruence, made it possible to deny denials that occurred in Makassar Audio Visual. This causes employees to not have confidence in CV. Visual Data Computer Makassar which affects employee performance.

IV. CONCLUSION

Some things that are conclusions related to this activity are:

1. Based on the results of the study it is known that there is a psychological contract influence on employee performance at CV. Visual Data Computer Makassar.
2. Based on the results of the study it is known that there is an influence of organizational commitment on employee performance at CV. Visual Data Computer Makassar.
3. Based on the results of the study it is known that the factors that significantly influence employee performance are organizational commitment compared to psychological contracts on employee performance at CV. Visual Data Computer Makassar.

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REFERENCES


