

**PSYCHOLOGICAL CONTRACT AND PERFORMANCE OF ACADEMIC
STAFF IN SELECTED PUBLIC UNIVERSITIES IN KENYA**

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**A THESIS SUBMITTED TO THE SCHOOL OF BUSINESS, ECONOMICS AND
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UNIVERSITY**

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Declaration

This thesis is my original work and has not been presented for a degree in any other university, or for any other award.

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Dedication

In memory of my late husband Fredrick Omondi whose push for tenacity and words of encouragement remained with me throughout my study. To my two cheerleaders, my mother Sarah Odengo and my son Neville Omondi, thank you for the unwavering support and continuous prayers.

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Abbreviations and Acronyms

CHE	Commission for Higher Education
CP	Compensation Policy
CUE	Commission for University Education
EP	Employee Performance
IHL	Institute of Higher Learning
IUCEA	Inter University Council of Eastern Africa
KU	Kenyatta University
MCS	Management Control Systems
OC	Organizational Commitment
OCB	Organizational Citizenship Behavior
OJ	Organizational Justices
OP	Organizational Performance
PAS	Performance of Academic Staff
PC	Psychological Contract
QA	Quality Assurance
PS	Psychological State
RP	Recruitment Policy
TP	Training Policy
UoN	University of Nairobi

Operational Definition of Terms

- Academic staff:** Members of the faculty tasked with teaching, research and innovation, administrative work and community service in public universities.
- Balanced contract:** Psychological contracts characterized by open-ended employment based on the continued success of the employing institution of higher learning and building skills in the employee to benefit their career within the university or beyond.
- Benefits:** Programs a university applies to supplement employees' compensation, such as paid time off, medical insurance, paid study leave among others.
- Community service:** Unpaid work performed by faculty members in different capacities within the locality of the public university as a way of giving back to the society.
- Compensation:** Fixed monetary pay by the university to its employees based on the agreed terms of employment.
- Employee Performance:** The expected job-related duties of a public university employee, as well as how well such duties were carried out.
- Employee Productivity:** Output of an academic staff within a specific given time.
- Human Resource Policies:** Continual rules for how a university aims to manage its staff.
- Organizational capabilities:** They are the combined expertise, skills and abilities of a university which are the outcome of investments in

leadership, staffing, training, compensation, communication, organizational culture and other human resources sectors.

Long term relations: Employees remaining with the university for many years and having considerable knowledge of the university's culture and system.

Monetary based: An employment relationship characterized by a purely financial focus on the part of the employee.

Organizational Leadership: Those in charge of the university's day-to-day operations.

Organizational Culture: A set of expectations, principles, and practices that govern and inform the conduct of university personnel.

Public university: Refers to a higher learning institution founded and run using public resources.

Psychological contract: Denotes the expectations, including promises that are made between academic staff and their employer

Relational contract: Psychological contract linked to exchanges of personal, emotional and value-based socio-economic resources within a designated period.

Research and innovation: Refer to scientific method used to conduct a thorough and exhaustive investigation into a specific problem, worry, or issue, with the goal of turning the findings into practical reality.

Training and development: Refer to educational activities provided by the university in order to improve the academic staff's knowledge and abilities in order to better fulfill certain jobs.

Transactional contract: Defines an employee's view of their employment terms as involving long working hours in exchange for higher pay and training but devoid of long-term connection, expectation of loyalty and job security.

Work to rule: A situation where the academic staff do no more than the minimum required by the rules of their contract.

Abstract

Globally, performance of academic staff in higher education institutions is seen as a very important driver of economic development through dissemination of knowledge. Concerns have been raised about the complexity of academic staff performance in Kenyan universities. Employee attitudes and performance have been seen to be influenced by psychological contracts. However, there have been few attempts to determine the extent to which psychological contract fulfillment affects academic staff performance in Kenyan public universities. The main objective of this study envisaged examining the influence psychological contract have on the expected performance of academic staff in selected public universities in Kenya. Specifically, the study established the extent to which relational contract, transactional contract and balanced contract affect performance of academic staff at selected public universities in Kenya; secondly, determine the moderating effect of human resource policies and the mediating effect of organizational capabilities on the relationship between psychological contract and performance of academic staff at selected public universities in Kenya. This research was anchored on four theories namely the equity theory, social exchange theory, organizational support theory and the Harvard framework for human resource management. This study was conducted using descriptive and explanatory research design. This study targeted six public universities whose student population are above 15,000 and a minimum of 4 similar schools across the universities. The target population was 6 selected public universities with a population size of 6,271 academic staff. The sample size was 362 academic staff of the selected schools, in the selected public universities. Primary data was collected using a questionnaire, bearing both structured and semi-structured questions. The questionnaire was evaluated for content and construct validity, while a pilot study was carried out to determine the reliability of the questionnaire. To analyze quantitative data, descriptive statistics was used in describing the variables whereas inferential statistics established the association in the independent and dependent variable, outcomes are displayed through tables, charts, diagrams and numerical values. The study hypotheses were tested at 95% confidence level. The study findings showed that relational contract, transactional contract and balanced contract have positive and significant effect on performance of academic staff at selected public universities in Kenya. The findings further established that organisational capabilities partially mediated the relationship between psychological contract and performance of academic staff in selected public universities in Kenya. The study finally showed that human resource policies provided the necessary environment for staff to form effective psychological contract that improve performance. The study concluded that psychological contract plays a significant role in determining the performance of academic staff in the public universities, hence, fulfillment or breach of the psychological contract further determine whether the universities realize positive academic staff performance or not. The study recommends that management of the universities regularly review and discuss challenges faced by the academic staff in performance of their duties and formulate HR policies that would ensure trust and fairness in the employment relationship hence promoting formation of the right psychological contract that would yield intrinsic motivation, job satisfaction, engagement and ultimately overall performance of the academic staff.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

The values, expectations and attitudes of employees that closely identify with the vision of the firm enhances the institutional continuity and prosperity. Thus, the effectiveness of a firm highly depends on individual employees' performance (Shilaho and Mbugua, 2019). Employee performance is viewed as a rating system for determination of the abilities as well as output of each employee. Organizations have clearly set visions and missions aimed at giving employees direction towards attainment of organizational goals. Managers develop job descriptions and job specifications purposely to have each employee accountable for their responsibilities (Raju and Barnerjee, 2017).

Kamau and Mbugua (2018) assert that an employee's service should be measured against the actual work they execute. These are directly related to the expected organizational outputs, the desired goals, customer service and economic outcomes. Altrasi (2014) suggests that employees are an important asset to an organization and their performance at work have direct influence to the overall performance of an organization. Ondieki and Bula (2018) observed that, any organization's success or failure is pegged on job outcomes of the workers in that organization. It therefore follows that, through performance of employees, organizations are able to achieve and exceed their set goals of productivity efficiently.

Performance in higher education sector is crucial due to its contribution towards development of knowledge and skills vital for the growth of economies. Munene, Muli and Wambua (2019)

observed that, effective performance of academic staff displayed through quality teaching, research and publication is of great importance to stakeholders within institutions of higher learning. The universities are expanding rapidly though the quality of education has highly been compromised. Owino, Munyoki, Kibera and Wainaina (2014) argued that, quality of education has continued to decline, there is a lot of overcrowding in the available infrastructure, there has also been an increase in student riots and strikes amongst the university workers. Despite all these challenges, the number of students joining universities has been on the rise. There is therefore need to come up with transformation that will improve employee performance in these universities (Muraguri, 2016).

According to Weng'ua, Rotich, Kogos (2018), the purpose for Commission for University Education (CUE) in promotion of research and scholarly publications had not been entirely realized in the universities across Kenya and that incentives extended to university faculty members for the purpose of research and publications are ineffective. University faculty members experience research challenges which include, insufficient research funding and infrastructure, abjectly funded libraries, inadequate time for research and training, and a negative research culture. Therefore, there is need for universities to ensure that their faculty members are motivated and adequately facilitated to undertake research and publish their research findings.

The United States of America's higher education system has recorded its worst performance in the last 17 years and is accelerating in its rate of decline based on teaching commitment by faculty, research results, perceived international prestige and links with the community (World

University Ranking, 2019). In 2018, 72.9% of the United States universities recorded a decline in performance. In 2019, USA also recorded its lowest number of top universities with a total of 29 in the top 100 since 2016, which happened to be less than the previous year at 33. In China, the popularization of education in tertiary institutions is key to the country's economic growth. Moreover, it is seen to reduce the disparity in developmental growth between the different regions. The universities in China have been recording good performance. In 2019, China produced 19 of the world's top 200 research universities, compared with 12 in 2016 (Yu & Wang, 2018).

In Nigeria, positive growth is expected to stem from performance in higher education sector. On the contrary, Nigerian universities are far behind this level when compared with majority of the universities in Europe and USA. They are often beset with extensive challenges at national level following numerous strikes by academic staff of the public universities under Academic Staff Union of Universities (ASUU), often causing devastating delay to student progression (Ntiasagwe, 2020). The ASUU organized strikes have become synonymous with university education systems in Nigeria for more than two decades, and as faculty members cannot be denied from exercising their civil rights to industrial action, in the same way should university students' rights to learning not be compromised (Alba and Onye, 2016).

Different stakeholders in the East African region, including parents and students, are concerned with the quality of education in Universities in their jurisdictions. Factors compounding the problem of quality of learning in a number of East African countries has been linked to sudden growth in number of higher learning institutions, accompanied by massive level of student's

enrollment. The rapid demand for university education in the EA region prompted the Inter-university Council of East Africa to put in place measures to ensure that the demand does not lead to compromising of the quality of education being offered in the institutions (IUCEA, 2016).

In terms of employee performance, Kenyan universities are similar to those found in most poor countries. Several public universities in Kenya have been accredited, with the potential to release a large number of graduates into the labor market and become regionally competitive in research and innovation. Employers, on the other hand, stakeholders are concerned with the quality of training provided to graduates of public universities, as these graduates are frequently unable to perform basic industrial tasks (Mokamba, 2015).

Mushemeza (2016) states that, establishment of more universities in the last two decades has increased opportunities for parents and their children to access higher education. However, academic staff are weighed down with minimal time for preparation of lectures, mentorship of students, attending international conferences whenever funds allow and conducting research. In the universities where government sponsored academic programmes run parallel with the privately sponsored ones, the academic staff are overburdened with teaching extra hours to earn some extra income. In terms of teaching, it is also clear that there are students enrolling in universities and other institutions but do not perform well (Mushemeza, 2016).

The link between psychological contract fulfillment and performance, according to Oppenheim (2018), can be considered as contractual reciprocity. Employees show high performance in

their work and positive job attitudes to reciprocate their employer for perceived equitable treatment. The sort of psychological contract held by an employee, and whether they feel the contract has been breached or fulfilled, might have effects on individual's ability to accomplish their job obligations. In fact, psychological contract recognition has been found to be very influential towards the behaviors and attitudes of employees at work (Wollman, 2017).

While earlier research have looked into psychological contracts and employee performance, for example, psychological contract fulfillment and work performance (Bastos, 2015), psychological fulfillment of gig workers and its effect on task performance in a shared economy; mediation effect of organization identification with moderation of duration of service (Wenlong, 2020), a comparison of psychological contracts and affective commitment of catering workers at public and private institutions in Nairobi City County (Kamau, Maranga and Mugambi, 2020), it is worth revisiting especially in public universities based on shifts in the labor market.

Contracts between employers and employees are not what they used to be. With the introduction of performance contracts, shift to independent consultants, freelancers, on-call workers and retirees taking up positions as consultants, it is helpful to understand not only these new type of contract with employers, but also to what extent the employees are satisfied with their unique work arrangements. Incorporating these changes into a study of psychological contracts can reveal new information about how this notion applies to today's workforce (Spreitzer, Cameron and Garrett, 2017).

According to Agbozo (2018), both employer and employee's commitment is primarily dependent on both sides' expectations being met. As a result, when both parties uphold their end of the psychological contract, cooperation improves, resulting in reciprocal benefits. On the other hand, majority of employees would part ways with an organization whenever their expectations from the organization's management are not met. Thus, employees who work hard need to receive recognition by management and be rewarded accordingly or receive promotion to encourage commitment to work (Kuswati, 2020). Psychological contract breaches, from this perspective, communicate symbolic messages about the employee-organization relationship, where a psychological contract violation would likely result in feelings of betrayal, anger, and frustration as a result of the breach. Transactional violation reflects an employees' belief that their material and economic interests are not being met by the organization. Relational violation depicts an employees' belief that the employer is not providing them with a stable and future oriented relationship and fails in promotion of both side's habitual development (Shuang and Chen, 2018). Therefore, perception of both violations brings about the feeling of disappointment and resentment by the employees resulting in recognition of unfairness and inequality.

According to Odhiambo (2015), Employees in various organization seek and interpret process from information received from various sources which includes fellow employees, recruiters, supervisors and previous employment contract. As a result, people are able to establish their own personal interpretations of what they are entitled to, known as the psychological contract. Psychological contracts come up before employment but are defined during the first time of the employment. The potential workers and the agents of the organization get into a job

relationship when they have expectations of the latent relationship. These expectations can either be transactional or monetary and relational which is non-monetary (Robinson and Rousseau, 2014).

Schein (2018) further added that the expectations between the worker and the firm do not only entail how much need to be performed but also the rights, privileges and the obligations of both parties. This implies that, violations of psychological contract comes from dissatisfaction of employees, employee alienation and labor unrest. As a result, payment terms, working hours, and employment conditions have a significant impact on psychological contracts.

1.1.1 Employee Performance

Employees are regarded as valuable assets in any firm for efficient and successful functioning. As mentioned by Arinanye (2015), Armstrong (2010) claimed that high performance in an organisation is obtained through the people in that organization. Alfagira (2019), states that various factors influence performance of academic staff in the university among them being, low incentives, excessive workload, uncondusive work environment, lack of support towards scientific research, lack of modern technology facilities, personal responsibilities, political interference, discriminatory practices, lack of cooperation and working relations with colleagues and job insecurity.

Employee performance, however is viewed differently by different organizations. There are various parameters an organization can use to measure performance of its employees. Since the main goal of most organizations is realization of profits, most of them will measure

performance of their employees in terms of timely completion of work assignment, work quality, level of creativity, absenteeism and client feedback. However, most education institutions are non-profit oriented hence the management of these institutions may opt for one of the following criteria for assessing and measuring the performance of their employees; teaching, research and innovation, administrative work and community service (Munene, 2019). In the long run, performance and success of an institution will be gauged by how well an institution does, corresponding to the goals it has set for itself (Richard, 2016).

Munene (2019) measured academic staff performance through research, invention, instruction, knowledge management, service to local community and administrative work. While (Odhiambo, Gachoka and Rambo, 2018) measured performance of employees using knowledge creation and innovation, completion of assigned tasks, nature of research generated and quality of teaching. Employee performance standards are established in many government-run institutions in Uganda, for example, by employing outcome oriented and quality management principles. Different methods of performance evaluation are becoming more prevalent, for instance, period of work, amount of work, excellence in achievement, client gratification, rate of acceptance, involvement of stakeholder, and level of expected results (Arinanye, 2015).

In this study, performance of academic staff at public universities will be measured based on; teaching, research and innovation, administrative work and community service. The selection of these dimensions as indicators of achievement of faculty members in the public universities is influenced largely by Commission of University Education [CUE] (2014) guidelines on

academic integrity with respect to the applicable ethical standards when teaching, undertaking research and during engagement in community service as well as prioritization of the academic interests of students and other stakeholders.

1.1.2 Psychological Contract

Psychological contract, is a set of expectations or promises established by two people in an employment relationship (Bula, 2021; Mackenzie 2015). The parties encompass managers, directors, individual workers and their job colleagues. This contract is often tacit or implicit unlike the formal contracts. They incline to be unseen, presumed, undeclared, informal or at best only partially expressed. Because of this, one has to make a resolute strength to check out what they are. The study adopts the definition by Dejong (2016) that psychological contract denotes an employee's perspective about what he or she feels they owe the firm, vis-à-vis what they feel the firm owes them.

Both parties in the job connection consider the psychological contract completed when promises are maintained or expectations are met, according to Yuexin and Liu (2020). Non-fulfillment of expectations by either party to a psychological contract is known as a breach or a violation of the contract. When an employee obtains what they expect, their natural reaction is to change their attitude and/or behavior toward the employer. According to Hess and Jepsen (2015), there is a link between the fulfillment of psychological contracts and the following cognitive responses: satisfaction, commitment, and turnover intention. When the job satisfaction is linked to emotional attachment to the job, anything that disrupts that emotional attachment affects their desire to stay in that organization. This is attributed to the declining

employee satisfaction with their roles and leads to the employee striving to restore a balance (Ng & Feldman, 2016).

Furthermore, Atkinson and Cuthbert (2016) believe that since psychological contract hinges on the norms of exchange, workers are likely to compensate for potential with loyalty and a lesser intention to leave. Employee attitudes like organizational commitment and job satisfaction have been linked to a lesser likelihood of turnover. The lower a worker's inclination to leave, the more his or her job satisfaction and organizational loyalty.

Employee performance and satisfaction may not always be improved by psychological contract fulfillment, but breaches of psychological contracts tend to function as de-motivators, as evidenced by low employee commitment, more absenteeism, turnover, and lower levels of performance (Sewpersad, Rugunna and Adams, 2019). In addition, psychological contract fulfillment gives a feeling of one being appreciated, increases confidence and influences positive results for the workers as well as the firm. Worker's perception of employer as having fulfilled their expectations, tend to feel more involved in the firm and are able to identify more closely with its values (Shapiro, 2016). Psychological contract has been categorized into three forms: relational, transactional and balanced contract.

Relational psychological contract is characterized by loyalty and stability. Employees with a relational psychological contract build bonds with their employer more than those with financially oriented psychological contract (Agbozo, 2018). A relational psychological contract is strengthened by socio-emotional and non-economic activities, based on level of

trust and organizational obligations. This is a contract based on interpersonal or interactive agreement and has no set boundaries, is broad-based, dynamic and long term (Sewpersad, Rugunna and Adams, 2019).

Employees with relational contract are usually ready to work overtime hours even when the extra hours are not attached to any extra pay. They do so to assist the organization achieve its intended objectives (Welandar, Astvik and Isaksson, 2017). Employees with relational contract are productive leading to better organizational performance. However, according to (Ndindeng, 2020) employees possessing relational psychological contract tend to be more likely distressed whenever there is a violation of the contract, but the devotion entrenched in these contracts mostly cause employees to pursue solutions which uphold their association with the organization. Handy, Gardner, and Davy (2020), define this type of contract as a deal between managers and those employed that results in a long-term job stability, training opportunities, professional advancement, and support with personal issues in exchange for high performance.

Transactional psychological contract is defined by extrinsic aspects and time frames which are short-term and finite (De Cuyper and De Writte, 2016). Transactional contract exists when the terms of employment is short-term, guided by clearly agreed on roles and responsibilities that are reciprocated based on the amount of work done but with absolute or minimal employee involvement. Workers with a transactional psychological contract, according to Shapiro (2018), may have expectations regarding material exchange for their job, financial or monetary terms, and a temporary obligation to their work. Finances inspire workers to accomplish their

work to expectations with this type of psychological contract, but with no exceptional performance over time.

A transactional psychological contract, according to Rousseau, Hansen, and Tomprou (2018), has a relatively small scope that is apparent to others and is linked to employee job stimulation. Employees who are found to have a transactional contract are persons who regard their contracts as being based on money benefits and getting paid on time (Bankins and Hansen, 2020). As a result, employees on a transactional contract do not expect to remain with their current employer in the long run.

Balanced psychological contract is characterized by an indefinite and relationship-based employment with conscientiously set down performance terms, expected to change in the long run (Shapiro, 2018). They are flexible and indefinite employment contracts that are contingent on the success of the employing institution, employee growth, and career advancement based on their talents and performance. Employees and employers both contribute to each other's development in this form of contract. Workers get compensation according to their expected accomplishment and contributions to organization's positive results in achieving its objectives, especially in the face of a changing business climate. Studies have shown that, balanced type of psychological contract exists in most public owned and professionally managed organizations (Bankins and Hansen, 2020).

In a balanced psychological contract relationship, the employer requires employees to be able to take up well outlined tasks that would enable them develop necessary skills while the

organization in return provides courses and trainings for the employees, which on the other hand is beneficial to the organization. Individuals are employed for prolonged time, which offers them future perspective and enhances their commitment (Savarimuthu and Jerena, 2017).

1.1.3 Organizational Capabilities

Many scholars have described different categories of organizational capabilities. Some have divided these capabilities into two categories of operational capabilities and dynamic capabilities. Essentially, operational capabilities are said to enable organizations perform their everyday activities such as continuous improvement activities (Hassan, Mei and Jahari, 2017). Dynamic capabilities on the other hand, enable organizations to adopt and bring change to the marketplace for instance in research and development activities (Anyango, 2015). While others have categorized organizational capabilities as leadership, learning, customer connectivity, structure, collaboration and accountability.

Waswa (2017) noted that organizational capabilities are the collective expertise, skills and abilities the organization possess, which are the outcome of investments in human resource areas of staffing, training, compensation and communication among others. They represent the manner in which people and resources are brought together for the purpose of accomplishment of work. They form the identity and personality of the organization by clearly defining what the organization is good at doing and eventually, what it actually is. In this study, organizational capabilities include; organizational leadership, organization communication and organization culture.

Leadership remains fundamental for organizational success. Leadership has been interpreted as a process of influence which leads to achievement of desired goals (Pranitasari, 2020). It involves supporting and inspiring others towards the achievement of a vision for the institution which is based on distinct personal and professional values (Arasli, 2014). Organisational management refers to a group of people who work at a senior level in an organization and are in charge of running the company's day-to-day operations. The importance of leadership in total quality management cannot be overstated.

Communication is an inexorable aspect of organizational functioning. The functions and importance of communication in organizations have been investigated by researchers in numerous ways. Communication allows learning from each other amongst colleagues which helps in coordination of obligations while creating and sustaining a healthy relationship (Femi, 2014). Organizational communication, according to the social constructionist perspective, is defined as the use of language to establish various social organizations such as partnerships, teams, and networks. Employee performance is influenced by manager attitudes, corporate culture, individual concerns, job description, compensation package, communication, and workplace norms, according to Saeed (2013). Employee commitment to organizational goals is influenced by organizational culture, organizational communication, and organizational commitment (Amari, 2014).

Workplace culture is a potent force that is fostered purposefully passed down to new employees (Okwemba, 2019). Employee task performance and interactions in an organization are influenced by organizational culture. Employee motivation and overall performance levels

can be influenced by organizational culture in a variety of ways. The cultural paradigm incorporates a variety of beliefs, values, rituals, and symbols that determine a company's working style (Shikhli and Abdel-Razek, 2020). Because employees are acclimated to specific methods of doing things, the greatest barrier for any organization during transition is frequently changing its culture.

Omukaga (2016) states that, organizational culture symbolizes an organizations business ethics, beliefs, vision, values, personalities and to some extent traits of the founders of the organizations, the management, shareholders and the employees and these factors influence the manner in which business in the organization is carried out in every aspect. Employee retention, contentment, and commitment are all improved in organizations with a strong organizational culture. Owing to the predominant culture of management care, research conducted by Wheeler, (2016) illustrated the extent to which majority of workers in firms polled indicated their willingness to stay with their organizations for at least another five years.

1.1.4 Human Resource Policies

Leonidou, Kyrgidou, Christodoulides and Palihawadana (2017) regard organizational policies as those internal control structures that determine how activities are carried out. Human resource management, performance management, and resource planning are all crucial in enabling employees to execute their tasks to the best of their ability. Human resource policies include rules and procedures are structures of classified decisions produced through a firm towards supporting managerial tasks such as these (Radhika, 2020). Human resources are the people who make up an organization's workforce. The term also refers to the functions within

an organization that are in charge of enforcing personnel management policies. The set of policies adopted by an institution influences employees attitudes and behaviours towards work, productivity and turnover intentions. Human resource policies and practices certainly do affect organizational as well as individual performance (Rugami, Wambua and Muathe, 2016).

Human resource policies substantially influence institutional human resource effectiveness and efficiency. Human resource policies vary from institution to institution, conditional to the type of the commercial engagement and configuration of their employees (Chelimo and Ouma, 2017). Human resource policies in institutions of higher learning may include policies on recruitment which include procedures and rules surrounding hiring, advertisement of positions, development of job descriptions, vetting of candidates and how offers are made.

Training and development policies may include procedures on selection of candidates for training and follow-up measures. Compensation and benefits policies encompass all types of employment accepted by the business, whether full-time, part-time, expert, or transitory employees, and if such classifications are eligible to full, limited, or no benefits at all. These benefits include medical insurance, reimbursement for medical expenses, benevolence benefits, annuity schemes; benefits related to professional development, cessation emoluments and others bonuses (Terera and Ngirande, 2014).

Human resource policies form part of the five human resource management operating systems which include philosophy, policies, processes, programs and strategy which form the values expected of an organization, serve as a point of reference on decision making regarding

employees to ensure equality, consistency and reliability (Bonareri, 2019). Through human resources policies, organizations are able to amicably address employee grievances and clearly have a guideline on how employees should be treated. It is through well laid down HR policies that organizations are able to avoid employee strikes and disagreement with management as well as raising commitment of employees to the organization (Cherif, 2020).

HR policies play a major role in organizations by laying out the acceptable actions in an organization, such that adherence to these policies assists in protection of the interest of employees the firms (Makau, 2020). On the contrary, failure to follow the established policies exposes the organization to potential lawsuits especially in publicly owned institutions for example public universities and parastatals.

1.1.5 Public Universities in Kenya

Historically, Kenya's higher education has evolved gradually since the pre-independence period and after independence. From 1960s, the idea behind the formation of universities stemmed from the necessity of manpower development for economic growth. Development of universities was based on the need to increase access to education for Kenyan people, spur development, promote Kenyan manpower and enhance socioeconomic growth by expanding capital expenditure into the educational institutions in the country (Obamba, 2011).

In the year 1965, the government of Kenya through Sessional Paper No.10 of 1965 recognized the need for an educated work force in order to spur development in all areas. The government was committed to supporting Kenyans to study for occupations where highly qualified labour

was needed to provide services in the various government departments (Obamba, 2011). During the seventies, the government continued with its policy on supporting education especially in higher education so as to provide skilled labour for economic prosperity. However, through its National Development Plan 1974-78 (GoK, 1974) it took cognizance of the fact that higher education enabled the beneficiaries obtain well-paying jobs.

The era of structural reforms and liberalization paved way for a period of neoliberal marketization and new public management (Obamba, 2011). This era between 1990 and 2005 was characterized by the reinforcement of privatization where the government affirmed students' commitment to education through catering for the costs of their fees inclusive of tuition fees, admission of self-sponsored students in public universities and revenue generation by commercializing some of the entities and activities of universities. Further during this era, there was also the emphasis on reforms in public administration and which gave rise to the Legal Notice No. 93 on Performance Contracting issued in 2004 (Kenya 2004). Following the imbalance in its economic operating environment and which had also greatly affected the higher education arena, the Kenyan government applied for funding from the World Bank under a programme dubbed the Education Sector Adjustment Credit (EDSAC) to assist in reforming universities in the country. The goals of this programme were to enforce structural adjustment changes in universities.

The University education is regulated by a government's agency through an established statutory provision found in Article No. 42 of 2012. The agency called CUE conducts recognition and equivalence of undergraduate, masters and doctoral certificates issued by

universities in Kenya and other countries in line with the 2016 revised edition of the Universities Act and the universities standards and guidelines of 2014 (CUE, 2018).

Kenya has seventy-four universities, including thirty-one (31) chartered public universities, six (6) public constituent colleges, eighteen (18) chartered private universities, five (5) private constituent colleges and fourteen (14) institutions with interim authority. Focus of this research was on six (6) public universities with a student population of more than 15,000 students and a minimum of four (4) similar schools across the universities.

1.2 Statement of the Problem

In its Vision 2030 development programme, the Kenyan government stresses a globally competitive education accompanied by significant training and research. According to a report by the Taskforce on Alignment of Higher Education, Science and Technology sector with the Constitution, TAHEST (2016), there was reduced research activity in public universities in Kenya to an extent that research publications had dropped to about 0.11 per full-time faculty member. Kenya continues to suffer a widening disparity between student enrollment and the availability of qualified lecturers, according to a World Bank report (2019), with student-teacher ratios in public universities reaching about 70:1 over time.

Frequent occurrences of strikes in universities affect teaching, research projects and administrative work of teaching staff. Almost every year, salary disputes between academic staff unions and the government cause public universities to shut down for a few days to several months (World Bank, 2019). A 54-day lecturer strike, for example, led university students to

miss nearly an entire semester in 2017. At the end of that year, the academics went on strike for another 38 days, and the trend continued in 2018 from March until roughly June. The numerous strikes have over the years caused delay in student progression in learning and graduation as well as interfered with university administrative work (World Bank, 2019).

According to a survey conducted by the Webometrics in January 2020, Kenyan universities continue to be ranked low internationally based on their performance across all the core objectives which include teaching, research, knowledge transfer and international outlook. Only University of Nairobi (UoN) and Kenyatta University (KU) were ranked among the top 2000 world ranking coming in at position 1019 for UoN and position 1675 for KU, while in Africa, out of 1701 institutions, only 3 universities were ranked in top 50, UoN at position 11, KU at position 23 and Moi University at position 46 (Webometrics, 2020). Mwangi (2018) noted that the poor performance in Kenyan universities has been associated with social emotional needs of the workers within these institutions, further stating that workers of various universities had strong dissatisfaction with their work and thus they were not productive enough.

Little research has analyzed the effect of psychological contract on performance of employees. Kamau, Maranga, and Mugambi (2020) conducted a comparative study of catering employees' psychological contracts and affective commitment at the universities based within Nairobi County. The research considered employee well-being initiatives to moderate the relationship, the current research will use human resource policies as the moderating variable. Mande (2018) investigated the psychological contract as a structural explanation for breach among

Kenyan secondary school teachers. The current research is focused on Kenyan public universities. A study by Weng'ua, Rotich, Kogos (2018) on the role of Kenyan universities on promotion of research and scholarly work, focused on research while this study focused on teaching, research, administrative work and community service.

The gap in knowledge on the construct of psychological contract in relation to performance of employees at public institutions especially in Kenya, this study sought to look at the influence of psychological contract on performance of academic staff at selected public universities in Kenya, which are Kenyatta University, Egerton University, University of Nairobi, Jomo Kenyatta University of Agriculture and Technology, Maseno University and Moi University.

1.3 Objectives of the Study

This study contained both general and specific objectives.

1.3.1 General Objective

The overall objective of this research was to determine the effect of psychological contract on academic staff performance in selected public universities in Kenya.

1.3.2 Specific Objectives

The study's specific objectives were as follows:

- i. To establish the effect of relational contract on performance of academic staff in selected public universities in Kenya
- ii. To determine the effect of transactional contract on performance of academic staff in selected public universities in Kenya

- iii. To evaluate the effect of balanced contract on performance of academic staff in selected public universities in Kenya.
- iv. To assess the mediating effect of organizational capabilities on the relationship between psychological contract and performance of academic staff in selected public universities in Kenya
- v. To analyze the moderating effect of human resource policies on the relationship between psychological contract and performance of academic staff in selected public universities in Kenya.

1.4 Research Hypotheses

The following five hypotheses were tested in the study:

- H₀₁** There is no significant effect of relational contract on performance of academic staff in selected public universities in Kenya.
- H₀₂** There is no significant effect of transactional contract on performance of academic staff in selected public universities in Kenya.
- H₀₃** There is no significant effect of balanced contract on performance of academic staff in selected public universities in Kenya.
- H₀₄** Organizational capabilities have no mediating effect on the relationship between psychological contract and performance of academic staff in selected public universities in Kenya.
- H₀₅** Human Resource policies have no moderating effect on the relationship between psychological contract and performance of academic staff in selected public universities in Kenya.

1.5 Significance of the Study

The findings of this research fill the gap amid the theoretical construct and practicality of psychological contract and academic staff performance in Kenyan universities. The research also contributes to empirical literature existing on influence of psychological contract on performance of employees. The research gives more knowledge on different forms of psychological contract that exist with the employees of public universities and will help the academicians as well.

The empirical evidence from this research will be of help in widening the understanding of the nexus between psychological contract and employee performance. Findings of this research will also give the academic world the basis for further interrogation of the concept of psychological contract and demonstrate the importance in relation to university management structure in Kenya. The conceptual framework generated from this research and the empirical evidence will be useful in development and enriching of knowledge base, which will broaden the understanding of traits associated with psychological contract.

The study will be of importance to stakeholders of higher learning institutions in Kenya like members of university councils and university management boards in development of policies that encourage positive exchange partnership with faculty members of the public universities. The study will provide the Commission for University Education and the Ministry of Education with an understanding of the various aspects of psychological contract that exist within university academic staff and what constitutes contract fulfillment or violation, and how this affects the performance of university academic staff.

The management and employees of public universities as well as the unions that represent university workers e.g. Universities Academic Staff Union (UASU) as well as Kenya University Staff Union (KUSU) will benefit in their representation of the workers for improved employment conditions based on the recommendations. The study is aimed at encouraging recognition of existence of psychological contract so as to ensure fulfillment of promises made that are outside the written contracts as a strategy to improve academic staffs' performance at the public universities.

The study findings will also be beneficial to human resource managers in policy making such as CUE and government related ministries as it will provide them with information that underlies the need of performance of workers in attaining goals of the organization. This information will also be useful in performance enhancement strategies designing in the public universities that assume the role of psychological contract as an important element in their execution. The study will also benefit the employees because an organization that recognizes the need for psychological contract fulfillment, impels the employees to have positive job attitudes, job satisfaction and increase in productivity because they believe that their effort shall be reciprocated.

1.6 Scope of the Study

This study focused on determining the influence of psychological contract on academic staffs' performance at selected Kenyan public universities. The independent variables of the study are relational contract specifically looking at aspects of employee commitment and productivity, transactional contract on the aspects of short-term relations, balanced contract which involves

issues of promotion, commensurate pay, rewards and recognition and opportunity for career growth. The study has organizational capabilities as the mediating variable with human resource policies being the moderator. The dependent variable was performance of academic staff. The study used primary data gathered through questionnaires.

The study focused on academic staff of six public universities with a student population of more than 15,000 and a minimum of 4 similar schools across the universities. The public universities that fall under this criterion are; University of Nairobi, Kenyatta University, Moi University, Jomo Kenyatta University of Agriculture and Technology, Egerton University and Maseno University.

1.7 Limitation of the Study

This study anticipated respondents' reluctance to participate in the study since it targeted academic staff of public universities of which some of them are high profile respondents. The researcher mitigated this by making regular follow ups on phone and by email. The researcher requested the respondents not to include their names and also guaranteed them that this research was used for academic purposes only. The researcher also reassured the respondents that their views remained confidential, and obtained permission from management to conduct research in the organization. In addition, lack of reliability of the measurement instrument may hinder accuracy of the data obtained. The researcher controlled this by undertaking reliability tests to determine the internal reliability of each question.

Though the target population was dispersed all over the country, time was a limiting key factor to ensure that the targeted institutions could be interviewed within the scheduled project research period. The researcher mitigated this by hiring two research assistants who helped in the data collection to enable the researcher finish within the timelines. In addition, the university policies were likely to restrict most of the respondents from answering some questions in the questionnaire. Nonetheless, the researcher planned to counter this problem by availing the introduction letter issued by the university to the targeted respondents accompanied by a supplementary accreditation letter issued by the National Council for Science Technology and Innovation (NACOSTI) to avoid reservations by the faculty and enable the managements to disclose the information being sought.

1.8 Organization of the Study

The study is sub-divided into five chapters. Section one describes the contextual nature of the inquiry, problem statement, study purposes and hypotheses. This section also provides the study's scope, importance as well as limitations. The second chapter includes the study's theories, empirical literature, a summary of the reviewed literature, gaps that need to be filled, and the conceptual framework. The research philosophy, study population, sample size, data collection instrument, and data collecting technique are all covered in Chapter three, which also contains the pilot study, diagnostic testing, data synthesis and analysis. Chapter four covers the empirical findings with chapter five finally containing the summary, contribution to knowledge, conclusion and recommendation for further studies.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter evaluates underlying theories to this research and discusses the empirical literature on the psychological contract's relevance to employee performance. The chapter focuses on empirical review of research in relation to psychological contract, organizational capabilities, human resource policies and performance of academic staff. A conceptual framework depicting the nexus between the study variables is also included in this chapter.

2.2 Theoretical Review

This research was anchored on equity theory which formed the main theory of the study and was supported by the social exchange theory, organizational support theory and the Harvard framework for human resource management. The four theories are explained in the sections below.

2.2.1 Equity Theory

Equity theory, regarded as a justice theory, was proposed by Adams (1963), who claimed that employees attempt to preserve parity between their contributions to a job and the rewards they receive, as compared to others' perceived contributions and incentives. People value fair treatment, which pushes them to maintain fairness in their dealings with coworkers and the organization, according to this notion. The ratio of inputs to outcomes determines the structure of workplace equity, where inputs are said to be the contributions made to the organization by employees. Equity theory further brings forth the believe that individuals put more value on

treating people fairly which causes the people to put more effort in attaining the goals of the organization (Ho, 2016; Perry, 1993).

The major proposition of this theory is the comparison of personal input and the outcome of other inputs and for this reason one may experience inequity or equity. The theory is very understandable since it deals with the feelings of people towards justice and equity (Rice, 1993). People may sense equality or unfairness not merely in terms of the particular inputs and outcomes of a relationship, but also in terms of the overarching system that decides those inputs and outputs, according to detractors of this concept. In the workplace, one may believe that his or her salary is fair in compared to that of other employees, but the compensation system as a whole may be considered unjust (Carrell and Dittrich, 1978).

Scholars have also argued that the theory does not consider differences amongst individuals and different cultures, does not predict behavior that is likely to be absorbed amongst the individuals in different setup of employment. Employees demand a fair return for their effort, which is known as the equity norm; employees calculate their equitable return by comparing their inputs in terms of what they provide to the business and results in terms of compensation with those of their coworkers, which is known as social comparison (Komari, 2019).

Equity theory has therefore been used in this study to anchor employee performance, in the sense that fulfillment of employee's psychological contract in an employment relationship, motivates them to ensure they nurture the equity between the inputs brought to a job and the outputs received, hence having a positive effect on their performance.

2.2.2 Social Exchange Theory

The Social Exchange Theory (SET) originated from the works of Homans (1958). The theory views human exchanges and interactions as a kind of results-driven social behavior. The SET's fundamental concept is cost and rewards, meaning, the comparison of the two (cost and reward) drive human decisions and behavior. According to Blau Blau (1964), Social exchange is a two-pronged, reciprocal and gratifying transactions or merely commercial process. SET has been one of the few significant conceptual models for explaining workplace conducts where workers not only desire a reciprocally valuable but also a fair affiliation with their employer (Chin & Hung, 2013). The sharing of reciprocal favors with the prospect of future rewards is known as social trade (Aryee, Budhwar, and Chen, 2002). This organized organizational endeavour for the betterment of workers is reciprocated back by employees in the form of positive outlook, attitude and behaviour (Hannah and Iverson, 2014).

The social exchange theory is applied in the organization on the basis that there are appealing company actions that are intended for the employees. The lexicon of the social exchange model encompasses compensation, worth, resource, utility, reinforcement, comparison level, cost, transaction, income, and result, according to Bonilla (2018). Bentein and Guerrero (2008) also positioned social exchange theory in a way that explains the workplace from the perspective of the employees. The theory also serves to institute the reciprocal obligations of the workers. In addition, the attitudes at work can have a negative response to treatment that is unfavorable (Ko and Hur, 2014).

According to Blau (1964) this hypothesis was developed when employees sought a mutual and beneficial relationship with the firm. Social exchange entails the notion that the mutual favors are done when one is assuming there will be benefits. There cannot be specified specificity regarding yields as social exchange is based on a more discretionary expectation. There is a lot of enthusiasm for the exchange, and the players must see it as altruistic rather than self-serving (Karagonlar, 2016).

SET is used to describe psychological contracts, as proposed by (Janse, 2019), in which employees feel bound to give something back to their organization after receiving social-emotional and financial resources. This frequently translates into an extrinsically motivated involvement in terms of performance. The notion defines relations as social behavior aimed at the goal. This theory suggests that people will develop and maintain relationships so as to maximize the advantages of such relations and minimize costs.

The employment relationship is considered an exchange that involves an employer offering certain inducements in the form of remuneration, benefits and job security in exchange for employee efforts, productivity, commitment where the proportion of exchange is dependent on expectations from both sides. According to Owor (2016), for employees to exhibit commitment, loyalty, and excitement for their organization and partake in its aims, as well as to derive enjoyment from their work, there must be a match between what they anticipate from the organization and what they owe to it. To ensure quality of work and selflessness for meeting the organization's goals emerge, the genuine exchange includes, among other things, money for time at work, job security, and the potential for self-actualization.

Critiques argue that one of the weaknesses of the SET is the assumption that individuals are innately selfish, ready to terminate employment relationships when cost outweighs the benefits. The theory places employment relationships in a linear structure while some employees may be altruistic.

The SET is an important concept in psychological contracts to help explain the mindset of an employee prior to entering into an employment relationship with an employer, where they analyse the costs and benefits attached to the job to enable them comprehend the risks involved versus the rewards brought by the relationship. Therefore, this theory informs the independent variable psychological contracts.

2.2.3 Organizational Support Theory

Eisenberger, Huntington, Hutchinson, and Sowa (1986) proposed the organizational support theory (OST). The OST hypothesises that, employees possess a shared perception on how companies view their contributions and regard to their well-being. Proponents of OST further argue that such perceived support from the organization increases employees' felt obligation to contribute to the organizations efforts towards realization of set goals. Behaviours associated with organizational support include increased role performance and a decrease in absenteeism, stress and turnover.

Employees perceive treatment from their employer as an indication of favour or otherwise towards them on the part of the organization, according to Eisenberger (1986). As a result, a number of favourable workplace conditions and work experiences have been found to be

favourably and significantly associated to high organizational support, including possibilities for career growth, recognition and promotions, good remuneration package, training, and autonomy (Rou, 2018).

Employees transfer their effort to their employer for concrete returns and/or advantages, according to organizational support theory, that is founded on reciprocity norms. The fundamental tenet of organizational support is that the employee feels compelled or obligated to respond positively to favorable organizational actions. Employees feel obligated to reciprocate when they believe the organization recognizes their contributions, according to organizational support theory. OS is closely linked to the fulfilment of socio-emotional demands and an organization's willingness to recognize extra efforts made on its behalf by employees (Eisenberger, 2012).

Previous studies focussed on the content of resources exchanged while organizational rewards and conditions of working such as development experience, job autonomy and visibility for organizational leadership, supervisor support and evaluation are the three key aspects of the work experience of the organization that shapes the support of the employees (Aselage and Eisenberger, 2013).

Caesens and Stinglhamber (2020) argued that, when organization support is present in excess, it can be perceived as self-threatening, thus, employees may perceive organizational support as an indication of being incompetent or over helped and thus employees become unable to reciprocate for a high level of organizational support, resulting in subsequent negative reactions.

This theory informs the mediating variable which is organizational capabilities. It explains the need for organizational support to employees which can be achieved through establishment of proper managerial leadership, well established communication channels and a positive organizational culture so as to encourage the employees to be more productive. According to the hypothesis, employees who believe their employer has fulfilled their psychological contract will perceive that they have been treated well, resulting in higher performance.

2.2.4 The Harvard Framework for HRM

The Harvard Framework for HRM is a human resource management model that was first developed by Bear, Walton, and Spector (1984) and further refined by Paauwe and Richardson's work (1997). It has five components, as depicted in Figure 2.1: stakeholder securities, work conditions, Human Resource Management policy alternatives, Human Resource outcomes, and long-term consequences.

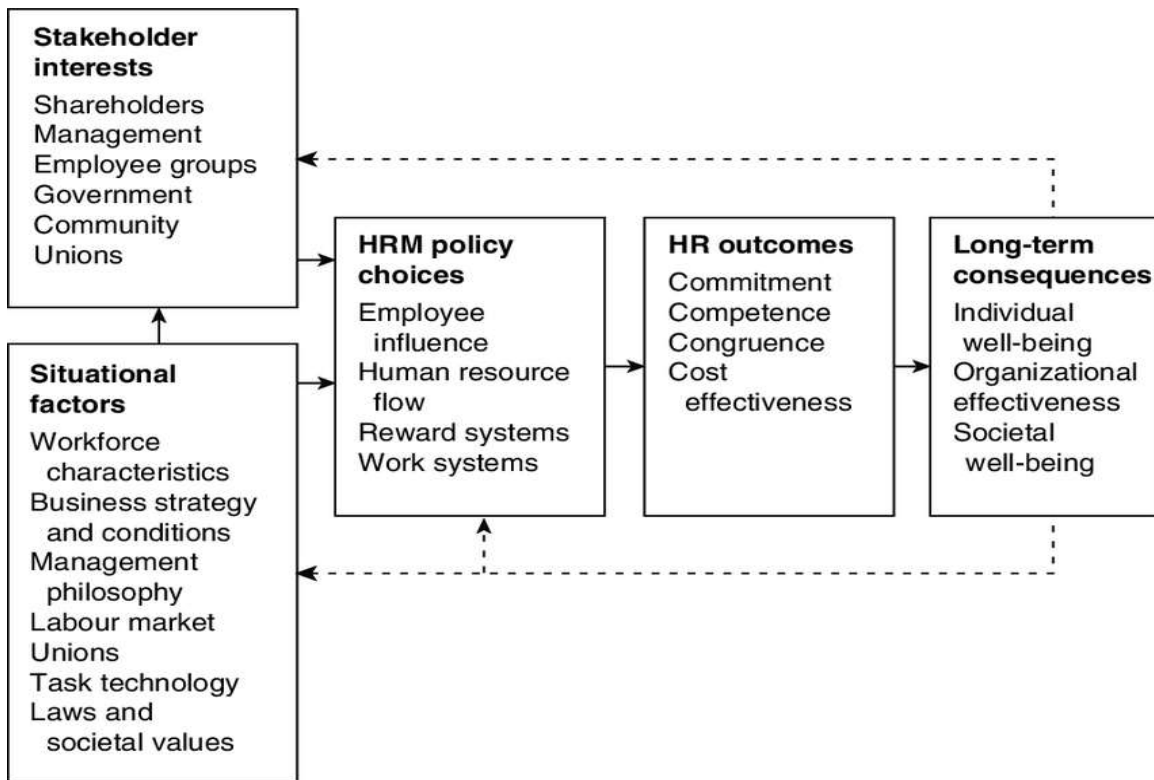


Figure 2.1: Harvard Framework for HRM

Source: Beer, Walton and Spector (1984).

The first component of the model which is stakeholder interest comprises of shareholders, managers, government, unions and community. According to (Paauwe and Richardson, 1997), the mentioned interests define the choice of human resource management policies in an organization. According to the framework, situational factors comprises workforce characteristics, conditions and strategies of business, philosophies of management, the unions, labour markets, technologies employed to accomplish task, existing laws, and societal values, all which influence interests of the stakeholders. Hence, human resource management policies in an organization, are influenced by a combination of stakeholder interests and situational factors. These human resource policies include the core human resource activities in an

organization that include recruitment, training and reward systems. The Harvard framework is a model that takes a more holistic approach to human resource management, including varied levels of outcome.

According to Boselie and Paauwe (2009), given that human resources are an organization's most valuable asset, and given that human resource policies have the most direct impact on an organization's human capital, the HRPs' complex nature and scope can be used to improve the performance of the said human capital. It has been noted that the Harvard Framework for HRM lays much focus on the HR policies of a firm (Colbert, 2004), thus public universities in Kenya can adopt this view to develop inimitable policies that would ensure core competencies, dynamic capabilities and tacit knowledge in their human resource base. Such an approach will have a direct impact not only on staff performance but also on the universities' overall success. It will also give a framework for universities to align their human resources in order to achieve better results. Certain HR policies, according to (Boselie and Paauwe, 2009), boost employees' discretionary effort in doing their jobs.

The Framework was adopted to anchor the moderating role of human resources policies on the relationship between psychological contract and performance of academic staff in selected universities in Kenya. The Harvard Framework for HRM is important in this study as it informs the need to review the HR policies in an organization to ensure building the available capabilities within the organization to improve on their individual and overall performance.

2.3 Empirical Literature Review

Studies on relational contract, transactional contract, balanced contract, organizational capabilities and human resource policies have been assessed.

2.3.1 Relational Contract and Performance of Academic Staff

Primarily based on trust and organizational commitment; socio-emotional and non-economic, as well as intrinsic factors combine to generate a deep understanding of contract hinged on interpersonal and emotional characteristics. Employees who have such a contract with their employer tend to believe that their work relationship with the organization is about more than just financial reward (Moore, 2014). Violation of relational obligations leads to reduced commitment and overall performance to the organization.

In evaluating the impact of psychological contract violation on turnover intention, with focus to perception of employee loneliness, a study conducted by Aykan (2014), in the manufacturing industry business in Turkey, found a positive association between relational contract and turnover intentions. According to the study, employee loneliness perceptions played a mediating function in linking relational contract and employee turnover intentions. The findings agreed with Paille (2016) that relational agreements exhibited a major influence on the workforce retention. Although focus of the aforementioned study focused more on intentions to leave as the dependent variable, performance of academic staff is the dependent variable for this study.

In examining the relation between psychological contracts and employee performance, productivity, and retention in Nigerian firms, Nwokocho's (2015), found out that employees become vulnerable to the healthy association with their management in situations of void interpersonal affiliations. The methodology was theoretical and analytical using secondary resource materials. The study further revealed that violation of psychological contract reduces employee performance and increases the likelihood of their leaving the organization. In another similar study, Rouwhorst (2016) discovered that non-fulfilment of the relational psychological contract causes high worker turnover intentions. Rouwhorst study focused on intermediary influence of organizational support as well as on the link between psychological contract violation and employee avowing resignation. Inconsistent with Rouwhorst's argument, Nwokocho's study applied theoretical inquiry by making reference to secondary resource materials, hence presenting a methodological gap which the current study sought to address through primary data collection.

Patrick (2008) in research on psychological contract and employment relationship which focused on relational contract, employer's commitment, transactional contract and employee commitment found that relational contract was the most dominant type of psychological contract amongst employees. A relation contract was found to substantially influence job relationship. 202 employees were randomly chosen 15 IT companies in Bangalore, India. A descriptive research design was used, as well as simple random sampling. However, the study did not include a mediating variable hence presenting a conceptual gap, the current research employed organizational capabilities to mediate the link between PC and performance of academic staff.

Harold (2014) established that, relational contract had a significant effect on employment relation. Relational and transactional contracts, employer commitment and obligation to employees, employee commitment and obligation to employer, and employer and employee relationships were all assessed. The study found that the psychological contract's strength determines an organization's capacity to get the best out of its personnel. The majority of Indian IT companies, according to the poll, have developed a relational psychological contract with their employees, with such type of relational contract exhibiting cogent impact on the employment relationship. Whereas the referenced research work was done in India, this research was carried out in Kenya.

Kamau, Maranga, and Mugambi (2020) identified a significant relation between psychological contract and institutional obligation in a study on catering personnel's psychological contract and emotional commitment at private and public universities in Nairobi City County, Kenya. This descriptive survey approach targeted a sample size of 50 public and private university catering personnel from two universities in Nairobi City County, Kenya. The findings also revealed that organizational obligation have links to relational contract, and that university catering employees at both public and private universities perceived violation of their psychological contract as resulting from the universities' failure to meet part of their implicit contract. The findings show congruence with Cheung and Chiu (2015), which demonstrated that relational contract had significant effect on organizational support.

Cheung and Chiu (2015) investigated the fulfillment of psychological contracts, member-leader exchange, organizational support, and performance. Data was gathered from a sample

of 354 supervisors and ordinary staff of a Chinese manufacturing firm. Social exchange theory informed the study. Employee attitudinal and behavioral results were positively connected to psychological contract fulfillment, according to the findings. Both organizational support and member-leader exchange were shown to be completely mediated in the link between contract fulfillment and task performance. Further, it was found that organizational support and member-leader exchange moderated the association between psychological contract fulfillment, emotional commitment and supervisor affection. Member-leader exchange fully moderated turnover intentions, whereas organizational support had no effect. The study was carried out in a different context of manufacturing industry in China.

A study to determine the moderating effect of relational psychological contracts and transactional psychological contracts in the link between organizational justice and organizational citizenship behavior, Byoung (2014) discovered a positive link relating to the organizational impartiality and organizational citizenship conduct. Further, mediation analysis revealed that, notwithstanding interactive justice, there are indirect links between interactional, distributive, and organizational citizenship behavior. Data was collected from 284 employees from ten firms in South Korea using a cross-sectional survey design. The study failed to include balanced contracts in examination of the relationship between OJ and OCB, which is a conceptual gap where the current research tried addressing.

2.3.2 Transactional Contract and Performance of Academic Staff

A transactional contract is a specific, monetizable exchange between parties that focuses on offering monetary compensation for employee services and instituting the concept of

impartiality in day's input for a nondiscriminatory remuneration (Walia, 2016). Employees who hold a transactional psychological contract anticipate monetary and measureable incentives in exchange for work done, as well as a short-term obligation to their employer. When the transactional obligation of the psychological contract is breached, job satisfaction is negatively affected, and employee performance reduces as a result.

Liu, He, Jiang and Zhai (2020) examination of the effect of workers psychological contract fulfillment on performance of their duties anchored on social exchange theory established that, transactional contract directly affected gig workers' task performance. The findings agreed with Jensen, Opland and Ryan (2010) who found that transactional contract had significant effect on work behaviors. When duration of service of the workers was taken into account, transactional contracts were found to have an indirect effect on organizational identity. The study was informed by only one theory, social exchange theory, hence a theoretical gap. Equity theory, social exchange theory, organizational support theory, and the Harvard framework for HRM informed this research.

In four Indian firms, Aggarwal and Ghupta (2016) investigated the predictors and consequences of relational and transactional psychological contracts. The research adopted case study design and use of secondary resource material which established that employee expectations in an employment relationship could be categorized in to relational psychological contract and transactional psychological contract. Furthermore, the two types of psychological contract had different effect on job results depending on whether they were violated or fulfilled. Long-term emotional work outcomes, such as psychological ownership, pro-social work

behaviors, and engagement, were influenced by the relational psychological contract extensively. The influence of transactional psychological contract on turnover intents and attitude toward work was greater. The study was carried out in India hence, presenting a contextual gap. The current research focused on selected public universities in Kenya.

Jensen, Opland, and Ryan (2010) investigated psychological contracts and counterproductive job habits in the retail business in the United States. Data collection from 357 employees focusing on the relationship between the variables was investigated using hierarchical linear regression. The study revealed significant effect of transactional contract on counterproductive work behaviors. In addition, human resource policies had a moderating effect on relational contracts and counterproductive work behaviors. The study was conducted in a country that is categorized as developed, whereas this study focused on a developing country.

Ballou (2013) looked into the impacts of psychological contract breaches on job performance. The impact of transactional contracts on employment outcomes was investigated using a descriptive research design. According to the findings, breaching of an employee's psychological contract displayed a substantial influence on job gratification, intention to remain in the job and perceived institutional support. Furthermore, the impact of the transactional contract on perceived institutional support and institutional citizenship behaviors was significant. Job outcomes were indicated to have a significantly influenced by transactional contracts. These findings agreed with Anyika (2016), that transactional contracts bear a considerable influence on employee turnover.

According to Anyika (2016), in a study of the connection between psychological contracts and by workers intentions on turnover at Barclays Bank of Kenya, established that most employees were not convinced that their contributions to the bank's overall performance were being recognized in terms of compensation, and that the bank had breached their psychological contracts. The study's findings also revealed that the bank had not kept its end of the bargain, indicating that the workers had lost faith in the bank's management. Employee turnover was also found to be influenced by transactional psychological contracts, according to the study. Although the research construct is similar to the current study, its findings would not be applicable because the study focused on Barclays bank of Kenya hence presenting a contextual gap.

Zagenczyk, Gibney, Few, and Scott (2015) investigated the influence of psychological contracts on organizational identity focusing on intermediary influence of organizational support. To support the hypothesis that breach of psychological contract has a deleterious link with organizational identification and an encouraging association with organizational misidentification, the study mainly relied on organizational support theory. The findings supported advanced hypothesis that the bonding of psychological contract breach with the corporate identification become copiously reinforced by the organizational support and that there exists a link between the breach of PC and organizational identification. The study was a desktop study; hence results could not be generalized.

2.3.3 Balanced Contract and Performance of Academic Staff

A balanced contract entails an open-ended and relationship-oriented engagement, in which, a acceptable performance terms that are expected to change over a period of time. They are flexible, open-ended employment contracts that are predicated on the company's success, employee development, and possibilities for advancement based on performance and capabilities. Both the employee and the organization benefit from one another's growth (Moore, 2014). The exchange's partners will strive to maintain balanced social exchange relationships in order to ensure excellent employee performance.

The influence of relational, transactional, and balanced contracts on affective commitment in Indian manufacturing firms was studied by Singh, Tyagi, and Bamel (2020). The study adopted a cross-sectional research methodology, where it was observed that a balanced contract showed a significant influence on employee obligation. According to the findings, the relationship between a balanced contract and non-confrontational commitment was fully mediated by workforce diversity. The study took place in India, whereas the current one will take place in Kenya.

Hassan, Bashir, Raja, Mussel, and Khattak (2020) found that balanced psychological contracts had a substantial effect on rule following behavior in a study on personality and balanced psychological contracts, intermediating roles of rule following behavior and epistemic curiosity. Hypotheses was tested using a sample size of 469. Results further established that epistemic curiosity mediated balanced psychological contracts and rule following behavior. The study was time series, the current study was cross sectional in nature.

Hamilton and von Treuer (2012) examined psychological contracts, careerism and intention to leave the organization. The surveys were returned by 202 health workers in Australian hospitals, and path analyses using structural equation modeling revealed that careerism partially mediated the association between contract types and intention to vacate. Results further showed that HR and direct managers shape balanced psychological contract and significantly impacted job performance. The findings corroborated Nishanthi and Mahalekange (2016), who discovered that balanced contracts have a significant impact on employment outcomes, implying that the working environment aided in the establishment of trust and fairness, both of which are part of the balanced contract's content. The results of Hamilton and von Treuer's (2012) investigation, however, could not be generalized because it was done in a developed country.

With a focus on cloth manufacturing enterprises in Sri Lanka, Nishanthi and Mahalekange (2016) investigated the stimulus of psychological contracts on employee job satisfaction and organizational performance. The participants in the study were 50 executive level employees, as a result, the findings of the study were based on perception of the executive level staff (managers) and not the employees themselves. Assessing job satisfaction is best conducted by asking the employees themselves rather than management since the employees are best placed to tell how they feel about the work they do. The research was descriptive in nature, and it indicated that a well-balanced psychological contract had a substantial influence on envisaged work results such as job satisfaction and staff commitment, leading to overall organizational performance. However, the study failed to include a mediating variable, a conceptual gap which the current research sought to address.

Wanjala and Musungu (2018) explored institutional factors influencing academic personnel's violation of psychological contract at the University of Nairobi, Kenya. This was a case study whose target population comprised 1483 academic members of staff clustered into six academic ranks found in all the six (6) colleges of the said University. The research established that despite the teaching staff fulfilling all their commitments as employees, the university had not fulfilled many of its promises. Results further showed that there was inability of the university management to provide leadership and failure to put in place adequate mechanisms to enhance a favorable reward and incentives system for the academic staff. The study focused on academic staff of University of Nairobi thus presenting contextual gap that the new study tried to fill by including six public universities in Kenya.

At World Vision Somaliland, Joochara (2015) investigated the apparent relationships between psychological contract and organizational citizenship behavior. A total of 125 employees took part in the survey, which was conducted by census due to the small number of employees. Balanced contract had a considerable impact on corporate citizenship behavior, according to the findings. It was also established that, supervisors helped the staff develop externally marketable skills and made commitments to retain the staff. Employees were also happy with the rewards and benefits given to them. Employing a cross-sectional and descriptive design, data was collected at a single moment in time because it encompassed the full workforce, resulting in a methodological gap between comparison and specific results.

Sivashankar (2019) study objective was to look at the connection between psychological contract attributes and employee expected deliverables such as organizational citizenship

behavior (OCB), commitment, including the turnover intention. The study also investigated psychological contract breaches visibly ingrained within organizational structures. Resultant conclusions showed progressive links with balanced contracts besides the OCB. It further revealed that there was absence of link between employee turnover intention and balanced contracts, relational contracts, employee and employer obligations. Although the study concentrated on different types of psychological contracts, it left out transactional contracts, resulting in a conceptual gap. Relational, transactional, and balanced contracts are all part of the present research.

2.3.4 Organizational Capabilities and Performance of Academic Staff

Organizational capabilities can be understood as intrinsic evolutionary process meant to assist facilitate problem solving, stimulate creative ideals, improve decision making and help members of an organization to effectively implement organizational objectives. They refer to ability of an organization to refocus the strategic competencies to meet the demands of a rapidly changing environment (Nyongesa, 2018).

Rehman, Mohamed, and Ayoup (2019) conducted research in Pakistan on the function of organizational capabilities as a mediator between organizational performance and its drivers. The study was descriptive and relied on primary data, and it was informed by resource-based view and resource orchestration theories. Findings of this study revealed a strong link between cybernetics, pay as well as the executive controls on organizational performance. Further, cybernetic, cultural, compensation and return, planning and administrative controls were found

to have significant association with organizational capabilities. Organizational capabilities mediated the relationship between organizational performance and its drivers. The research was done in the textile sector, whereas this research was done in Kenyan public universities.

López, Monteiro, and Rodríguez (2015) studied firm capabilities and performance in Portugal, emphasizing on the function of business strategy as a mediator. The study was founded on resource-based view theory. Study findings showed strong link between organizational competencies and performance. Organizational strategic choices were found to be critical in increasing firm profitability. The findings also showed that business strategy selection partially mediated organizational capabilities and profitability. The study concentrated on the function of corporate strategy in mediating organizational capabilities and profitability, resulting in a conceptual gap. The current research used organizational capabilities as the mediating variable.

Pham and Hoang (2019) looked at the link between organizational learning capabilities and firm performance. The research was purely descriptive in nature. A total of 160 working students from various Vietnamese companies were included in the sample. The findings revealed that organizational learning capabilities improved corporate performance. Furthermore, the study found a link between management commitment to knowledge transfer, integration and business performance. Response from 160 working students was insufficient for generalization of the findings, according to the study's recommendations.

Otuoma (2014) focused on organizational capabilities and the attainment of organizational goals at the National Assembly of Kenya. Case study research design and an interview guide

was adopted in the study which involved staff of the assembly. The data was analyzed using content analysis. Leadership qualities were found to impact the achievement of organizational goals. Results also showed that recruitment policies that encourage diversity in staff had an influence on organizational culture. Leadership was also found to influence relations among employees and eventual performance of the organization. The study demonstrated the need for organizations realization of core capabilities and how to appropriately harness and leverage on these core assets to attain the organizations goals. Case study design was employed, thus presenting a methodological gap.

Chepkilot, Zakayo, and Nyabuti (2016) investigated the influence of enhanced human resource competencies on employee performance in the Kenyan civil service. The research was descriptive in nature. The study established that human resource capabilities could be enhanced through performance feedback and improved communication to ensure employee performance in civil service. The study also discovered that improving human resource capabilities increased employees' desire to remain in the civil service. The research was conducted using a descriptive research approach that was not conclusive, resulting in a methodological gap.

Nayeemunnisa and Gomathi (2020) did research on the influence of organizational competences on organizational performance. This study used a desktop research approach, therefore it only looked at secondary data. According to the findings, technological transformation and innovation have enhanced the importance of organizational capability development. Further findings revealed that the organization's emphasis on building quality resources and right capabilities contributed in sustenance of the business. Ensuring the

workforce was more dynamic, agile, and capable was found to be key in addressing the rapid technological transformation and business innovation. The study was anchored on Mackenzie's 7S model which did not support the study thus presenting a theoretical gap.

Lee (2019) investigated the influence of firm culture and capabilities on employees' commitments to ethical behaviors. Data was collected from 228 hospital employees in South Korea's metropolitan region. The study found that organizational capacities are critical in supporting organizations in dealing with their responsibilities in an ethical manner, which aids in achieving competitive advantage. While Rehman, Ayoup and Mohamed (2019) focused on the mediator influence of organizational capabilities in the relationship between firm management control systems and its overall performance. Planning, cultural, cybernetic, administrative and rewards were identified as five (5) management control systems. The study established that compensation control had the most significant influence of firm performance compared to planning, cultural and cybernetic controls. Lee's study was done in South Korea which is technologically advanced, hence a contextual gap.

Waswa (2017) focused on organizational culture and management commitment capabilities when studying the impact of firm distinctive characteristics on organizational performance in the Kenyan telecommunications market. Primary data was collected from 152 Safaricom Kenya Limited employees while company annual reports provided secondary data. According to the findings, there existed a link between organizational culture and organizational performance. Similarly, a strong link between top management commitment and organizational success was revealed. Results also showed organizational competencies'

considerable and favorable association with organizational performance. Although the study involved managerial commitment and organizational culture capabilities, organizational communication was not included in the study. The current study involved organization communication capability in the context of public universities in Kenya.

2.3.5 Human Resource Policies and Performance of Academic Staff

Human resource policies define the theoretical and practical framework that enable the organizations to realize desired objectives, reflecting thought and action guidelines in the field of human capital management (Rigotti, 2019). Chelimo and Ouma (2017) did a study linking human resource policies to employee performance, which was a case of co-operative bank. The study adopted qualitative and quantitative research design and primary data was collected from 175 permanently employed staff working in the bank's 7 Nairobi branches. The study's findings showed recruitment policy as having significant impact on role adjustment and performance. The study also discovered that hiring policies affect employees' achievement of stated goals by attracting top talent. Further, it was established that appraisal and compensation policies affected employee performance and strengthened organizational learning culture. Maintaining a transparent and equitable remuneration plan attracted brilliant individual, aided in the development of trust and commitment among employees, and resulted in excellent performance. The findings agreed with Hazra, Sengupta and Ghosh (2013) who established that human resource policies directly impacted employee performance. Chelimo's research was carried out in the banking sector hence results could not be used in the context of educational sector.

Tinti, Vieira, Cappelozza, and Venelli-Costa (2017) investigated the influence of HR guidelines and practices on organisational citizenship behaviors. Data was gathered from a sample of 156 participants in public and privately owned firms of Sao Paulo state, Brazil. The findings revealed a strong link between salary and benefits policies and corporate citizenship behavior. Training and reward were found to influence organizational belonging and desire to stay with the organization. Professional involvement was found to exhibit significant relation to dissemination of organizational image. The findings of Martin-Perez and Martin-Cruz (2015), who linked intrinsic and extrinsic rewards to employee commitment to a company, concurred with the findings of the study, which demonstrated that rewards provided an atmosphere that allowed employees to build active commitment to the organization. A sample size of 156, on the other hand, was insufficient for generalization and representation of the population under consideration.

Katou and Budhwar (2015) looked into the association between human resource policies in businesses, psychological contract fulfillment and firm performance. Research outcomes showed that employee motivations, performance evaluation, and promotion of employees affect performance. In addition, the results also showed that the organization needed to mainly maintain a pleasing and safe working situation, respectful conduct, and reaction for performance, for the workers to also keep their side of the bargain by displaying allegiance to the firm, upholding high heights of attendance, and maintaining company status. In addition, the research found that the employee approaches of inspiration, fulfillment boosts organizational performance. The research was conducted in Greece.

Hazra, Sengupta, and Ghosh (2013) examined human resource policies on employee performance: an empirical research of selected hospitality firms in India. Desktop research design was adopted to examine influence of salary, performance evaluation, appraisal, capacity strengthening and development, and promotion policies on employee performance at the selected hospitality firms. Findings indicated that compensation had tremendous influence on employee performance. Additionally, HR policies on promotion motivated employees to want to stay with the organization. The study corroborated (Cooke, 2013) research that showed great relationship between human resource policies of compensation and reward policies and Employee Outcomes. The study used desktop research design; the current study involved primary data collection.

In research on the influence of human resource procedures and employee involvement in decision making on workers job satisfaction and firm performance in India, Ray and Ray (2017) revealed that job satisfaction was linked to involvement in policymaking, training and advancement, enablement and reward, which was assumed to be a prerequisite for organizational performance. These findings back up a study by Ziad and Alkalha (2012) that looked at the association between human resource policies and organizational performance of commercial banks across Jordan. The research revealed robust evidence for the hypothesized assertions, including a statistically significant effect of human resource policy on organizational performance. The studies excluded moderating variables, thus presenting methodological gaps.

Reichheld (2016) in the study of firm policies on workplace loyalty and its relationship with employee performance established that loyalty may be affected by reward, training and growth, job contentment and customers. The study further established sense of organizational belonging promoted employee devotion to the organization. Organizational communication through employee feedback system was observed to have significant influence on employee loyalty. Leadership communication through grievance address and recognition of employee contributions was found to enhance loyalty to the organization.

2.4 Literature Review Summary and Research Gaps

Summary of empirical review and research gaps which gives a summary of the studies reviewed.

Table 2.1: Literature Review Summary and Research Gaps

RESEARCHER	AREA OF FOCUS	CORE FINDINGS	APPROACHES	KNOWLEDGE GAP	CURRENT STUDY FOCUS
Singh, Tyagi, Bamel (2020)	Affective commitment in Indian industrial enterprises as a result of relational, transactional, and balanced contracts	Balanced contract has a considerable impact on employee commitment.	Cross sectional research design	Research done in India hence contextual gap.	Present research took place in Kenya.
Liu, Jiang, Ji and Zhai, (2020)	The influence of psychological contract satisfaction on gig workers' accomplishment of duties in a shared economy	Study found that transactional contract directly affects gig workers task performance.	Descriptive research design	The study was informed by only one theory, social exchange theory thus presenting a theoretical gap.	Study was anchored on all four theoretical models i.e. Equity, Social exchange, Organizational support and Harvard framework for HRM theories.
Kamau, Maranga and Mugambi (2020)	Psychological contract and affective obligation of catering workers working in both private and public universities based in Nairobi.	Psychological contract was observed to influence organizational commitment.	Descriptive research design	Research focused on catering staff of private and public universities.	Current study focused on academic staff of public universities.
Nayeemunnisa and Gomathi (2020)	Understanding Organizational Capabilities.	Sustaining competitiveness in a highly volatile environment requires business innovation.	Desktop study	Involved review of literature only, thus a methodological gap.	Involved data collection

Rehman, Mohamed and Ayoup (2019)	Relationship between organizational capabilities and the factors that facilitate effective performance	Predictors of Organizational effectiveness and the actual performance were indicated to have been facilitated by organizational capabilities.	Descriptive research design	Contextual gap given the study was carried out in Pakistan.	The current research was done in Kenya
Sivashankar (2019)	Linkage between forms of psychological contract and worker's productivity commitments, turnover intentions and organizational citizenship behaviour	Study revealed existence of interconnectedness between balanced contracts and job commitment.	Descriptive research design	The study focused on relational and balanced psychological contracts but left out transactional contracts, resulting in a conceptual void.	Current study included relational, transactional and balanced psychological contracts.
Wanjala and Musungu (2018)	Factors influencing breach of psychological contract among University of Nairobi academic staff.	Results showed that there was inability of the university management to provide leadership and failure to put in place adequate mechanisms to enhance a favorable reward and incentives system for the academic staff.	Case study design	The study was in the context of university of Nairobi hence a contextual gap.	Current study involved selected public universities in Kenya.
Chelimo & Ouma (2017)	Human resource policies and employee	Findings showed that policy on recruitment had a significant	Descriptive research design	Focused on banking industry, hence a contextual gap	Current study focused on the academic industry.

	performance in the cooperative bank.	impact on employees' achievement of set goals by attracting top talent.			
Anyika (2016)	Employee intention to resign from Barclays Bank of Kenya relate to psychological contract	The study established a direct impact of transactional psychological contract on employee turnover	Cross sectional research design	The research was done in the banking industry hence a contextual gap.	Emphasis of this research was on Kenyan public universities
Chepkilot, Zakayo and Nyabuti (2016)	Human resource capabilities and performance of civil servants in Kenya.	It was established that enhanced HR capabilities strengthened civil service workers resolve to stay.	Descriptive research design	The adopted design in the study was not conclusive	Current study adopted descriptive and explanatory research designs.
Joochara (2015)	Explored the effect that psychological contract have on organizational citizenship behavior at world vision Somaliland.	Study revealed internal practice of long-term contracting as a motivating factor for retaining workers based improved wages and benefits.	Cross sectional and descriptive design	Research emphasized effects psychological contract have on organizational citizenship behavior thus presenting a conceptual gap.	Current research focused on psychological contract and employee performance.
Nwokocha (2015)	Psychological contract and its connection to employee retention, effectiveness and efficiency in Nigeria	Relational contract had a significant effect on employee retention.	Descriptive research design	Applied the use of secondary data only thus presenting a methodological gap.	Current study involved use of primary data.

Aykan (2014)	Consequences of transient agreement on psychological contract and resolve of resignation.	Relational contract had an effect on turnover intentions.	Descriptive Research design	The study focused on turnover intentions as the dependent variable hence, revealing conceptual gap.	This research used employee performance as the dependent variable
Otuoma (2014)	Link between organizational capabilities and realization of organizational objectives at Kenya national assembly.	The study found that leadership skills influenced realization of organizational objectives.	Case study research design	The adopted study method presented a methodological gap.	Cross-sectional study method was adopted.
Bwire, Ssekakubo, Lwanga, Ndiwalana, (2014)	Explored the connection between worker gratification, and organizational performance in Oil Sub-sector-Uganda.	Outcomes displayed that workers are motivated by well pay, promotions that are fair as well as reward and recognition.	Quantitative research design	The study failed to include a mediating variable hence a conceptual gap.	The current study involved the use of organizational capabilities as the mediator variable.
Katou (2013)	Effects of HR practices have on psychological contract satisfaction and organizational performance.	The findings revealed firms prefer relational and transactional aspects of contracts, with transactional contracts topping preference list in situations devoid of crisis.	Explanatory research design	Questionnaire used in 2008 and 2010, the study was not designed to be longitudinal, resulting in a methodological gap.	Involved cross-sectional survey research design.

2.5 Conceptual Framework

Gerber, Gerber and Van der Merwe (2014) describe a conceptual framework as a speculated graphical illustration emphasizing the connectivity of the myriads of concepts being studied as well as the construction of relationships linking the identified variables (both dependent and independent) in the research study. The conceptual framework is an instrument of research geared towards enabling a researcher to gain knowledge and conceptualize the variables under study. The conceptual framework illustrates the expected relationship between the psychological contract and academic staff performance in Kenya's public universities.

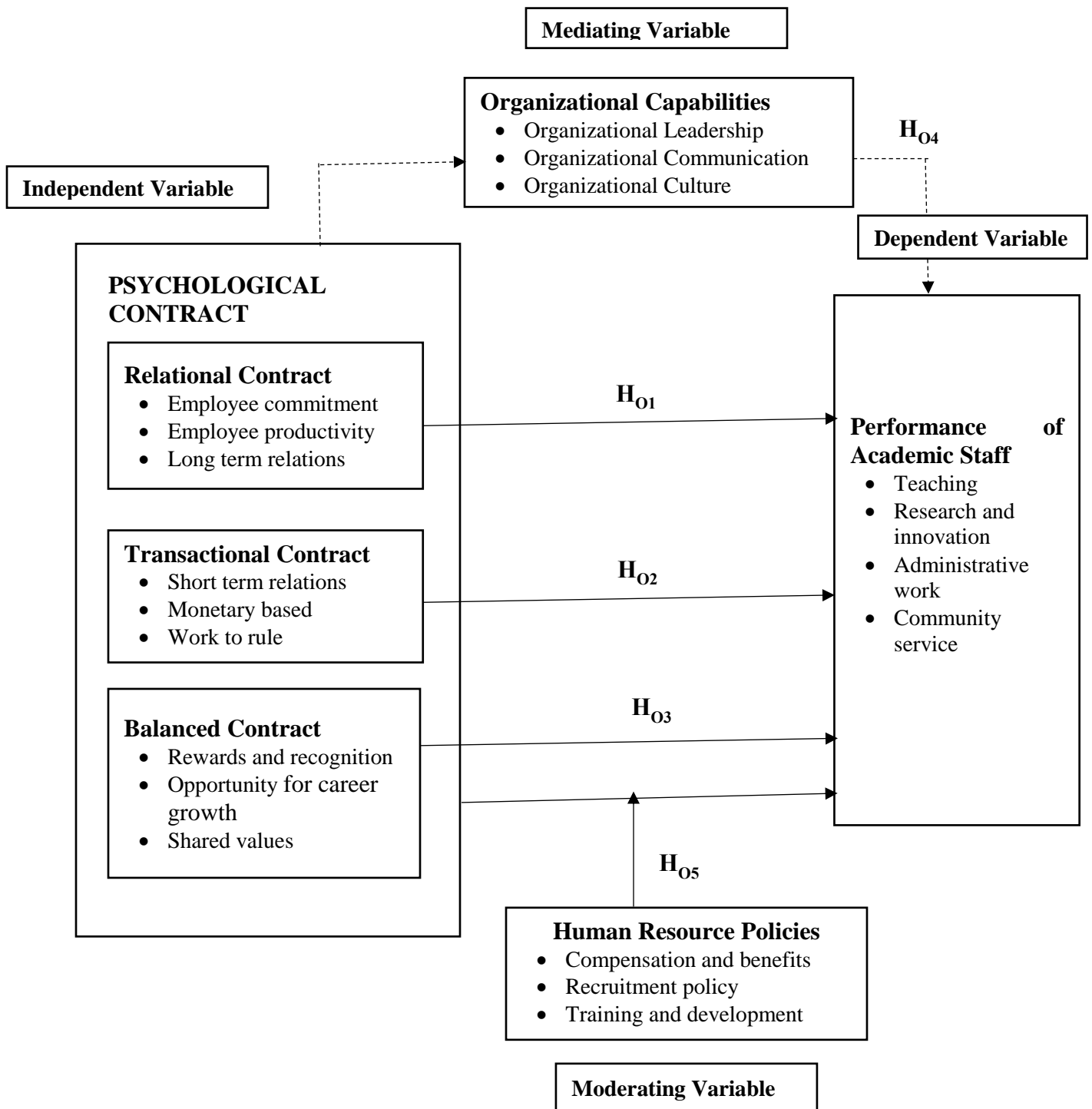


Figure 2.2: Conceptual Framework

Source: Author (2022)

The conceptual framework in Figure 2.2 above presents the relationships between the study variables psychological contracts, organizational capabilities, human resource policies and performance of academic staff. Based on the conceptual framework above, the independent variables: relational contract (employee commitment, employee productivity, long-term relations), transactional contract (short-term relations, monetary based, work to rule) and balanced contract (rewards and recognition, opportunity for career growth, shared values) were proposed to influence the dependence variable performance of academic staff.

Organizational capabilities (organizational leadership, organizational communication, organizational culture) was proposed to mediate the relationship between psychological contracts and performance of academic staff while human resource policies (compensation and benefits, recruitment policies as well as training and development policies) was treated as the moderating variable.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This section introduces the methodological structure for achieving the study objectives. It comprehensively outlines the philosophical basis, design, experiential model, population, sample, selection method, along with data collection and analysis processes.

3.2 Research Philosophy

The research philosophy assists the investigator in choosing the most appropriate design. The philosophies include positivism or phenomenological (Powell and Smith, 2019). Sudeshna and Datt (2016) indicated that, employing a suitable philosophical approach enables the researcher decide the approach to be adopted and why. Methods and strategies differ with different researchers.

In the field of business-related studies there are four main exploration philosophies. That is; positivism, interpretivism, pragmatism and realism. By using positivism approach, the implication is that the investigator restricts themselves mainly to collecting data and providing appropriate explanations related to certain objective. That is, positivist researchers believe that the real thing can be perceived and observed independently (Saunders, Lewis and Thornhill, 2009). The study outcomes in this type of research are typically noticeable and measurable, and rely on quantifiable results that result in statistical analyses. Positivism is characterized by logically structured empirical reviews, whereas phenomenology is distinguished by a qualitative approach based on an understanding of how a specific phenomenon is perceived (Powel and Smith, 2019).

To better understand the effects of psychological contracts on academic staff performance at public universities in Kenya, the research took a positivist approach to get insight into the quantitative components of the variables. In addition, positivism approach was the most applicable in this research since it helped in coming up with the hypotheses and drawing the observations so as to determine whether the hypotheses is true or false (Saunders, Lewis and Thornhill, 2014).

3.3 Research Design

According to Schwart and Yanow (2013), research design is the method utilized in collection, gauging and analysis of data. Meyers, Gamst and Guarino (2016) referred to research design as a study plan that provides a general structure for data collection. This study was conducted using descriptive and explanatory research design that was cross sectional. Mugenda and Mugenda (2011), provides an explanation to a cross-sectional study design, which allows for the gathering of data from a selected population based on the variables provided. Cross-sectional studies include gathering data from a specific populace at a particular stage and have an edge over other study designs that pursue only entities with specific features, and a sample of the rest of the population, often of a very small minority (Kothari, 2004).

Explanatory research aims to determine the nature of particular relationships as well as the implicit cause and effect linkages between the variables (Saunders, Lewis and Thornhill, 2009). This approach has been adopted since it helps in the determination and explanation of the link between the dependent variable and independent variables.

3.4 Empirical Model

Quantitative data analysis can be analyzed using various models among them being; Logit, Probit, regression and discriminant analysis. Given the dependent variable is continuous, multiple linear regression examination was performed in this investigation.

The hypotheses were tested from the regression model output and presented by way of;

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon \dots\dots\dots 3.1$$

Where;

Y = dependent variable (Performance of Academic Staff)

β_0 = Regression Constant (the value of Y when $X_1 = X_2 = X_3 = 0$)

β_i = Coefficient for X_i (where $i = 1, 2, 3,$)

$\beta_1, \beta_2, \beta_3,$ = Change in Y with respect to a unit change in X_1, X_2, X_3

respectively.

Independent variables include:

X_1 = relational contract

X_2 = transactional contract

X_3 = balanced contract

β_i (where $i = 0, 1, 2, 3$) are coefficients

e = the error term assumed to be normal in distribution with zero mean and variance

It is important to include a random error 'e' because, other unspecified variables may also affect performance of academic staff.

3.4.1 Test for Moderation Decision Making Criteria

Moderation effect was tested using Baron and Kenny (1986) approach. Psychological contract composite was interacted with the moderator (human resource policies) to test its moderation effect on the association between psychological contracts and the performance of academic staff, as presented in the equation below.

The model is presented as follows:

$$PAS = \beta_0 + \beta_1.PC + \beta_2.Z + \varepsilon \dots\dots\dots 3.2$$

$$PAS = \beta_0 + \beta_1.PC + \beta_3.PC.Z + \varepsilon \dots\dots\dots 3.3$$

Where;

PAS= the dependent variable (performance of academic staff)

PC= composite index of independent variable (psychological contracts)

Z = Moderator (Human Resource Policies)

The decision-making criteria is shown in the table below.

Table 3. 1: Criteria for moderation decision

Model	Model	Model	Total Effect	Conclusion
3. 2	3. 3	3. 4		
β_1 is insignificant $P > 0.05$	-	-	-	No effect
β_2 is insignificant $P > 0.05$	β_3 is insignificant $P > 0.05$	-	-	Moderator is independent variable
β_2 is significant $P < 0.05$	β_3 is significant $P < 0.05$	-	β_3	The moderator produces moderating effect

Source: Baron and Kenny (1986).

3. 4. 2 Test for Mediation

The Baron and Kenny (1986) mediation approach was employed.

Where;

$$X_1 = \text{psychological contract } \{(X_1+X_2+X_3)/3\}$$

$$M = \text{Mediator (organizational capabilities)}$$

On mediation testing, the Baron and Kenny procedure was applied. The following four conditions must be met for mediation to be confirmed:

Step one:

In the absence of the mediating variable, the independent variable has significant linkage with the dependent variable (Baron and Kenny 1986).

A regression involving independent variable in prediction of the dependent variable.

$$PAS = \beta_0 + \beta_1 PC + \varepsilon \dots\dots\dots 3.5$$

Where Y = Performance of Academic Staff

Step Two:

The independent variable explicitly correlates with the mediating variable.

$$OC = \beta_0 + \beta_1 PC + \varepsilon \dots\dots\dots 3.6$$

Where $X_1 = \text{psychological contracts } \{(X_1+X_2+X_3)/3\}$

$X_2 = \text{Organizational Capabilities.}$

Step Three:

The mediating variable explicitly correlate with the dependent variable.

$$PAS = \beta_0 + \beta_1 OC + \varepsilon \dots\dots\dots 3.7$$

Where Y= Performance of Academic Staff

X₂ = Organizational Capabilities.

Step four:

While adjusting the consequences of the mediating variable on the dependent variable, the influence of independent variable on the dependent variable is not significant in the presence of the mediating variable.

$$PAS = \beta_0 + \beta_1 PC + \beta_2 OC + \varepsilon \dots\dots\dots 3.8$$

Where Y = Performance of Academic Staff

X₁= psychological contracts $\{(X_1+X_2+X_3)/3\}$

X₂ = Organizational Capabilities.

Baron and Kenny (1986) stipulate that the test as of steps 1 upto step 3 normally illustrates the existing relationships between variables when the coefficient is not zero. In case of an insignificant relationship, the conclusion shall be that mediation is not likely. If significant relationships are found in steps 1 to 3, a decision shall be made to move on to step 4. In the case that organizational capabilities shows insignificance when psychological contract is controlled, then mediation is said to exist. Accordingly, if psychological contract and organizational capabilities predict performance of academic staff significantly, then partial mediation is said to exist. This is detailed within Table 3.2;

Table 3.2: Criteria for Mediation Decision

	Outcome	Conclusion
1	In case β_1 in model 3.5 is significant In case β_1 in model 3.6 is significant In case β_1 is insignificant and β_2 in model 3.8 is significant	There is Complete Mediation
2	In case β_1 in model 3.5 is significant In case β_1 in model 3.6 is significant In case β_1 in model 3.5 is significant and β_1 in model 3.6 is insignificant while β_2 in model 3.8 is significant	There is Partial Mediation
3	In case β_1 in model 3.5 is insignificant In case β_1 in model 3.6 is insignificant In case β_1 in model 3.5 is significant and equivalent to β_1 in model 3.6 and β_2 is not significant in model 3.8	There is No Mediation

Source: Baron and Kenny (1986)

3.5 Target Population

Target population is said to be the entire group of persons or items being investigated. Population, according to Mugenda and Mugenda (2011), refers to the total group of people or actions that have comparable characteristics. Cooper and Schindler (2003) also refer to population as the total of those objects which a researcher desires to make generalizations. The target population was six (6) public universities that have a student population of more than 15,000 and a minimum of 4 similar schools across the universities.

The specific respondents were the academic staffs working in these universities in the following selected schools; school of Agriculture, school of Business, school of Engineering and school of Medicine. The public universities that fall under this criterion are; University of Nairobi with a total of 1,935 academic staff, Kenyatta University with a total of 1,380 academic

staff, Moi University with a total of 1080 academic staff, Jomo Kenyatta University of Agriculture and Technology with a total of 877 academic staff, Egerton University with a total of 594 academic staff and Maseno University with a total of 405 academic staff (CUE 2019). This list of universities is drawn from universities statistics report, Commission of University Education (2019). The table below shows the number of academic staffs in these univesities.

Table 3.3: Target Respondents

University	Number of academic staff	Percentage
University of Nairobi in Nairobi County	1,935	30.86%
Kenyatta University in Nairobi County	1,380	22.01%
Moi University in Uasin Gishu County	1,080	17.22%
Jomo Kenyatta University of Agriculture and Technology in Kiambu county	877	13.99%
Egerton University in Nakuru county	594	9.47%
Maseno University in Kisumu County	405	6.46%
Total	6,271	100%

Source: CUE (2019)

3.6 Sample and Sampling Technique

A sample is a subset of a population that is used to represent the entire population (Cooper and Schindler, 2008). According to Alvi (2016), sampling entails selecting specific elements from a population from which the investigator can draw conclusions. The study used census and thus all the 6 universities were included in the study. For the specific respondents stratified random sampling was used, where each selected school formed a stratum. The strata include,

school of Business, school of Engineering, school of Agriculture and school of Medicine. Fishers' formulae was used to calculate the sample.

Since the population of the academic staffs was less than 10,000, Fisher (2003) formula, was adopted.

Fishers' formula is given below:

$$n = \frac{z^2 p (1 - p)}{d^2}$$

Where;

n = is the sample size

z = is the confidence level, say 95 percent level of confidence = 1.96.

d = is the level of precision or margin of error at 0.1 for CI at 90 %.

p = is the proportion to be estimated. According to Israel (2009), in case the value of p is unknown, then it should be assumed that p is 0.5

Hence, the sample size can be arrived at as below:

$$n = \frac{(1.96^2)(0.5)(1 - 0.5)}{(0.05)^2}$$

$$n = 384$$

Given that there are fewer than 10,000 subjects in the population, reduction of sample is represented by formulae shown below:

$$n_0 = n / (1 + ((n - 1) / N))$$

$$n_0 = 384 / (1 + ((384 - 1) / 6271))$$

$$n_0 = 362$$

Hence, the estimated respondents included 362 members of academic staff from public universities. The study adopted stratified random sampling to select the sample. The strata was the selected schools in the selected universities. This method helps to eliminate bias.

Table 3.4: Sample Size

University	Number of Academic Staff	Percentage	Sample Size
University of Nairobi	1,935	30.86%	112
Kenyatta University	1,380	22.01%	80
Moi University	1,080	17.22%	62
Jomo Kenyatta University of Agriculture and Technology	877	13.99%	51
Egerton University	594	9.47%	34
Maseno University	405	6.46%	23
Total	6,271	100%	362

Source: Author (2022)

3.7 Data Collection Instruments

This study involved gathering primary data. Data was acquired primarily through the use of questionnaires that contained both structured and semi-structured questions, and these were delivered to 362 respondents. Structured and unstructured questionnaires are the two types of questionnaires. Structured questionnaires are rigid or leading choice questions which provide quantitative data. They are advantageous in that they are easily administered and save time and money. However, such questions may not be easy to construct and may also limit the responder to only the choices given. Semi-structured questionnaires are designed to generate qualitative data that can be used to learn more about persons in the study area. The respondents can give their distinctive reality slice, so as all slices can explain the variation range in the area of study. They are beneficial because they allow the respondent to respond independently, allowing for

more detailed answers. They also are simpler to construct as the researcher does not give alternatives. However, this may also lead to irrelevant information and can be time consuming (Elmusharaf, 2012). In this study, structured and semi-structured questionnaires were used in the collection of data.

Each objective was covered in a section on its own to ensure full thrashing out of the item. The questionnaires used a 5 Monadic scale of 5= Strongly Agree, 4= Agree, 3= Disagree, 2= Strongly Disagree 1= Not Sure, and the respondents was therefore required to tick one of the five boxes.

3.7.1 Data Collection Method

Data collection procedure involved getting an authorization letter from School of Graduate Studies, Kenyatta University, a permit issued by National Council for Science Technology and Innovation (NACOSTI) before proceeding for data collection. Structured and semi-structured questionnaires were used since they are cost effective, free from prejudice and allow the respondents ample time for response. The questions were uploaded on google forms and an online survey was sent to respondents by the researcher with a follow up being made regularly through phone calls and emails to enable good response. Research assistants were used to aid in data collection since the study was done in a large area consisting four different counties in Kenya. The researcher gathered data from the academic staff of selected public universities.

3.8 Operationalization and Measurement of Variables

The research has performance of academic staff as the dependent variable, whereas psychological contracts (relational contract, transactional contract and balanced contract) is the independent variable as shown in table 3.5 below. Organizational capabilities mediate relationship between psychological contracts and performance of academic staff while human resource policies act as the moderator.

Table 3.5 Operationalization and Measurement of Variables

Variable	Nature	Indicator	Operationalization	Questionnaire Measurement
Relational Contract	Independent variable	<ul style="list-style-type: none"> Employee commitment. Employee productivity. Long term relations. 	<p>The academic staff's level of enthusiasm and responsibility towards assigned duties.</p> <p>Output of academic staff within a specified time.</p> <p>Desire to work at the university for an extended period of time.</p>	<p>Five-point Monadic scale Section B.</p> <p>1 – 5 point, Ordinal level.</p>
Transactional Contract	Independent Variable	<ul style="list-style-type: none"> Short term relations. Monetary based. Work to rule. 	<p>Staff not considering themselves working for the university in the long term.</p> <p>The emphasis is on exchanging work for money. Focus is on the rules of the contract and no extra effort is made to improve performance.</p>	<p>Five-point Monadic scale Section C.</p> <p>1 – 5 point, Ordinal level.</p>
Balanced Contract	Independent Variable	<ul style="list-style-type: none"> Rewards and recognition. Opportunity for career growth. Shared values 	<p>Appreciation given to academic staff by management due to high performance.</p> <p>Chances given to academic staff to enable them excel in their area of work.</p> <p>Having a common interest towards success.</p>	<p>Five-point Monadic scale Section D.</p> <p>1 – 5 point, Ordinal level.</p>

Variable	Nature	Indicator	Operationalization	Questionnaire Measurement
Organizational Capabilities	Mediating Variable	<ul style="list-style-type: none"> • Organizational Leadership. • Organizational Communication • Organizational Culture 	<p>Managers willingness and ability to support academic staff to perform their duties better.</p> <p>Flow of information and feedback that impacts on performance of employees.</p> <p>Norms, shared values and traditions in the university and its effect employee performance.</p>	<p>Five-point Monadic scale Section E.</p> <p>1 – 5 point, Ordinal level.</p>
Human Resource Policies	Moderating Variable	<ul style="list-style-type: none"> • Compensation and benefits. • Recruitment policy. • Training and development. 	<p>Policy that ensures staff are rewarded fairly, equitably and consistently.</p> <p>Policy that ensures finding and engaging the right people to help meet university needs.</p> <p>Policy that ensures acquisition of skills by staff that lead to improved performance.</p>	<p>Five-point Monadic scale Section F.</p> <p>1 – 5 point, Ordinal level.</p>
Academic Staff Performance	Dependent Variable	<ul style="list-style-type: none"> • Teaching. • Research and innovation • Administrative work. • Community service. 	<p>Ability of teaching staff to pass over knowledge, competence and values to students.</p> <p>Ability of academic staff to get engaged in activities that bring forward new ideas and knowledge</p> <p>Other duties assigned to teaching staff over and above teaching.</p> <p>The act of employees giving back to society around their institution of work</p>	<p>Five-point Monadic scale Section G.</p> <p>1 – 5 point, Ordinal level.</p>

Source: Author (2022)

3.9 Validity and Reliability of Research Instruments

The researcher evaluated the data collection instrument's validity and reliability.

3.9.1 Validity of Research Instrument

The term validity refers to how well the study's findings represent and inform the entire population. Validity, according to Schonhaut (2013), is the degree to which the results of data analysis essentially describe the phenomenon under research. Content and construct validity were adopted. For the purpose of construct validity, the study questionnaire was broken down into various sections, each component evaluated information for a particular objective and in accordance with the study's conceptual framework.

The instrument was thoroughly examined for content validity by two randomly selected staff members from public universities. The selected staff were requested to assess the statements in the instrument for relevance and significance, as well as clarity and politeness. The instrument was changed based on the results of the evaluation before being used in the data gathering exercise. Preceding feedback was applied to enhance the content validity (Golafshani, 2013).

3.9.2 Reliability of Research Instrument

Consistency, stability and dependability of collected information is referred to as reliability. Each time a researcher measures variables, the intention is usually to ensure the measurement provides consistent and dependable results (Cooper and Schindler, 2003). This study used reliability tests to determine the internal consistency of each question. With a threshold of 0.7,

Cronbach's Alpha Coefficient was used to determine the questionnaire's significance. The homogeneity of the questions is determined by reliability. Cronbach's alpha is crucial when analyzing responses on a scale. The method was deemed appropriate because the questionnaire for this study was mostly a Likert scale. Cronbach's alpha should be at least 0.7, therefore anything below that was excluded (Kothari, 2011).

A pilot study was done to determine the questionnaires' reliability. It was undertaken before doing the actual study. It is done so as to detect and correct the mistakes that can be there in the questionnaire. A total of ten percent of the sample is deemed suitable for pilot testing (Mugenda and Mugenda, 2003).

In order to circumvent prejudice in the study, participants of pilot study were omitted from the main research. Pilot study should be 10% of the sample size or less (Tappin, 2014). Kistin and Silverstein (2015) also argued that a pilot should be 10% of the sample or less. This study used 5% of the sample and thus 18 respondents were included. The 18 respondents were selected randomly from one of the universities (University of Nairobi). The respondents included in the pilot were not involved in the main data gathering exercise. Targeted respondents were used to test the sample questionnaire. To obtain consistent outcomes, the instruments was fine-tuned and honed to perfection.

3.10 Diagnostic Tests

Shevlin and Miles (2010) stated that data analysis as a process, required a number of tests to be carried out before the actual process begins. The assumptions are basically on the response

variable distribution and the residuals distribution of residuals. These assumptions are varied based on the study. The following diagnostic tests were performed in this study: normality tests, multicollinearity tests, linearity tests, and homoscedasticity tests.

3.10.1 Normality Test

The first assumption that was tested was test for normality. The assumptions of linear regression modeling requires that data must be normally distributed around the mean. The assumption states that for a large enough sample, a normal distribution curve should ensue. This study adopted Shapiro-wilk test for normality. The null hypothesis in this test states that; H₀: data is not significantly different from normal distribution. The study adopted Shapiro Wilk test in testing for normality.

3.10.2 Multicollinearity Test

Multicollinearity signifies existence of correlations amongst the predictor variables (William, Beckman, Daly, Morgan, Burke and Litz, 2013). Multicollinearity raises standard errors and confidence intervals, resulting in shaky coefficient estimates for individual predictors. Severe cases of perfect correlations means that computation of unique least square to a regression analysis is not possible (Field, 2009). In this study, Multicollinearity was tested by use of the variance inflation factors (VIF). VIF values above 10 indicates the presence of Multicollinearity (Field, 2009).

3.10.3 Linearity Test

Pearson correlation co-efficient was utilized in testing of the linear association fringed by the hypothesized explanatory variables and performance of academic staff which is the dependent variable as suggested by Gujarati and Porta (2009). Pearson product correlation is recommended for use when measurement of the variables in the study is on ratio or interval scales (Saunders, Lewis and Thornhill, 2009).

At a significance level of 0.05, Pearson correlation was used to check the relationship and strength of the variables, while the goodness of fit was tested using ANOVA to establish whether the variables were fitting. A positive correlation denotes a direction relationship between the variables, with an increase in one leading in an increase in the opposite, whereas a negative correlation shows an inverse relation, with an increase in one resulting in the other's reduction (Field, 2009).

3.10.4 Homoscedasticity Test

For homoscedasticity, it is assumed that the response variable possesses the same amount of variance over the entire array of values for the explanatory variable (Hair, 2010). Homoscedasticity of variance was checked by use of Breusch-Pagan test which is carried out to check whether residuals obtained from various regression models could be homoscedastic (Torres-Reyna, 2007). The test portrays a null hypothesis related to constant variance. A significance level of more than 0.05 indicates that there is no heteroskedasticity whereas a significance level of less than 0.05 indicates that there is heteroskedasticity.

3.11 Data Analysis and Presentation

Data analysis is the judgement application to have an understanding of gathering data with an objective of examining similar patterns and put summaries of the key details of the research (Zikmund and Babin, 2010). This study used quantitative and qualitative data.

To analyse qualitative data, content analysis was used while quantitative data was analysed by used of descriptive and inferential statistics. According to Krathwohl (1993), descriptive statistics is a type of data analysis which helps to describe, demonstrate, and/or summarize data in a significant form so it may be interpreted more easily. Descriptive comprised of the standard deviations and means. Inferential comprised regression and correlations. Association strength between the predictor and outcome variable was measured using correlation while multiple regression checked the link between the outcome and predictor variables. Hypotheses were tested at 95% level of confidence. The Statistical Package for Social Sciences was used to code and analyze the data (SPSS v23.0). Tables, diagrams, charts and numerical values were further used to display the outcomes. The qualitative data provided in open-ended questions was analyzed using content analysis. The results are shown in text form.

3.12 Ethical Considerations

To improve study ethical standards, the data acquired in the field was treated with strict confidentiality. Respondents' names were coded in order to safeguard their privacy and identities. The respondents' well-being was prioritized throughout the process in order to respect their privacy, dignity, and interests. In order to prevent misrepresenting of the results,

the researcher-maintained objectivity, which helped to develop personal integrity. By supporting responders in comprehending the study's goal, informed consent was observed. Before proceeding for data collection, an authorization letter from School of Graduate Studies, KU and a permit from NACOSTI was obtained. Respondents were appreciated for finding time to answer the questionnaires.

CHAPTER FOUR

RESEARCH FINDINGS AND DISCUSSION

4.1 Introduction

This chapter presents the results and discussion of the findings. The chapter further covers descriptive statistical analysis, inferential statistics and hypothesis testing. The chapter is structured as presentation of the results, interpretation of the results, discussion and corroboration using previous studies related to the subject under the discussion. The presentation is mainly done using tables.

4.2 Response Rate

This section presents the response rate which indicates the number of the questionnaires administered, those that were dully filled and those that were unreturned. The Results are shown in Table 4.1.

Table 4.1 Response Rate

Response Rate	Frequency	Percent (%)
Dully filled questionnaires	274	76%
Unreturned Questionnaires	88	24%
Total	362	100

Source: Survey Data (2022)

The results show out of 362 questionnaires that were administered, a total of 274 were fully filled and returned. This represented a response rate of 76% which was considered adequate basing on the argument by Babbie (2004), who indicated that a response rate of above 50% for first survey is adequate for analysis. This study adopted google forms and sent an online survey to respondents whose contacts were from the universities HR departments and further relied on snowballing techniques to reach the selected respondents.

4.3 Descriptive Statistical Analysis

This section presents the descriptive statistical analysis which include demographic characteristics of the respondents and responses on the statement used to measure the study variables. The descriptive statistics used in this section include frequencies, percentages, means and standard deviations. Frequencies and percentages were used to analyse the demographic characteristics while means and standard deviation were used to analyse the main study variables.

4.3.1 Demographic Characteristics

The demographic characteristics of interest in this study included gender of the respondents, age group, highest level of education and number of the years the respondent had worked within the universities. The results for demographic characteristics are presented in table 4.2.

Table 4.2 Demographic Characteristics

Demographic Characteristics	Category	Frequency	Percent
Gender	Female	128	46.8
	Male	146	53.2
	Total	274	100
Age group	Under 30 years	32	11.6
	30–39 years old	85	31
	40-55 years old	115	41.9
	Over the age of 55	42	15.5
	Total	274	100
Highest Level of Education	Graduate degree	11	3.9
	Post graduate degree	263	96.1
	Total	274	100
Working Experience	Under 5 years	91	33.2
	6-10 years	45	16.5
	Over 10 years	138	50.3
	Total	274	100

Source: Survey Data (2022)

The results show that male respondents were 146 (53.2%) while the female respondent were 128 (46.8%). The results show that male respondents were slightly more than female which implied that academic staff sampled included both male and female employees. The findings further implied that the recruitment process of academic staff among Kenyan public universities factored in gender diversity as proposed in the Kenya constitution 2010 which provides that not more than two thirds of the employees in organisations should be from the same gender. These finding support Mande (2021) who concluded that gender diversity is necessary among universities staff in Kenya for sustainable development which requires decision making from male and female employees.

The results further show that staff between 40-55 years were 41.9%, followed by 30–39 years while those above 55 years and those below 30 years were 15.5% and 11.6% respectively. The findings implied that academic staff in the public universities in Kenya were varying age groups and the study considered all these groups during the sampling. This provided age diversity which eliminated skewed and bias responses in cases where respondents are drawn from a single age group. Bashir, et al (2021) argued that age diversity in workplaces is significant on determining both financial and non-financial performance which explain why organisations strive to achieve a balance in age diversity among their employees.

The study was further interested in the highest level of education attained by the respondents. The results show that majority 96.1% had attained post graduate level of education which is in compliance with the standards recommended by Commission of Higher Education in Kenya. The Commission requires that all the teaching staff in Universities in Kenya be holders of postgraduate studies. Finally, half of the respondents indicated they had over 10 years of experience working in universities. The findings implied that the selected respondents were well placed to understand the relationship between psychological contract and academic staff performance at selected public universities in Kenya.

Table 4.3 Cross Tabulation of Gender by Age, Education and Working Experience.

Gender	Age Group				Total
	Under 30 years	30–35 years old	40-55 years old	Over the age of 55	
Female	17	45	61	23	146
Male	15	40	54	19	128
Total	32	85	115	42	274
Gender	Highest Level of Education		Total		
	Graduate degree	Post graduate degree			
Male	6	140	146		
Female	5	123	128		
Total	11	263	274		
Gender	Working Experience			Total	
	Under 5 years	6-10 years	Over 10 years		
Male	48	24	74	146	
Female	43	21	64	128	
Total	91	45	138	274	

Source: Survey Data (2022)

Table 4.3 shows that, in terms of age, out of the 146 male respondents, 17 were under the age of 30, 45 were between the age of 30 and 39 years, 61 were between the age of 40 and 55 years while 23 were above the age of 55 years. For the female respondents, out of the 128 respondents, 15 were under the age of 30, 40 were between the age of 30 and 39 years, 54 were between the age of 40 and 55 years while 19 were above the age of 55 years. Concerning education level of the respondents, it was noted that, out of the 128 female respondents, 5 had graduate degrees while 123 had post graduate degrees. For the male respondents, 6 had graduate degrees while 140 had post graduate degrees.

Further, in terms of working experience, the study sort to find out the years of work experience attained by the respondents. It was noted that, out of the 128 female respondents, 43 had below 5 years work experience, 21 had between 6 and 10 years work experience while 74 had over

10 years work experience. Out of the 146 male respondents, 48 had below 5 years work experience, 24 had between 6 and 10 years work experience while 74 had over 10 years work experience.

4.3.2 Relational Contract

The first objective of the study was to determine whether there existed relational contract among academic staff of the public universities in Kenya and how these contracts affected the academic staff performance. Table 4.3 show that descriptive statistics on relational contract.

Table 4.4 Descriptive Statistics for Relational Contract

Descriptive Statistics	N	Min	Max	Mean	Std. Dev
My working relationship with the institution is satisfactory	274	1	5	3.60	1.40
I hold a great sense of belonging to my current organization	274	1	5	3.57	1.44
I participate in decision making in the university	274	1	5	3.60	1.36
My employer is concerned with my personal welfare	274	1	5	3.64	1.31
My organization has exceptional meaning to me	274	1	5	3.62	1.31
This university deserves my loyalty due to the way it has treated me	274	1	5	3.61	1.27
I am comfortable working in the university with or without adequate tools and equipment	274	1	5	3.59	1.34
I strive to accomplish my assigned duties despite the working conditions	274	1	5	3.59	1.39
I always help my colleagues whenever required to without expecting reward	274	1	5	3.58	1.40
I feel my working conditions are favourable	274	1	5	3.59	1.41
I have a strong emotional attachment with my job	274	1	5	3.62	1.35

I do not mind working overtime hours even without payment	274	1	5	3.58	1.35
I am content with my job security	274	1	5	3.58	1.44
I safeguard the reputation of the university like my own	274	1	5	3.61	1.39
In my workplace, I feel part of "the family".	274	1	5	3.59	1.31
I have no plans to leave my current job anytime soon	274	1	5	3.58	1.41
I market the university without expecting any reward	274	1	5	3.53	1.40
Aggregate score	274			3.59	1.37

Source: Survey Data (2022)

The study sought to find out whether the working relationship between academic staff with the institution was satisfactory. The statement according to the results in table 4.4 had mean response of 3.60 which indicated that majority of the sampled respondent agreed and strongly agreed. The standard deviation of 1.40 indicates that some responses significantly varied from the mean response implying that some staff in universities had unsatisfactory relationship with the institutions.

The study sought to find out whether academic staff in universities in Kenya felt a great sense of belonging within their institutions, participated in decision making and whether their personal welfare was well taken care of by their institutions. These statements had mean response of 3.57, 3.60 and 3.64 implying that majority agreed and strongly agreed however, standard deviation of above 1.44, 1.36 and 1.31 implied that some of the respondents disagreed. The finding implied that respondents felt a great sense of belonging within their institutions,

participated in decision making and their personal welfare was well taken care of by their institutions even though a small proportion felt otherwise.

The results also show that respondents agreed with aspects of relational contract such as their universities having exceptional meaning to them, expressing loyalty, were comfortable working in the institution and also accomplished assigned duties and exercised team work through helping others within the institutions. The results also show that respondents agreed with the working conditions being favourable, working overtime hours, having job security, safeguarding the reputation of the institution, marketing the universities and finally expressed no intention of leaving their jobs. On steps to be taken by management to enhance the relationship with academic staff, majority of the respondents were of the view that there was need for improvement in communication, working conditions and grievance address.

The overall aggregate score for relational contract was 3.59 which implied that academic staff in the selected public universities in Kenya had a moderate relational contract with their institutions which impacted significantly on their performance. The findings agreed with Paille (2016) who also found that relational agreements exhibited a major influence on the workforce retention. Similarly, the study findings supported that of Nwokocha's (2015), who found out that employees become vulnerable to the healthy association with their management in situations to void interpersonal affiliations. The finding concurred with Patrick (2008) whose finding indicated that a relation contract was found to substantially influence job relationship.

Finally, the finding supported Harold (2014) who established that, relational contract had a significant effect on employment relation.

4.3.3 Transactional Contract

The second objective of the study was to determine the effect of transactional contract on performance of academic staff at selected public universities in Kenya. The descriptive results on transactional contract are presented in Table 4.5.

Table 4.5 Descriptive Statistics for Transactional Contract

Descriptive Statistics	N	Min	Max	Mean	Std. Dev
I hold a short-term relation with the university	274	1	5	3.10	1.19
I don't hold any emotional thought of the institution	274	1	5	2.99	1.22
I do my job just for pay	274	1	5	2.91	1.29
My supervisor involves me in the development of departmental goals	274	1	5	3.96	1.22
I don't involve myself with the decision making of the organization	274	1	5	2.84	1.27
My supervisor considers the subordinates strengths and weaknesses when giving duties and responsibilities	274	1	5	3.89	1.24
I take interest on feedback regarding my performance and strive to improve	274	1	5	3.95	1.23
My supervisor supports new ideas from employees	274	1	5	3.79	1.26
I can only work overtime hours if I am paid	274	1	5	2.97	1.11
I manage to complete my work within the allocated time	274	1	5	3.91	1.21
I only come to work to complete my tasks	274	1	5	2.82	1.24

Am not interested with the performance of the institution	274	1	5	2.91	1.19
My employment is a good fit for my abilities, interests, and personality	274	1	5	3.94	1.20
Aggregate score	274			3.39	1.22

Source: Survey Data (2022)

The study sought to find out from the respondent whether they held a short-term relation with the university, the results presented in Table 4.5 show that respondents had diverse views as indicated by the mean of 3.10. The standard deviation of 1.15 however indicated that some of the respondents agreed while others disagreed with the statement. The mean of 2.99 similarly, indicated that respondents had varying opinions with the statement on whether they did not hold any emotional thought about their institution. This finding implied that some respondents agreed on having a transactional relationship with their institutions while others disagreed.

On whether respondent just did their job for pay, the results show that majority of the respondents disagreed. The respondents further agreed that their supervisors involved them in the development of departmental goals as indicated by the mean of 3.96. The study also sought to find out whether the supervisors considered the subordinates strengths and weaknesses when giving duties and responsibilities. The results show that majority of the respondent agreed as shown by the mean response of 3.89. Further, the results show that majority of the respondents agreed on whether they took interest on feedback regarding their performance and strive to improve, on whether their supervisor supports new ideas from employees, on whether they manage to complete their work within the allocated time and finally on whether their employment is a good fit for their abilities, interests, and personality. The results in Table 4.5

further indicated that the high level of disagreement on whether academic staff only work overtime hours if they are paid, on whether they came to work only to complete their task and whether they had no interest in the performance of the institutions.

The aggregate mean score for transactional contract was 3.39 which indicated that respondents were of varying opinion in regards to transactional contract. Some of the respondents agreed they had transactional contract with their institution while others felt connected emotionally with their institution besides the financial benefits they derived from their employment. Transactional contract reduces job satisfaction leading to reduced engagement and ultimately poor performance. On whether the universities had done enough to make the staff feel some sense of belonging, majority of the respondents disagreed and proposed that there was need for more involvement of the academic staff in decision making especially on issues that touched their well-being.

The study corroborated with those of Walia, (2016) who argued that employees who hold a transactional psychological contract anticipate monetary and measurable incentives in exchange for work done, as well as a short-term obligation to their employer. When the transactional obligation of the psychological contract is breached, job satisfaction is negatively affected, and employee performance reduces as a result. Similarly, Liu, He, Jiang and Zhai (2020) examination of the effect of workers psychological contract fulfillment on performance of their duties anchored on social exchange theory established that, transactional contract directly affected gig workers' task performance.

The findings also agreed with Jensen, Opland and Ryan (2010) who found that transactional contract had significant effect on work behaviors. When duration of service of the workers was taken into account, transactional contracts were found to have an indirect effect on organizational identity. The finding further supported those of Aggarwal and Ghupta (2016) who established that employee expectations in an employment relationship could be categorized in to relational psychological contract and transactional psychological contract. Furthermore, the two types of psychological contract had different effect on job results depending on whether they were violated or fulfilled.

4.3.4 Balanced Contract

The study further evaluated the effect of balanced contract on performance of academic staff at selected public universities in Kenya. A balanced contract benefits both the institution in terms of growth while also emphasizing on the career of the employees. The statements in Table 4.6 were used to determine whether there existed a balanced contract amongst academic staff of the selected public universities.

Table 4.6 Descriptive Statistics for Balanced Contract

Descriptive Statistics	N	Min	Max	Mean	Std. Dev
There are opportunities for career growth within the university structure	274	1	5	2.89	1.56
There are opportunities in the institution for acquisition of new knowledge	274	1	5	2.87	1.57
The university provides opportunities to develop professional capabilities for the academic staff	274	1	5	2.89	1.60

There is a coaching and mentorship programme for all employees in the university	274	1	5	2.89	1.59
Employees in the university have more than one potential position for promotion	274	1	5	2.88	1.59
Good working environment motivates me to get to my job early	274	1	5	2.85	1.59
My job provides me with opportunity to develop marketable skills	274	1	5	1.89	1.57
The university cares for my well being	274	1	5	1.93	1.62
My loyalty to this organization stems from the fact that it shares in my values	274	1	5	2.86	1.56
I am committed to, and believe in this organization's mission	274	1	5	1.88	1.54
Aggregate Score	274			2.583	1.58

Source: Survey Data (2022)

On whether universities had opportunities for career growth within the university structure, majority of the respondent disagreed as indicated by the mean score of 2.89. However not all the respondent disagreed as indicated by the standard deviation of 1.56 that show large variation among the responses received on this statement. The study sought to establish whether opportunities for knowledge acquisition existed within the public universities in Kenya. The statement had a mean response of 3.80 which implied that respondent agreed and strongly agreed.

The study asked the respondents whether university provides opportunities to develop professional capabilities for the academic staff, of which majority of the respondents disagreed as shown by the mean score of 2.87. The respondents further disagreed that there was a coaching and mentorship programme for all employees in the university and further that employees in the universities have more than one potential position for promotion as shown by the mean score of 2.88 and 2.88 respectively.

The results further show that respondents disagreed that good working environment motivated them to get to their jobs early as indicated by the mean of 2.85, however the standard deviation of 1.59 indicated that a significant proportion of the respondents had varying opinion. The results indicated that respondents disagreed on whether their job provided opportunity to develop marketable skills, whether their university cared for their wellbeing and whether their loyalty to the organization stemmed from the fact that it shared in their values and finally agreed that they are committed to, and believe in their organization's mission.

The findings in this section demonstrated that academic staff in public universities were of the opinion that their contract with the institution was not balanced since besides the pay check, they lacked access to promotion opportunities, they were not provided with mentoring and coaching opportunities for advancement of their careers and also lacked access to other benefits such as acquisition of new knowledge and development of new marketable skills. Balanced contract is attributed to high level of engagement among employees and further boost productivity, hence lacked of it among the public universities in Kenya justifies low motivation

that has been experienced in these universities. The study finding supported the finding of Moore, (2014) who found that balance contract are flexible, open-ended employment contracts that are predicated on the company's success, employee development, and possibilities for advancement based on performance and capabilities. Both the employee and the organization benefit from one another's growth.

The finding also supported those of Hamilton and von Treuer (2012) whose results showed that HR and direct managers shape balanced psychological contract and significantly impacted job performance. The findings corroborated Nishanthi and Mahalekamge (2016), who discovered that balanced contract has a significant impact on employment outcomes, implying that the working environment aided in the establishment of trust and fairness, both of which are part of the balanced contract content. The results of Hamilton and von Treuer's (2012) investigation, however, could not be generalized because it was done in a developed country.

4.3.5 Summary of Psychological Contract among Public Universities in Kenya

The results presented in Figure 4.1 shows that summary of the psychological contract that existence among the public universities in Kenya.

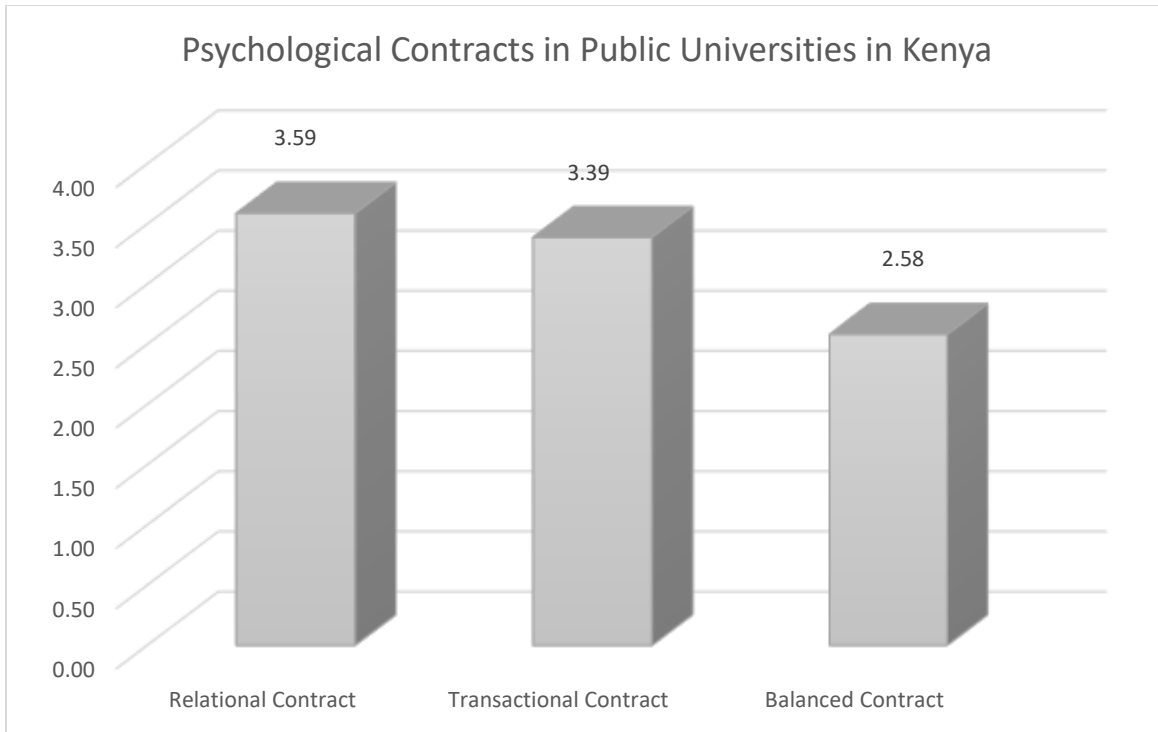


Figure 4.1 Summary of the Psychological Contract in Public Universities in Kenya

Source: Survey Data (2022)

The results presented in Figure 4.1 show that aggregate mean score for relational contract was 3.59, transactional contract was 3.39 while balanced contract was 2.58. The finding implied that majority of employees in public universities in Kenya formed relational or transactional contract with their institutions. However, very few indicated they formed balanced contract with their institution. This lack of balanced contract and increase in transactional contract explain why the country has experienced numerous industrial actions by the academic staff of public universities often seriously interrupting learning in the institutions. Almost every year, salary disputes between academic staff unions and the government cause public universities to shut down for a few days to several months because majority of universities employees

consider the relationship with the universities to be transactional. In such transactional contract, failure of one part to meet its side of the bargain lead to discomfort in the other parties leading to unrest, low motivation and consequently low performance.

The study finding support those of Mwangi (2018) who noted that the poor performance in Kenyan universities has been associated with social emotional needs of the workers within these institutions, further stating that workers of various universities had strong dissatisfaction with their work and thus they were not productive enough. Similarly, according to a survey conducted by the Webometrics in January 2020, Kenyan universities continue to be ranked low internationally based on their performance across all the core objectives which include teaching, research, knowledge transfer and international outlook.

4.3.6 Organizational Capabilities

The study further sought to analyse the mediating effect of organizational capabilities on the relationship between psychological contract and performance of academic staff at selected public universities in Kenya. To assess the organizational capabilities of universities, the study used the statements in Table 4.7.

Table 4.7 Descriptive Statistics for Organizational Capabilities

Descriptive Statistics	N	Min	Max	Mean	Std. Dev
University management recognizes and rewards employees	274	1	5	1.96	1.17
I am effectively assisted in carrying out the work that is expected of me at the university	274	1	5	4.25	0.87
Employees are treated with respect by management	274	1	5	4.29	0.78

University management ensures employees are provided with materials and equipment required to enable them do their job to expectation	274	1	5	2.19	1.35
There is timely allocation of the resources required in our university	274	1	5	2.23	1.35
University management regularly review and discusses challenged faced by staff in performance of their duties	274	1	5	2.22	1.36
Communication is the driving force towards achievement of objectives in our university	274	1	5	4.34	0.78
There is continuous exchange of information between management and employees	274	1	5	4.27	0.87
We have a reliable communication system in our university	274	1	5	2.20	1.33
There is constant review of our communication system	274	1	5	2.18	1.37
Employee performance set targets are well communicated to all	274	1	5	4.36	0.81
I rarely have to repeat a task because it was not properly explained/communicated to me by my supervisor	274	1	5	4.38	0.80
I receive enormous support from the university towards performance of my duties	274	1	5	1.59	0.76
The university culture impacts my performance	274	1	5	4.30	0.90
The university culture is in line with the vision and mission of the university	274	1	5	4.28	0.85
Aggregate Score	274			3.27	1.02

Source: Survey Data (2022)

The participants were asked whether the university management recognizes and rewards employees. The results presented in Table 4.7 indicated that majority of the respondent disagreed as shown by the mean score of 1.96 implying that academic staff in public universities were recognized and rewarded by the management. The result demonstrates that respondents on the other hand, agreed that they are effectively assisted in carrying out the work (m= 4.25), treated with respect by management (m= 4.29), and that university management ensures employees are provided with materials and equipment required to enable them do their job to expectation.

Other organizational capabilities that respondents disagreed existed in their universities include whether the university management ensured employees were provided with materials and equipment required to enable them do their job to expectation, timely allocation of the resources, whether the university management regularly review and discuss challenges faced by staff in performance of their duties, existence of a reliable communication system and whether constant review of communication system was carried out. The finding in this section show that respondents indicated that although their universities had some capabilities, more critical organizational capabilities were lacking as shown by the aggregate mean score of 3.27. Majority of the respondents were of the view that universities lacked majority of the organizational capabilities that would enable the academic staff perform their duties and responsibilities without much difficulties.

The findings support those of López, Monteiro and Rodriguez (2015) whose study was founded on resource-based view theory. Study findings showed strong link between organizational competencies and profitability. In the same line, the finding agreed with Pham and Hoang (2019) whose findings revealed that organizational learning capabilities improved corporate performance. Furthermore, the study found a link between management commitment, knowledge transfer, integration and business performance. The study also corroborated with Otuoma (2014) results which showed that recruitment policies that encourage diversity in staff had an influence on organizational culture. Leadership was also found to influence relations among employees and eventual performance of the organization. The study demonstrated the

need for organizations realization of core capabilities and how to appropriately harness and leverage on these core assets to attain the organizations goals.

4.3.7 Human Resource Policies

The final objective of the study was to analyze the moderating effect of human resource policies on the relationship between psychological contract and performance of academic staff at selected public universities in Kenya. Human resource policies critically determine the many factors of staff performance such as remuneration, benefits, allowances among others. In this section the study analyses some of the human resources policies available in the public universities in Kenya and their moderating effect on the relationship between psychological contract and performance of academic staff in the universities. Table 4.8 presents the descriptive results on how the respondents responded to statement on human resource policies among the public universities in Kenya.

Table 4.8 Descriptive Statistics for Human Resource Policies

Descriptive Statistics	N	Min	Max	Mean	Std. Dev
My salary is reviewed annually	274	1	5	1.86	1.14
Am comfortable with my salary	274	1	5	1.90	1.14
There are benefits such as retirement benefits in the institution	274	1	5	4.33	0.76
The university is able to pay its workers in good time	274	1	5	4.28	0.93
Am comfortable with the allowances given by my employer	274	1	5	1.79	1.04

Employees are drawn to merit-based compensation (a pay for performance permanently added to compensation package)	274	1	5	1.85	1.06
Am compensated for working extra hours	274	1	5	1.89	1.06
The selection process is transparent	274	1	5	4.37	0.86
The induction process is formal	274	1	5	4.25	0.93
Vacancies are filled by qualified personnel who are already employed by the university	274	1	5	4.34	0.78
Our university policies impact on our performance	274	1	5	4.29	0.85
There is a policy on training for academic staff in the university	274	1	5	4.41	0.76
Training and mentorship have been continuous in the past 3 years	274	1	5	3.95	1.17
Aggregate Score	274			3.35	0.96

Source: Survey Data (2022)

The study sought to find out from the respondents whether their salary review is done regularly and according to the results, many of the respondents disagreed as shown by the mean of 1.86. The level of agreement on whether the respondents were comfortable with their current salary was low as indicated by the mean of 1.90. The respondents further expressed their contentment with retirement benefits, timely payment and allowances provided by their institutions.

The results further show low level of agreement with the statement that academic staff in the public universities in Kenya were drawn to merit-based compensation, are compensated for working extra hours at 1.85 and 1.89 respectively but highly agreed that the selection process

was transparent and that the induction process was formal. The findings implied that majority of the participants as indicated by the aggregate means score of 3.35 had varying opinion on the human resources policies in the public universities. The respondents further agreed that vacant opportunities were adequately filled by competent staff, and also, there were opportunities for further trainings and mentorship programme. Majority of the respondents agreed that the human resource policies at the universities had great effect on their output.

The finding of this study supported the finding of Chelimo and Ouma (2017) whose study's findings showed recruitment policy as having significant impact on role adjustment and performance. The study also discovered that hiring policies affect employees' achievement of stated goals by attracting top talent. The findings further agreed with Hazra, Sengupta and Ghosh (2013) who established that human resource policies directly impacted employee performance. The findings of Martin-Perez and Martin-Cruz (2015) also linked intrinsic and extrinsic rewards to employee commitment to a company, concurred with the findings of the study, which demonstrated that rewards provided an atmosphere that allowed employees to build active commitment to the organization.

4.3.8 Performance of Academic Staff in Universities in Kenya

In this section, the study measured the performance of academic staff in universities in Kenya. The measurement of performance employed included completion of the workload, curriculum development, participation in research among others. The descriptive results on performance of academic staff in universities are presented in Table 4.9.

Table 4.9 Descriptive Statistics for Performance of Academic Staff

Descriptive Statistics	N	Min	Max	Mean	Std. Dev
This academic year, I taught the units that were assigned to me	274	1	5	4.26	0.94
I've successfully supervised postgraduate students	274	1	5	2.34	1.16
The postgraduate students under my supervision are able to complete their studies and graduate on time	274	1	5	2.25	1.12
I prepare and teach all modules as required for my position	274	1	5	4.16	0.97
I set exams, mark and submit all the student marks within the required time	274	1	5	4.16	1.01
I take student attendance register and submit as required	274	1	5	4.20	1.01
I participate in curriculum reviews in the university	274	1	5	4.23	0.93
In the previous academic year, I published in international referenced journals	274	1	5	2.42	1.19
I attended seminars and conferences in the last academic year	274	1	5	2.47	1.26
I have contributed in organization of academic seminars and conferences in the last academic year	274	1	5	2.39	1.18
I have won an international research grant in the last 3 years	274	1	5	2.23	0.96
There has been an increase in training on research for staff	274	1	5	2.27	1.15
The number of faculty members winning international research grants is increasing	274	1	5	2.31	1.13
There has been an increase in research publications from members of the faculty	274	1	5	2.33	1.17
The number of members of faculty getting involved in research has been increasing	274	1	5	2.28	1.17
I am involved in administrative work other than teaching	274	1	5	4.24	1.02
I am involved in mentorship of subordinate staff	274	1	5	4.26	0.92
I've participated in numerous community service activities in the last academic year	274	1	5	4.19	0.93

I am a full and active member of a recognized professional body	274	1	5	4.14	1.05
I am a member of the board of a local institution e.g. school, church	274	1	3	2.00	0.81
Aggregate score	274			3.26	1.05

Source: Survey Data (2022)

The results in Table 4.9 indicates that statements used to measure performance of academic staff had a mean score of 3.26 on the Monadic scale adopted in this study which is equivalent to neutral. These findings implied that respondents agreed with some aspects of the performance while disagreeing with other aspects of the performance. For instance, participants agreed that they taught all the units assigned to them, they prepared and taught all modules as required for their position, also agreed that they set exams, mark and submit all the student marks within the required time, take student attendance register and submit as required and finally agreed that they participate in curriculum reviews in the university.

On the other hand, the respondents disagreed on whether they successfully supervised postgraduate students, on whether postgraduate students under their supervision were able to complete their studies and graduate on time, on whether they published on international referenced journals, attended seminars and conferences in the last academic year, contributed in organization of academic seminars and conferences in the last academic year, on whether they had won any international research grant in the last 3 years. The results further show that respondents disagreed with the statement that there had been an increase in training on research for staff, whether the number of faculty members winning international research grants was

increasing, whether there had been an increase in research publications from members of the faculty, whether the number of members of faculty getting involved in research has been increasing and finally whether they were members of the board of any local institution e.g. school, church. On the other hand, majority of the respondents agreed that the measure of performance adopted by the universities were adequate.

4.4 Diagnostic Tests

Diagnostics tests are key to ensuring that the results obtained are robust and can be relied upon in predicting the relationship between independent variables and dependent variables. Data that doesn't comply with the assumption yields spurious results, in terms of exaggerated coefficient and standard errors hence leading to misleading inferences about the study population. In this study, the following diagnostics tests were conducted; test of normality, test of multicollinearity, test of heteroskedasticity and finally test of linearity.

4.4.1 Normality Test

The first assumption that was tested was for normality. The assumptions of linear regression modeling requires that data must be normally distributed around the mean. The assumption states that for a large enough sample, a normal distribution curve should ensue. This study adopted Shapiro-wilk test for normality. The null hypothesis in this test states that; H_0 : data is not significantly different from normal distribution. The results for normality test are presents in Table 4.10.

Table 4.10 Shapiro Wilk Tests of Normality

Shapiro Wilk Tests of Normality	Statistic	df	Sig.
Relational Contract Score	0.875	274	0.120
Transactional Contract Score	0.941	274	0.098
Balanced Contract Score	0.971	274	0.067
Organisational Capabilities Score	0.831	274	0.077
Human Resources Policies Score	0.971	274	0.193
Academic Staff Performance Score	0.904	274	0.109

a Lilliefors Significance Correction

Source: Survey Data (2022)

The results for Shapiro-Wilk test for normality indicates that Relational contract had statistics of 0.857 with a corresponding p-value =0.120. This implies that the study failed to reject the null hypothesis H0: data is not significantly different from normal distribution for relational contract. The findings implied that data for relational contract adhered to the normal distribution assumption. Since in the Shapiro Wilk statistics all other variables had p-values above 0.05, this implied that the study failed to reject the null hypothesis for all other variables, leading to affirmation of adherence to normality test.

4.4.2 Multicollinearity Test

Linear regression modelling further requires that there should be no presence of multicollinearity among the predictor variables. This is the situation where two or more

variables have a high correlation of above 0.70. Such high correlation implies that the variables can be used interchangeably hence, there is no need to include them in the same regression model because they will result to coefficient of determination, which results to biased interpretations. This study relied on variance inflation factors in the test for multicollinearity and the results are provided in Table 4.11. The threshold for VIF adopted in this study was above 10, hence variables with VIF value of above 10 were considered to have multicollinearity.

Table 4.11 Multicollinearity Test

	Collinearity Statistics	
	Tolerance	VIF
Relational Contract Score	0.213	4.694
Transactional Contract Score	0.237	4.214
Balanced Contract Score	0.677	1.476
Organisational Capabilities Score	0.183	5.452
Human Resources Policies Score	0.188	5.322

a Dependent Variable: Academic Staff Performance Score

Source: Survey Data (2022)

According to the results in Table 4.11 none of the predictor variables had a VIF of above 10. These finding therefore implied that none of the variables were highly correlated hence, the assumption was achieved and the explanatory variables were perfect to be included in the regression modelling.

4.4.3 Linearity Test

The study proposed to adopt linear regression analysis. In this analysis, it is required that linear relationship assumption must be tested since linear regression is only applicable in situations where linearity is assumed. Correlation analysis was therefore conducted to ensure that independent variables and the dependent variable adhered to linearity assumption.

Table 4.12 Correlation Matrix

		Relational Contract	Transactional Contract	Balanced Contract	Organisational Capabilities	Human Resources Policies	Academic Staff Performance
Relational Contract	Pearson Correlation Sig. (2-tailed)	1					
Transactional Contract	Pearson Correlation Sig. (2-tailed)	.470** 0.000	1				
Balanced Contract	Pearson Correlation Sig. (2-tailed)	.562** 0.000	.520** 0.000	1			
Organisational Capabilities	Pearson Correlation Sig. (2-tailed)	.496** 0.000	.458** 0.000	.311** 0.000	1		
Human Resources Policies	Pearson Correlation Sig. (2-tailed)	.479** 0.000	.416** 0.000	.312** 0.000	.399** 0.000	1	
Academic Staff Performance Score	Pearson Correlation	.663**	.587**	.431**	.768**	.758**	1

Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	
N	274	274	274	274	274	274

** Correlation is significant at the 0.01 level (2-tailed).

*Correlation is significant at the 0.05 level (2-tailed).

Source: Survey Data (2022)

The results show that relational contract and performance of academic staff had a correlation of $r=0.663$ ($p\text{-value}=0.000$). The findings implied that relational contract had strong positive linear relationship with the performance of academic staff in universities in Kenya. The finding implied that increase in relational contract could result in positive increase in performance of academic staff in universities in Kenya. Therefore, there existed positive linear relationship between relational contract and performance of academic staff in universities in Kenya. Hence linearity assumption between relational contract and performance of academic staff in universities in Kenya was achieved.

The findings agreed with Paille (2016) who also found that relational agreements exhibited a major influence on the workforce retention. Similarly, the study findings supported that of Nwokocha's (2015), who found that employees become vulnerable to the healthy association with their management in situations of void interpersonal affiliations. The finding concurred with Patrick (2008) whose finding indicated that a relation contract was found to substantially influence job relationship. This study finding further supported the finding of a study conducted by Aykan (2014), in the manufacturing industry business in Turkey. The study found a positive association between relational contract and turnover intentions. According to

the study, employee loneliness perceptions played a mediating function in linking relational contract and employee turnover intentions.

Similarly, the finding agreed with Harold (2014) who established that, relational contract had a significant effect on employment relation. Relational and transactional contracts, employer commitment and obligation to employees, employee commitment and obligation to employer, and employer and employee relationships were all assessed. The study found that the psychological contract's strength determines an organization's capacity to get the best out of its personnel. The study concluded that majority of Indian IT companies, according to the poll, have developed a relational psychological contract with their employees, with such type of relational contract exhibiting cogent impact on the employment relationship.

The results also show that transactional contract and performance of academic staff had a correlation of $r=0.587$ ($p\text{-value}=0.000$). The findings implied that transactional contract had strong positive linear relationship with the performance of academic staff in universities in Kenya. The finding implied that increase in transactional contract could results in positive increase in performance of academic staff in universities in Kenya. The finding therefore, implied that there was a positive linear relationship between transactional contract and performance of academic staff at the public universities in Kenya. The study corroborated with those of Walia, (2016) who argued that employees who hold a transactional psychological contract anticipate monetary and measurable incentives in exchange for work done, as well as a short-term obligation to their employer. When the transactional obligation of the

psychological contract is breached, job satisfaction is negatively affected, and employee performance reduces as a result.

Similarly, Liu, He, Jiang and Zhai (2020) examination of the effect of workers psychological contract fulfillment on performance of their duties anchored on social exchange theory established that, transactional contract directly affected gig workers' task performance. The findings also agreed with Jensen, Opland and Ryan (2010) who found that transactional contract had significant effect on work behaviors. The finding further supported those of Aggarwal and Ghupta (2016) who established that employee expectations in an employment relationship could be categorized in to relational psychological contract and transactional psychological contract.

The results of correlation analysis further showed that balanced contract and performance of academic staff had a correlation of $r=0.431$ ($p\text{-value}=0.000$). The findings implied that balanced contract had weak positive linear relationship with the performance of academic staff in universities in Kenya. The finding implied that increase in balanced contract could results in positive increase in performance of academic staff in universities in Kenya. The finding, therefore, imply there was a positive linear relationship between balanced contract and performance of academic staff in universities in Kenya.

The study finding supported the finding of Moore, (2014) who found that balance contract are flexible, open-ended employment contracts that are predicated on the company's success,

employee development, and possibilities for advancement based on performance and capabilities. Both the employee and the organization benefit from one another's growth. The finding also supported those of Hamilton and von Treuer (2012) whose results further showed that HR and direct managers shape balanced psychological contract and significantly impacted job performance. The findings corroborated Nishanthi and Mahalekamge (2016), who discovered that balanced contracts have a significant impact on employment outcomes, implying that the working environment aided in the establishment of trust and fairness, both of which are part of the balanced contract content.

The study finding further supported Ballou (2013) who looked into the impacts of psychological contract breaches on job performance. The impact of transactional contracts on employment outcomes was investigated using a descriptive research design. According to the findings, breaching of an employee's psychological contract displayed a substantial influence on job gratification, intention to remain in the job and perceived institutional support. Furthermore, the impact of the transactional contract on perceived institutional support and institutional citizenship behaviors was significant. Job outcomes were indicated to have a significantly influenced by transactional contracts.

These findings agreed with Anyika (2016), in a study of the connection between psychological contracts and by workers intentions on turnover at Barclays Bank of Kenya, established that most employees were not convinced that their contributions to the bank's overall performance were being recognized in terms of compensation, and that the bank had breached their

psychological contracts. The study's findings also revealed that the bank had not kept its end of the bargain, indicating that the workers had lost faith in the bank's management. Employee turnover was also found to be influenced by transactional psychological contracts, according to the study. Although the research construct is similar to the current study, its findings would not be applicable because the study focused on Barclays bank of Kenya hence presenting a contextual gap.

Finally, the study supported Zagencyk, Gibney, Few, and Scott (2015) who investigated the influence of psychological contracts on organizational identity focusing on intermediary influence of organizational support. To support the hypothesis that breach of psychological contract has a deleterious link with organizational identification and an encouraging association with organizational misidentification, the study mainly relied on organizational support theory. The findings supported advanced hypothesis that the bonding of psychological contract breach with the corporate identification become copiously reinforced by the organizational support and that there exists a link between the breach of PC and organizational identification.

4.4.4 Homoscedasticity Test

The final regression assumption that was conducted by this study was test for heteroskedasticity. This test was used to determine whether the error components in the time series data are correlated across observations. A regression model's error term must be homoscedastic, which means they must have a constant variance. When the variances of the

error terms are not constant, heteroscedasticity occurs, resulting in estimators that are both unbiased and consistent yet wasteful. The projected estimators' variances are not the minimum variances. The purpose of this test was to see if utilizing a multiple regression model was sufficient for the investigation. The Breusch-Pagan-Godfrey test was used to determine heteroscedasticity, and the findings were presented in table 4.13.

Table 4.13 Breusch-Pagan / Cook-Weisberg test for heteroskedasticity

Breusch-Pagan / Cook-Weisberg test for heteroskedasticity	
<hr/>	
Ho: Constant variance	
Variables: fitted values of Academic Staff Performance Score	
chi2(1)	= 3.42
Prob > chi2	= 0.0643

Source: Survey Data (2022)

The results showed that the observed probability chi square significance of 0.063 was negligible, indicating that the null hypothesis of homoscedasticity was not rejected and that heteroskedasticity did not exist. The homoscedasticity assumption was confirmed, and the data was eligible for analysis because the error term was homoscedastic over time, allowing the standard errors to be used to assess the co-significance (Wooldridge, 2002).

4.5 Inferential Statistical

This section presents the inferential statistics conducted by the study. The study relied on multivariate linear regression analysis to test the study hypothesis. However, before the

multivariate regression model was fitted, the study tested for the regression assumptions or rather conducting diagnostics test on the research data to ensure it is adequate for this type of analysis. The test conducted are discussed in the subsection that follows.

4.5.1 One Way ANOVA

The study further conducted one way ANOVA to test whether there was a significant association between demographic characteristics and psychological contract among employees working for public universities in Kenya.

Table 4.14 ANOVA between Age Bracket and Psychological Contracts

		N	Mean	Std. Deviation	ANOVA
Relational Contract	Under 30 years	33	3.53	1.28	F=0.058, (P=0.982)
	30–35 years old	87	3.63	1.22	
	40-55 years old	112	3.58	1.23	
	Over the age of 55	42	3.61	1.21	
	Total	274	3.59	1.22	
Transactional Contract	Under 30 years	33	3.99	0.72	F=0.103 (P=0.958)
	30–35 years old	87	4.02	0.71	
	40-55 years old	112	3.97	0.74	
	Over the age of 55	42	3.97	0.74	
	Total	274	3.99	0.72	
Balanced Contract	Under 30 years	33	2.88	1.54	F=0.092 (P=0.965)
	30–35 years old	87	2.82	1.50	
	40-55 years old	112	2.93	1.52	
	Over the age of 55	42	2.91	1.51	
	Total	274	2.88	1.51	

Source: Survey Data (2022)

The results presented in Table 4.14 show that occurrence of relational contract across different age bracket was insignificant as indicated by the F=0.058, (P=0.982), transactional contract

was also insignificant across age brackets as indicated by $F=0.103$ ($P=0.958$). Balanced contract was also insignificant ($F=0.092$, $P=0.965$) across different age bracket. These finding from ANOVA analysis implied that age bracket was not a significant factor in determining the type of psychological contract among employees in public universities in Kenya. Table 4.15 show the ANOVA for psychological contracts and gender of the respondents.

Table 4.15 ANOVA between Gender and Psychological Contracts

		N	Mean	Std. Deviation	ANOVA
Relational Contract	Female	124	3.46	1.25	F=2.70 (p=0.101)
	Male	150	3.70	1.20	
	Total	274	3.59	1.22	
Transactional Contract	Female	124	3.90	0.77	F=3.296 (p=0.071)
	Male	150	4.06	0.68	
	Total	274	3.99	0.72	
Balanced Contract	Female	124	3.00	1.51	F=1.374 (p=0.242)
	Male	150	2.79	1.50	
	Total	274	2.88	1.51	

Source: Survey Data (2022)

The results in Table 4.15 shows that for all the three psychological contracts, the variation across male and female was insignificant. The findings implied that the occurrence of these psychological was independent of the gender of the employees. The finding further implied both male and female employees form psychological contract in a similar way. The results in Table 4.16 show the ANOVA between highest level of education and psychological contracts.

Table 4.16 ANOVA between Education and Psychological Contracts

		N	Mean	Std. Deviation	ANOVA
Relational Contract	Graduate degree	12	2.79	1.24	F=5.447 (p=0.02)
	Post graduate degree	262	3.63	1.21	
	Total	274	3.59	1.22	
Transactional Contract	Graduate degree	12	3.56	0.86	F=4.49 (p=0.035)
	Post graduate degree	262	4.01	0.71	
	Total	274	3.99	0.72	
Balanced Contract	Graduate degree	12	2.01	1.20	F=4.287 (p=0.039)
	Post graduate degree	262	2.92	1.51	
	Total	274	2.88	1.51	

Source: Survey Data (2022)

The results in Table 4.16 show that the variation in relational, transactional and balanced contract across employees with different education level was significant. The mean for relational contract for employees with graduate degrees was 2.79 while those with postgraduate was 3.63 while the mean for transactional contract was 3.56 compared to 4.01 among the postgraduate. Finally, the mean for balance contract was 2.01 among graduate compared to 2.92 in those with post graduate level of education. The finding shows that the manner in which employees form psychological contract with their institution significant depended on their level of education. Table 4.17 show ANOVA between working experience and psychological contract among academic staff in public universities in Kenya.

Table 4.17 ANOVA between Experience and Psychological Contracts

		N	Mean	Std. Deviation	ANOVA
Relational Contract	Under 5 years	90	3.55	1.23	F=0.101 (p=0.904)
	6-10 years	46	3.63	1.23	
	Over 10 years	138	3.61	1.23	
	Total	274	3.59	1.22	
Transactional Contract	Under 5 years	90	3.97	0.73	F=0.061 (p=0.941)
	6-10 years	46	3.97	0.76	
	Over 10 years	138	4.00	0.71	
	Total	274	3.99	0.72	
Balanced Contract	Under 5 years	90	2.79	1.51	F=0.409 (p=0.665)
	6-10 years	46	3.03	1.51	
	Over 10 years	138	2.90	1.51	
	Total	274	2.88	1.51	

Source: Survey Data (2022)

The results in Table 4.17 shows that for all the three psychological contracts, the variation across working experience was insignificant. The findings implied that the occurrence of these psychological was independent of the number of years employees had worked with the institution.

4.5.2 Multivariate Regression Analysis

The study conducted multivariate regression analysis to test whether psychological contract which include relational contract, transactional contract and balanced contract significantly predicted the performance of academic staff in universities in Kenya. The Model summary ANOVA and coefficients result from the model fitted are presented in Table 4.18, 4.19 and 4.20 respectively.

Table 4.18 Model Summary

Model		1
R		.723a
R Square		0.523
Adjusted R Square		0.518
Std. Error of the Estimate		0.44977

a Predictors: (Constant), Balanced Contract Score, Transactional Contract Score, Relational Contract Score

Source: Survey Data (2022)

The model yielded the coefficient of determination (R-square) of 0.523 which implied that relational contract, transactional contract and balanced contract combined accounted to 52.3% of the variation of performance of academic staff in universities in Kenya. The remaining percentage of 47.7% could be attributed to other factors not included in the model. The findings implied that the explanatory power of psychological contracts was high holding other factors constant. These findings support the finding of Liu, He, Jiang and Zhai (2020) examination of the effect of workers psychological contract fulfillment on performance of their duties anchored on social exchange theory which established that, transactional contract directly affected gig workers' task performance. The findings also agreed with Jensen, Opland and Ryan (2010) who found that transactional contract had significant effect on work behaviors. The finding further supported those of Aggarwal and Ghupta (2016) who established that employee expectations in an employment relationship could be categorized in to relational psychological contract and transactional psychological contract.

Table 4.19 Analysis of Variance (ANOVA)

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	67.898	3	22.633	111.88	.000b
Residual	61.902	270	0.202		
Total	129.799	273			

a Dependent Variable: Academic Staff Performance Score

b Predictors: (Constant), Balanced Contract Score, Transactional Contract Score, Relational Contract Score

Source: Survey Data (2022)

The analysis of variance (ANOVA) of the model yielded a computed f-statistics =111.88 with a corresponding p-value of 0.000 which was statistically significant. The f-statistics computed was greater than critical f-statistics of 2.638 which further confirmed the significance of the regression model fitted. The finding therefore implied that the model had a goodness of fit, hence it could be relied upon to significantly predict the relationship between psychological contracts which include relational contract, transactional contract and balanced contract and performance of academic staff in universities in Kenya.

Table 4.20 Regression Coefficients

Coefficients	Unstandardized Coefficients		Standardized Coefficients			95.0% Confidence Interval for B	
	B	Std. Error	Beta	t	Sig.	Lower Bound	Upper Bound
(Constant)	1.536	0.151		10.14	0.000	1.238	1.834
Relational Contract	0.333	0.059	0.378	5.631	0.000	0.216	0.449
Transactional Contract	0.111	0.043	0.17	2.578	0.010	0.026	0.196
Balanced Contract	0.231	0.036	0.298	6.469	0.000	0.161	0.301

a Dependent Variable: Academic Staff Performance Score

Source: Survey Data (2022)

The proposed model was; $Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon$ which after analysis yielded the following optimal model; $Y = 1.536 + 0.333 X_1 + 0.111 X_2 + 0.231 X_3 + \varepsilon$

Where;

Y = Performance of Academic Staff

β_0 = Regression Constant (the value of Y when $X_1 = X_2 = X_3 = 0$)

β_i = Coefficient for X_i (where $i = 1, 2, 3,$)

$\beta_1, \beta_2, \beta_3,$ = Change in Y with respect to a unit change in X_1, X_2, X_3 respectively.

X_1 = Relational Contract

X_2 = Transactional Contract

X_3 = Balanced Contract

4.4.3 Hypotheses Testing

The study relied on the multivariate regression coefficients results in hypothesis testing. The hypotheses were tested at 5 percent significance level.

H_{01} There is no Statistical significant effect of relational contract on performance of academic staff at selected public universities in Kenya.

The coefficient for relational contract was $\beta = 0.333$ with p-value = 0.000 which was statistically significant at 5 percent. These results implied that relational contract had a positive and significant effect on performance of universities staff in Kenya. The finding further implied that possession of relational contract among the academic staff of the public universities in Kenya would results in an increase of 0.333 units in their performance. These findings led to

rejection of the null hypothesis H01; There is no significant effect of relational contract on performance of academic staff at selected public universities in Kenya.

These findings therefore supported the finding of Paille (2016) who also found that relational contract exhibited a major influence on the workforce retention. Similarly, the study findings supported that of Nwokocha's (2015), found that employees become vulnerable to the healthy association with their management in situations of void interpersonal affiliations. The finding concurred with Patrick (2008) whose finding indicated that a relation contract was found to substantially influence job relationship. Finally, the finding supported Harold (2014) who established that, relational contract had a significant effect on employment relation.

This study finding further supported the finding of a study conducted by Aykan (2014), in the manufacturing industry business in Turkey. The study found a positive association between relational contract and turnover intentions. According to the study, employee loneliness perceptions played a mediating function in linking relational contract and employee turnover intentions.

Similarly, the finding agreed with Harold (2014) who established that, relational contract had a significant effect on employment relation. Relational and transactional contracts, employer commitment and obligation to employees, employee commitment and obligation to employer, and employer and employee relationships were all assessed. The study found that the psychological contract's strength determines an organization's capacity to get the best out of

its personnel. The study concluded that majority of Indian IT companies, according to the poll, have developed a relational psychological contract with their employees, with such type of relational contract exhibiting cogent impact on the employment relationship.

As study by Cheung and Chiu (2015) also investigated the fulfillment of psychological contracts, member-leader exchange, organizational support, and performance. Data was gathered from a sample of 354 supervisors and ordinary staff of a Chinese manufacturing firm. Social exchange theory informed the study. Employee attitudinal and behavioral results were positively connected to psychological contract fulfillment, according to the findings. Both organizational support and member-leader exchange were shown to be completely mediated in the link between contract fulfillment and task performance. Further, it was found that organizational support and member-leader exchange moderated the association between psychological contract fulfillment, emotional commitment and supervisor affection.

H₀₂ There is no statistical significant effect of transactional contract on performance of academic staff at selected public universities in Kenya.

The coefficient for transactional contract was $\beta=0.111$ with p-value =0.010 which was statistically significant at 5 percent. These results implied that transactional contract had appositve and significant effect on performance of universities staff in Kenya. The finding further implied that existence of transactional contract amongst the universities' academic staff would result in an increase of 0.111 units in their performance. These findings led to rejection of the second null hypothesis H₀₂; There is no significant effect of transactional contract on

performance of academic staff at selected public universities in Kenya. Hence, the study finding implied that transactional contract significantly predicted performance of academic staff in universities in Kenya.

The study corroborated with those of Walia, (2016) who argued that employees who hold a transactional psychological contract anticipate monetary and measurable incentives in exchange for work done, as well as a short-term obligation to their employer. When the transactional obligation of the psychological contract is breached, job satisfaction is negatively affected, and employee performance reduces as a result. Similarly, Liu, He, Jiang and Zhai (2020) examination of the effect of workers psychological contract fulfillment on performance of their duties anchored on social exchange theory established that, transactional contract directly affected gig workers' task performance.

The findings also agreed with Jensen, Opland and Ryan (2010) who found that transactional contract had significant effect on work behaviors. When duration of service of the workers was taken into account, transactional contract was found to have an indirect effect on organizational identity. The finding further supported those of Aggarwal and Ghupta (2016) who established that employee expectations in an employment relationship could be categorized in to relational psychological contract and transactional psychological contract. Furthermore, the two types of psychological contract had different effect on job results depending on whether they were violated or fulfilled.

The study finding further supported Ballou (2013) who looked into the impacts of psychological contract breaches on job performance. The impact of transactional contracts on employment outcomes was investigated using a descriptive research design. According to the findings, breaching of an employee's psychological contract displayed a substantial influence on job gratification, intention to remain in the job and perceived institutional support. Furthermore, the impact of the transactional contract on perceived institutional support and institutional citizenship behaviors was significant. Job outcomes were indicated to have a significantly influenced by transactional contracts.

These findings agreed with Anyika (2016), in a study of the connection between psychological contracts and by workers intentions on turnover at Barclays Bank of Kenya, established that most employees were not convinced that their contributions to the bank's overall performance were being recognized in terms of compensation, and that the bank had breached their psychological contracts. The study's findings also revealed that the bank had not kept its end of the bargain, indicating that the workers had lost faith in the bank's management. Employee turnover was also found to be influenced by transactional psychological contracts, according to the study. Although the research construct is similar to the current study, its findings would not be applicable because the study focused on Barclays bank of Kenya hence presenting a contextual gap.

Finally, the study supported Zagencyk, Gibney, Few and Scott (2015) who investigated the influence of psychological contracts on organizational identity focusing on intermediary

influence of organizational support. To support the hypothesis that breach of psychological contract has a deleterious link with organizational identification and an encouraging association with organizational misidentification, the study mainly relied on organizational support theory. The findings supported advanced hypothesis that the bonding of psychological contract breach with the corporate identification become copiously reinforced by the organizational support and that there exists a link between the breach of PC and organizational identification.

H₀₃ There is no statistical significant effect of balanced contract on performance of academic staff at selected public universities in Kenya

Finally, the coefficient for balanced contract was $\beta=0.231$ with p-value =0.000 which was statistically significant at 5 percent. Similarly, these results implied that balanced contract had apposite and significant effect on performance of academic staff of selected public universities in Kenya. The finding further implied that adoption of balanced contract among the academic staff at selected public universities in Kenya would result in an increase of 0.231 units in performance of academic staff. These findings led to rejection of the second null hypothesis H₀₂; There is no significant effect of balanced contract on performance of academic staff at selected public universities in Kenya. Hence, the study finding implied that balanced contract significantly predicted performance of academic staff in universities in Kenya.

The findings also supported those of Hamilton and von Treuer (2012) examined psychological contracts, careerism and intention to leave the organization. The surveys were returned by 202

health workers in Australian hospitals, and path analyses using structural equation modeling revealed that careerism partially mediated the association between contract types and intention to vacate. Results further showed that HR and direct managers shape balanced psychological contract and significantly impacted job performance. The findings corroborated Nishanthi and Mahalekamge (2016), who discovered that balanced contracts have a significant impact on employment outcomes, implying that the working environment aided in the establishment of trust and fairness, both of which are part of the balanced contract's content.

The study finding further supported Wanjala and Musungu (2018) who explored institutional factors influencing academic personnel's violation of psychological contract at the University of Nairobi, Kenya. This was a case study whose target population comprised 1483 academic members of staff clustered into six academic ranks found in all the six (6) colleges of the said University. The research established that despite the teaching staff fulfilling all their commitments as employees, the university had not fulfilled many of its promises. Results further showed that there was inability of the university management to provide leadership and failure to put in place adequate mechanisms to enhance a favorable reward and incentives system for the academic staff. The study focused on academic staff of University of Nairobi thus presenting contextual gap that the new study tried to fill by including six public universities in Kenya.

The finding also agreed with Sivashankar (2019) whose study objective was to look at the connection between psychological contract attributes and employee expected deliverables such

as organizational citizenship behavior (OCB), commitment, including the turnover intention. The study also investigated psychological contract breaches visibly ingrained within organizational structures. Resultant conclusions showed progressive links with balanced contracts besides the OCB. It further revealed that there was absence of link between employee turnover intention and balanced contracts, relational contracts, employee and employer obligations.

H₀₄ Organizational capabilities have no statistical mediating effect on the relationship between psychological contract and performance of academic staff at selected public universities in Kenya.

The study fourth objective was to test the mediating effect of organisational capabilities on the relationship between psychological contract and performance of academic staff of selected public universities in Kenya. To test the mediating effect this the study adopted methodology suggested by Baron and Kenny (1986). The study used the four-models highlighted below;

Step one: $PAS = \beta_0 + \beta_1 PC + \varepsilon$

Step Two: $OC = \beta_0 + \beta_1 PC + \varepsilon$

Step Three: $PAS = \beta_0 + \beta_1 OC + \varepsilon$

Step four: $PAS = \beta_0 + \beta_1 PC + \beta_2 OC + \varepsilon$

Step one: Psychological Contract Predicting Performance of Academic Staff

In the first step, a regression model $PAS = \beta_0 + \beta_1 PC + \varepsilon$ was fitted to test whether a composite of psychological contract significantly predicted performance of academic staff. The results are presented in Table 4.21.

Table 4.21 Step One Test for Mediation

Model Summary	R	R Square	Adjusted R Square	Std. Error of the Estimate		
	.717a	0.514	0.512	0.45265		
ANOVA		Sum of Squares	df	Mean Square	F	Sig.
	Regression	66.692	1	66.692	325.492	.000b
	Residual	63.108	272	0.205		
	Total	129.799	273			
Coefficients		B	Std. Error	Beta	t	Sig.
	(Constant)	1.692	0.138		12.25	0.000
	PC	0.638	0.035	0.717	18.041	0.000

a Dependent Variable: Academic Staff Perf Score

b Predictors: (Constant), PC

Source: Survey Data (2022)

The results show that model fitted had R-square of 0.514 which implied that the composite of psychological contract accounted for 51.4% of the variation in the performance of academic staff of selected public universities in Kenya. The model was statistically significant as shown by f-statistics =325.492, p-value=0.000 which implied the model had a goodness of fit. The coefficient of psychological contract (PC) was $\beta=0.638$, p-value=0.000 which was also statistically significant at 5 percent. These finding implied that there existed a significant relationship to be mediated. The first criterion for complete mediation was achieved.

Step Two: Organizational Capabilities (OC) Predicting Psychological Contract (PC)

In the second step, the $OC = \beta_0 + \beta_1 PC + \varepsilon$ was fitted to test where organizational capabilities (mediating variable) significantly predicted psychological contract (independent variable). For complete mediation, significant relationship should exist between organizational capabilities (mediating variable) and psychological contract (independent variable). The results of the model fitted are presented in Table 4.22.

Table 4.22 Step Two Test for Mediation

Model Summary	R	R Square	Adjusted R Square	Std. Error of the Estimate		
	.525a	0.275	0.273	0.52667		
ANOVA		Sum of Squares	df	Mean Square	F	Sig.
	Regression	32.459	1	32.459	117.022	.000b
	Residual	85.432	272	0.277		
	Total	117.891	273			
Coefficients		B	Std. Error	Beta	t	Sig.
	(Constant)	2.52	0.161		15.679	0.000
	PC	0.445	0.041	0.525	10.818	0.000

a Dependent Variable: Organizational Capabilities Score

b Predictors: (Constant), PC

Source: Survey Data (2022)

The results show that model fitted had R-square of 0.275 which implied that the organizational capabilities (mediating variable) accounted for 27.5% of the variation in the psychological contract. The model was statistically significant as shown by f-statistics =117.022, p-value=0.000 which implied the model used to link organizational capabilities and psychological contract had a goodness of fit. The coefficient of organizational capabilities was $\beta=0.445$, p-value=0.000 which was also statistically significant at 5 percent. These finding

implied that there existed a significant relationship between organizational capabilities (mediating variable) and psychological contract (independent variable). The second criterion for complete mediation was also achieved.

Step Three: Organizational Capabilities (OC) Predicting Performance of Academic Staff

In the third step, a regression model $PAS = \beta_0 + \beta_1 OC + \varepsilon$ to test whether the organizational capabilities (mediating variable) were also a predictor variable of performance of academic staff at selected public universities in Kenya. This model is expected to be insignificant for complete mediation, however, if it turns out significant, then partial mediation exists.

Table 4.23 Step Three Test for Mediation

Model Summary		R	R Square	Adjusted R Square	Std. Error of the Estimate	
		.768a	0.589	0.588	0.41604	

ANOVA		Sum of Squares	df	Mean Square	F	Sig.
	Regression	76.488	1	76.488	441.898	.000b
	Residual	53.312	272	0.173		
	Total	129.799	273			

Coefficients		B	Std. Error	Beta	t	Sig.
	(Constant)	0.735	0.164		4.489	0.000
	Organizational Capabilities Score	0.805	0.038	0.768	21.021	0.000

a Dependent Variable: Academic Staff Performance Score

b Predictors: (Constant), Organizational Capabilities Score

Source: Survey Data (2022)

The results show that model fitted had R-square of 0.589 which implied that the organizational capabilities (mediating variable) accounted for 58.9% of the variation in the performance of academic staff of selected public universities in Kenya. The model was statistically significant as shown by f-statistics =441.898, p-value=0.000 which implied the model used to link organizational capabilities and performance of academic staff of public universities in Kenya had a goodness of fit. The coefficient of organizational capabilities was $\beta=0.805$, p-value=0.000 which was also statistically significant at 5 percent. These finding implied that there existed a significant relationship between organizational capabilities (mediating variable) and performance of academic staff at selected public universities in Kenya. The third criterion for complete mediation was not achieved, therefore the study proceeded to step four to test for existence of partial mediation.

Step Four: Organizational Capabilities (OC) Predicting Performance of Academic Staff

Since, in step three the criterion for complete mediation was not realized, this step was conducted to test for partial mediation. The regression model $PAS=\beta_0+ \beta_1PC+ \beta_2OC+ \varepsilon$ was fitted to determine whether psychological contract predicted performance of academic staff in universities in Kenya in presence of the organizational capabilities (mediating variable). For partial mediation to exist both coefficient of organizational capabilities and psychological contract have to be significant.

Table 4.24 Step Four Test for Mediation

Model Summary		R	R Square	Adjusted R Square	Std. Error of the Estimate	
		.852a	0.725	0.724	0.34077	

ANOVA		Sum of Squares	df	Mean Square	F	Sig.
	Regression	94.148	2	47.074	405.369	.000b
	Residual	35.651	271	0.116		
	Total	129.799	273			

Coefficients		B	Std. Error	Beta	t	Sig.
1	(Constant)	0.264	0.139		1.89	0.060
	PC	0.386	0.031	0.433	12.332	0.000
	Organizational Capabilities Score	0.567	0.037	0.54	15.377	0.000

a Dependent Variable: Academic Staff Performance Score

b Predictors: (Constant), Organizational Capabilities Score, PC

Source: Survey Data (2022)

The results show that model fitted had R-square of 0.725 which implied that the composite of psychological contract (independent variable) and organizational capabilities (mediating variable) accounted for 72.5% of the variation in the of performance of academic staff in universities in Kenya. The model was statistically significant as shown by f-statistics =405.369, p-value=0.000 which implied the model used to link composite of psychological contract (independent variable), organizational capabilities (mediating variable) and performance of academic staff in universities in Kenya had a goodness of fit. The coefficient of psychological contract (independent variable), was $\beta=0.386$, p-value=0.000 which was also statistically significant at 5 percent. The coefficient of organizational capabilities (mediating variable) was $\beta=0.567$, p-value=0.000 which was also statistically significant at 5 percent.

These finding implied that there existed a significant relationship between psychological contract (independent variable), organizational capabilities (mediating variable) and performance of academic staff in universities in Kenya. The fourth criterion for partial mediation was therefore achieved. The study therefore, failed to reject the H04 Organizational capabilities have no mediating effect on the relationship between psychological contract and performance of academic staff at selected public universities in Kenya because of the existence of partial mediation.

The findings support those of López, Monteiro, and Rodrguez (2015) whose study was founded on resource-based view theory. Study findings showed strong link between organizational competencies and profitability. In the same line, the finding agreed with Pham and Hoang (2019) whose findings revealed that organizational learning capabilities improved corporate performance. Furthermore, the study found a link between management commitment, knowledge transfer, and integration and business performance.

The study also agreed with Rehman, Mohamed, and Ayoup (2019) who conducted research in Pakistan on the function of organizational capabilities as a mediator between organizational performance and its drivers. The study was descriptive and relied on primary data, and it was informed by resource-based view and resource orchestration theories. Findings of this study revealed a strong link between cybernetics, pay as well as the executive controls on organizational performance. Further, cybernetic, cultural, compensation and return, planning and administrative controls were found to have significant association with organizational

capabilities. Organizational capabilities mediated the association between organizational performance factors with organizational performance respectively.

The finding supported López, Monteiro, and Rodriguez (2015) who studied firm capabilities and performance in Portugal, emphasizing on the function of business strategy as a mediator. The study was founded on resource-based view theory. Study finds showed strong link between organizational competencies and profitability. Furthermore, the choice of company strategy was discovered to be critical in increasing firm profitability. The findings also showed that business strategy selection partially mediated organizational capabilities and profitability.

This study finding agreed with Otuoma (2014) who focused on organizational capabilities and the attainment of organizational goals at the National Assembly of Kenya. Case study research design and an interview guide was adopted in the study which involved staff of the assembly. The data was analyzed using content analysis. Leadership qualities were found to impact the achievement of organizational goals. Results also showed that recruitment policies that encourage diversity in staff had an influence on organizational culture. Leadership was also found to influence relations among employees and eventual performance of the organization.

Finally, the study finding agreed with Lee (2019) investigated the influence of firm culture and capabilities on employees' commitments to ethical behaviors. Data was collected from 228 hospital employees in South Korea's metropolitan region. The study found that organizational

capacities are critical in supporting organizations in dealing with their responsibilities in an ethical manner, which aids in achieving competitive advantage.

H₀₅ Human Resource policies have no statistical moderating effect on the relationship between psychological contract and performance of academic staff at selected public universities in Kenya.

The final hypothesis of the study was to test H₀₅ Human Resource policies have no moderating effect on the relationship between psychological contract and performance of academic staff at selected public universities in Kenya. The study adopted the two-step method as suggested by Baron and Kenny (1986). In the first step, human resources policies were used as a predictor variable while in the second step used as a moderating variable.

Step One: Test of moderating Effect of Human Resources Policies.

In this step, a regression model was fitted with a composite of psychological contract and human resources policies as explanatory variables of performance of universities staff in Kenya. This step sought to test whether human resources policies could be an explanatory variable besides being a moderating variable. The results are presented in Table 4.25.

Table 4.25 Step One Test for Moderating Effect

Model Summary	R	R Square	Adjusted R Square	Std. Error of the Estimate		
	.852a	0.726	0.724	0.34034		
ANOVA		Sum of Squares	df	Mean Square	F	Sig.
	Regression	94.24	2	47.12	406.8	.000b
	Residual	35.56	271	0.116		
	Total	129.799	273			

Coefficients	B	Std. Error	Beta	t	Sig.
(Constant)	0.132	0.145		0.912	0.362
PC	0.400	0.031	0.45	13.035	0.000
Human Resources Policies	0.586	0.038	0.532	15.422	0.000

a Dependent Variable: Academic Staff Performance Score

b Predictors: (Constant), Human Resources Policies Score, PC

Source: Survey Data (2022)

The results show that model fitted had R-square of 0.726 which implied that the composite of psychological contract (independent variable) and human resources policies (moderating variable) accounted for 72.6% of the variation in the performance of academic staff in universities in Kenya. The model was statistically significant as shown by f-statistics =406.8, p-value=0.000 which implied the model used to link composite of psychological contract (independent variable), and human resources policies (moderating variable) and performance of academic staff in universities in Kenya had a goodness of fit.

The coefficient of psychological contract (independent variable), was $\beta=0.4$, p-value=0.000 which was also statistically significant at 5 percent while that of human resources policies was=0.586, p-value=0.000 which was also statistically significant at 5 percent. The finding implied that human resources policies was a significant explanatory variable of performance of academic staff in universities in Kenya. The findings further implied that human resources policies can be used as both the moderating variable and an explanatory variables of performance of academic staff at selected public universities in Kenya.

Step Two: Test of moderating Effect of Human Resources Policies.

In this step an interaction variable was computed by calculating the product of psychological contract and human resources policies (PC*HRP). Another regression model was fitted to test whether the interaction significantly affected performance of academic staff at selected public universities in Kenya. The results are presented in Table 4.26.

Table 4.26 Step Two Test for Moderating Effect

Model Summary	R	R Square	Adjusted R Square	Std. Error of the Estimate		
	.848a	0.719	0.717	0.34451		
ANOVA		Sum of Squares	df	Mean Square	F	Sig.
	Regression	93.362	2	46.681	393.305	.000b
	Residual	36.437	271	0.119		
	Total	129.799	273			
Coefficients		β	Std. Error	Beta	t	Sig.
	(Constant)	2.594	0.121		21.415	0.000
	PC	0.371	0.072	0.417	5.119	0.000
	PC*HRP	0.181	0.012	1.221	14.99	0.000

a Dependent Variable: Academic Staff Performance Score

b Predictors: (Constant), PC*HRP, PC

Source: Survey Data (2022)

The results show that model fitted had R-square of 0.719 which implied that the composite of psychological contract (independent variable) and the product of psychological contract and human resources policies (PC*HRP) accounted for 71.9% of the variation in the performance of academic staff in universities in Kenya. The model was statistically significant as shown by f-statistics =393.305, p-value=0.000 which implied the model used to link composite of

psychological contract (independent variable), and the product of psychological contract and human resources policies (PC*HRP) and performance of academic staff in universities in Kenya had a goodness of fit.

The coefficient of the product of psychological contract and human resources policies (PC*HRP) was $\beta=0.181$, $p\text{-value}=0.000$ which was also statistically significant at 5 percent. These finding implied that human resources policies had a significant moderating effect on the relationship between psychological contract and performance of academic staff at selected public universities in Kenya.

The study therefore rejected the null H_{05} Human Resource policies have no moderating effect on the relationship between psychological contract and performance of academic staff at selected public universities in Kenya. The finding of this study supported the finding of Chelimo and Ouma (2017) whose study's findings showed recruitment policy as having significant impact on role adjustment and performance. The study also discovered that hiring policies affect employees' achievement of stated goals by attracting top talent. The findings further agreed with Hazra, Sengupta and Ghosh (2013) who established that human resource policies directly impacted employee performance. The findings of Martin-Perez and Martin-Cruz (2015) also linked intrinsic and extrinsic rewards to employee commitment to a company, concurred with the findings of the study, which demonstrated that rewards provided an atmosphere that allowed employees to build active commitment to the organization.

Table 4.27 Summary of the research Hypotheses

Research Hypotheses	Results	Conclusion
H01 There is no significant effect of relational contract on performance of academic staff at selected public universities in Kenya	$\beta=0.333$, p-value =0.000	Reject H ₀₁
H02 There is no significant effect of transactional contract on performance of academic staff at selected public universities in Kenya	$\beta=0.111$, p-value =0.010	Reject H ₀₂
H03 There is no significant effect of balanced contract on performance of academic staff at selected public universities in Kenya	$\beta=0.231$, p-value =0.000	Reject H ₀₃
H04 Organizational capabilities have no mediating effect on the relationship between psychological contract and performance of academic staff at selected public universities in Kenya.	$\beta=0.638$, p-value=0.000 $\beta=0.445$, p-value=0.000 $\beta=0.805$, p-value=0.000 $\beta=0.567$, p-value=0.000	Reject H ₀₄
H05 Human Resource policies have no moderating effect on the relationship between psychological contract and performance of academic staff at selected public universities in Kenya	$\beta=0.181$, p-value=0.000	Reject H ₀₅

Source: Survey Data (2022)

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This section presents a synopsis of the study findings, a conclusion, the study's contribution to knowledge, and future research ideas are also included in this section. The conclusion was based on the study's specific objectives. This study findings were used to make conclusions and recommendations. The study contribution to knowledge is also discussed in this part, which is based on the study's unique findings.

5.2 Summary

The main objective of the study envisaged examining the influence psychological contract has on the delivery, outputs and outcomes expected of academic staff in selected public universities in Kenya. Specifically, the study established the extent to which relational contract, transactional contract and balanced contract affected performance of academic staff at selected public universities in Kenya; secondly, determined the moderating effect of human resource policies and the mediating effect of organizational capabilities on the relationship between psychological contract and performance of academic staff at selected public universities in Kenya. This research was anchored on four theoretical frameworks namely the equity theory, social exchange theory, organizational support theory and the Harvard framework for human resource management. The sample size was 362 academic staff of the selected schools, in the selected public universities. To analyze quantitative data, descriptive statistics was used in

describing the variables whereas inferential statistics established the association in the independent and dependent variable, outcomes were displayed through tables, charts, diagrams and numerical values.

The first objective of the study was to determine whether there existed relational contract among the academic staff at selected public universities in Kenya and how these contracts affected the academic staff performance. These results indicated that relational contract had a positive and significant effect on performance of academic staff of the selected public universities in Kenya. The finding further implied that adoption of relational contract among the academic staff of the selected universities would result in an increase in performance of academic staff. These findings led to rejection of the null hypothesis that there is no significant effect of relational contract on performance of academic staff at selected public universities in Kenya.

The second objective of the study was to determine the effect of transactional contract on performance of academic staff at selected public universities in Kenya. These results demonstrated that transactional contract had a positive and significant effect on performance of academic staff at the selected public universities in Kenya. The finding further implied that adoption of transactional contract among academic staff would result in an increase in performance of the academic staff of the selected public universities in Kenya. These findings led to rejection of the second null hypothesis that there is no significant effect of transactional contract on performance of academic staff at selected public universities in Kenya. Hence, the

study finding implied that transactional contract significantly predicted performance of academic staff in universities in Kenya.

The study further evaluated the effect of balanced contract on performance of academic staff at selected public universities in Kenya. Balanced contract was attributed to high level of engagement among employees and further boost productivity. The finding further implied that adoption of balanced contract among the universities' academic staff in Kenya would results in an increase in performance of academic staff. These findings led to rejection of the third null hypothesis that there is no significant effect of balanced contract on performance of academic staff at selected public universities in Kenya. Hence, the study finding implied that balanced contract significantly predicted performance of academic staff in universities in Kenya.

The study fourth objective was to test the mediating effect of organisational capabilities on the relationship between psychological contract and performance of academic staff at selected public universities in Kenya. The study finding showed that organisational capabilities partially mediated the relationship between psychological contract and performance of academic staff in selected public universities in Kenya. Finally, the study findings demonstrated that human resources policies significantly moderated the relationship between psychological contract and performance of academic staff in selected universities in Kenya.

5.3 Conclusion

The study concluded that psychological contracts play a significant role in determining the performance of employees in institutions. Therefore, the type of psychological contract formed between employees and institution further determine whether the institution sustains employee's performance or not. In terms of relational contract, the study concluded that effectively managing the relationship between employees creates attachment and improve the sense of belonging of employees which motivates them to improve productivity. Staff that are more attached to the institution they work at, go out of their way to ensure both personal and institution goals are realized for the benefits of the overall health of the institutions.

On transactional contract, the study concluded that transactional contract provides an avenue for further interaction between institution and universities' academic staff. Majority of the universities' employees have personal responsibilities which guides them into transactional contract, they are also obligated as a result of their contracts, to meet the institution objectives which explain why the study established a positive relationship between transactional contract and academic staff performance. Transactional contract though has a positive effect on staff performance, they are not sustainable hence can be scaled up to relational or balanced contract which have a long-term impact on performance of academic staff in universities in Kenya.

The study further concluded that balanced contract is beneficial to both institutions and employees. A balanced contract builds a sustainable relationship between staff and institutions management. Institutions that are able to implement human resource policies that motivate

employees to have a balanced contract would be able to see an improvement in the performance of employees and in the long-term guaranteeing overall productivity of the organisation.

The study also concluded that institutional capabilities such as organizational leadership, organizational communication and organizational culture are necessary ingredients that universities need to implement sustainable psychological contract which can result in not only high performance of staff but also sustainable performance. Finally, the study concluded that progressive and interactive human resource policies communicate the values the institutions attribute to staff and can cause either sustainable performance of staff or negatively impact on the type of contract between employees and institutions. These policies also affect directly, the performance of staff by determining their level of job satisfaction.

5.4 Practice and Policy Recommendations

The study recommends that management of public universities in Kenya recognize the existence of psychological contract amongst the academic staff and explore avenues to ensure fairness and trust in the employment relationship to avoid breach of the psychological contracts. Effective management of the psychological contracts yield intrinsic motivation which positively improve job satisfaction, engagement and ultimately overall performance of employees. On relational contract, the study recommends that universities management should, through the human resource departments, adopt practices that enhance working relationships, instill sense of belonging, make working comfortable and improve working

conditions. These initiatives if properly undertaken, may result in improvement of the relationship between staff and the institutions hence improving their performance.

The study further recommends that management of the universities relook into the motivation behind existence of transactional contract among academic staff. Transactional contract though improves performance in the short term, may negatively impact the institutions growth when benefits that motivate such contracts are unattainable or delayed. The institutions' management should look at the issues that promote formation of transaction psychological contract with the institution and explore avenues of working closely with staff to create relational or balanced contract which have sustainable and long-term positive effect on performance of academic staff.

Universities should further improve performance of their staff through implementation of strategies and policies that will create a balanced contract between the institutions and employees. A balanced contract creates symbiotic relationship between the university and employees. The interest of the staff and those of the institution are aligned and employees feel motivated to pursue organisational goals since these goals are tied to personal goals. The study further recommends that management of public universities in their pursuit of increased staff performance should invest in modern, working and reliable organisational capabilities which will create a conducive environment for effective psychological contract management between universities and staff. The study finally recommends that human resource departments streamline existing HR policies and formulate new policies that will enable recognition of

existence of various psychological contracts and provide ways of ensuring employees adopt psychological contracts that will have positive impact on staff performance.

5.6 Suggestion for Further Research

This study established that psychological contract explained 52.3% of the variation in performance of academic staff in selected public universities in Kenya. Further research should seek to establish other factors that accounted for the remaining 47.7% of the variation in performance of academic staff in universities while incorporating both private and public universities in Kenya. Secondly, the study focused on academic staff of institutions of higher learning which consists majorly of highly educated employees, a further study should be conducted focusing on a less educated population or employees of varying levels of education to eliminate the educational bias from the conclusion. The study further recommends that further studies should focus on other forms of psychological contract besides those covered in this research to bridge the conceptual research gaps.

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APPENDICES

Appendix I: Introduction Letter

Ruth Odengo

Dear Sir/Madam,

REF: REQUEST FOR DATA COLLECTION PERMISSION

My name is Ruth Odengo, and I am a postgraduate student at Kenyatta University pursuing a Doctor of Philosophy in Business Administration (HRM). As a requirement of the program, I am currently conducting research in the field for the purpose of writing my thesis. The topic of my thesis is '**PSYCHOLOGICAL CONTRACT AND PERFORMANCE OF ACADEMIC STAFF AT SELECTED PUBLIC UNIVERSITIES IN KENYA**'. Regarding the information gathered, I hereby and categorically declare that the information provided will be solely limited to academic reasons exclusively. Participation is completely voluntary, and a respondent may opt out at any moment without explanation.

Yours Faithfully

Ruth Odengo

Appendix II: Questionnaire

Please be as truthful as possible when responding to the following questions. Your information will be kept private and confidential. Please do not give out your personal information in this survey. You are urged to express your true feelings.

Section A: Personal Information

- What gender are you?
Male [] Female []
- What age group do you belong to?
Under 30 years []
30–39 years old []
40-55 years old []
Over the age of 55 []
- What is the greatest level of education you have attained?
Secondary certificate [] College diploma []
Graduate degree [] Post graduate degree []
- How long have you worked with the university?
Under 5 years [] 6-10 years [] Over 10 years []

Section B: Relational Contract and Performance of Academic Staff

- (I) Please rate how much you agree with the following statements about relational contract using the monadic scale provided. Tick in the box with your response.

Note: 5=Strongly Agree, 4=Agree, 3=Moderately Agree, 2=Disagree 1=Strongly Disagree

Relational Contract	5	4	3	2	1
a) My working relationship with the institution is satisfactory					
b) I hold a great sense of belonging to my current organization					
c) I participate in decision making in the university					
d) My employer is concerned with my personal welfare					
e) My organization has exceptional meaning to me					
f) This university deserves my loyalty due to the way it has treated me					
g) I am comfortable working in the university with or without adequate tools and equipment					
h) I strive to accomplish my assigned duties despite the working conditions					
i) I always help my colleagues whenever required to without expecting reward					
j) I feel my working conditions are favourable					
k) I have a strong emotional attachment with my job					
l) I do not mind working overtime hours even without payment					
m) I am content with my job security					
n) I safeguard the reputation of the university like my own					
o) In my workplace, I feel part of "the family".					
p) I have no plans to leave my current job anytime soon.					
q) I market the university without expecting any reward					

- (II) What steps would you recommend the management of your university to take in order to enhance the relationship with staff?

Section C: Transactional Contract and Performance of Academic Staff

(I) Please rate how much you agree with the following statements about transaction contract using the monadic scale provided. Tick in the box with your response.

Note: 5=Strongly Agree, 4=Agree, 3=Moderately Agree, 2=Disagree 1=Strongly Disagree

Transactional Contract	5	4	3	2	1
a) We hold short term relations with the university					
b) I don't hold any emotional thought of the institution					
c) I do my job just for pay					
d) My supervisor involves me in the development of departmental goals					
e) I don't involve myself with the decision making of the organization					
f) My supervisor considers the subordinates strengths and weaknesses when giving duties and responsibilities.					
g) I take interest on feedback regarding my performance and strive to improve					
h) My supervisor supports new ideas from employees					
i) I can only work overtime hours if I am paid					
j) I manage to complete my work within the allocated time					
k) I only come to work to complete my tasks.					
l) Am not interested with the performance of the institution					
m) My employment is a good fit for my abilities, interests, and personality.					

(II) In your opinion, has your university done enough to make you feel some sense of belonging? Explain your answer.

Section D: Balanced Contract and Performance of Academic Staff

(I) Please rate how much you agree with the following statements about balanced contract using the monadic scale provided. Tick in the box with your response.

Note: 5=Strongly Agree, 4=Agree, 3=Moderately Agree, 2=Disagree 1=Strongly Disagree

Balanced Contract	5	4	3	2	1
a) There are opportunities for career growth within the university structure.					
b) There are opportunities in the institution for acquisition of new knowledge.					
c) The university provides opportunities to develop professional capabilities for the academic staff.					
d) There is a coaching and mentorship programme for all employees in the university.					
e) Employees in the university have more than one potential position for promotion.					
f) Good working environment motivates me to get to my job early					
g) My job provides me with opportunity to develop marketable skills.					
h) The university cares for my well being					
i) My loyalty to this organization stems from the fact that it shares in my values.					
j) I am committed to, and believe in this organization's mission.					

(II) What do you think your university needs to improve on to promote career development?

Section E: Organizational capabilities, psychological contract, and Performance of Academic Staff

- (I) Please rate how much you agree with the following statements about organizational capabilities using the monadic scale provided. Tick in the box with your response.
Note: 5=Strongly Agree, 4=Agree, 3=Moderately Agree, 2=Disagree 1=Strongly Disagree

	5	4	3	2	1
a) University management recognizes and rewards employees					
b) I am effectively assisted in carrying out the work that is expected of me at the university.					
c) Employees are treated with respect by management					
d) University management ensures employees are provided with materials and equipment required to enable them do their job to expectation					
e) There is timely allocation of the resources required in our university					
f) University management regularly review and discusses challenged faced by staff in performance of their duties					
g) Communication is the driving force towards achievement of objectives in our university					
h) There is continuous exchange of information between management and employees					
i) We have a reliable communication system in our university					
j) There is constant review of our communication system					
k) Employee performance set targets are well communicated to all					
l) I rarely have to repeat a task because it was not properly explained/communicated to me by my supervisor					
m) I receive enormous support from the university towards performance of my duties					
n) The university culture impacts my performance					
o) The university culture is in line with the vision and mission of the university					

- (II) Explain some of the measures your university has put in place that enables you to perform your duties efficiently and diligently.

Section F: Human resource policies, psychological contract and Performance of Academic Staff

- (I) Please rate how much you agree with the following statements about human resource policies using the monadic scale provided. Tick in the box with your response.

Note: 5=Strongly Agree, 4=Agree, 3=Moderately Agree, 2=Disagree 1=Strongly Disagree

Statement	5	4	3	2	1
a) My salary is reviewed annually					
b) Am comfortable with my salary					
c) There are benefits such as retirement benefits in the institution					
d) The university is able to pay its workers in good time					
e) Am comfortable with the allowances given by my employer					
f) Employees are drawn to merit-based compensation (a pay for performance permanently added to compensation package)					
g) Am compensated for working extra hours					
h) The selection process is transparent					
i) The induction process is formal					
j) Vacancies are filled by qualified personnel who are already employed by the university.					
k) Our university policies impact on our performance					
l) There is a policy on training for academic staff in the university					
m) Training and mentorship has been continuous in the past 3 years					

- (II) Do you think your university's policies on recruitment, compensation and benefits have an effect on your output? Explain your answer.

Section G: Performance of Academic Staff

- (I) Please rate how much you agree with the following statements about performance of academic staff using the monadic scale provided. Tick in the box with your response.

Note: 5=Strongly Agree, 4=Agree, 3=Moderately Agree, 2=Disagree 1=Strongly Disagree

Statement	5	4	3	2	1
a) This academic year, I taught the units that were assigned to me.					
b) I've successfully supervised postgraduate students.					
c) The postgraduate students under my supervision are able to complete their studies and graduate on time					
d) I prepare and teach all modules as required for my position					
e) I set exams, mark and submit all the student marks within the required time.					
f) I take student attendance register and submit as required					
g) I participate in curriculum reviews in the university					
h) In the previous academic year, I published in international referenced journals.					
i) I attended seminars and conferences in the last academic year					
j) I have contributed in organization of academic seminars and conferences in the last academic year					
k) I have won an international research grant in the last 3 years					
l) There has been an increase in training on research for staff					

m) The number of faculty members winning international research grants is increasing.					
n) There has been an increase in research publications from members of the faculty.					
o) The number of members of faculty getting involved in research has been increasing					
p) I am involved in administrative work other than teaching					
q) I am involved in mentorship of subordinate staff					
r) I've participated in numerous community service activities in the last academic year					
s) I am a full and active member of a recognized professional body					
t) I am a member of the board of a local institution e.g. school, church.					

(II) What is your comment on the measures of performance in your university?

Appendix III: Number of Academic Staff in Public Chartered Universities

Public Chartered University	Professor		Associate Professor		Senior Lecturer		Lecturer		Tutorial Fellow		Graduate Assistant		Total		Total
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	
Chuka University	3	1	10	3	23	12	101	58	70	48	24	6	231	128	359
Dedan Kimathi University of Technology	7	0	8	3	17	4	43	12	147	49	12	1	234	69	303
Egerton University	34	4	60	16	69	23	183	77	72	40	12	4	430	164	594
Garissa University	0	0	4	0	5	1	33	3	37	9	18	1	97	14	111
Jaramogi Oginga Odinga University of Science and Technology	7	2	10	5	32	4	65	19	200	31	4	2	318	63	381
Jomo Kenyatta University of Agriculture and Technology	0	0	0	0	0	0	264	93	276	114	79	51	619	258	877
Karatina University	2	1	11	2	7	6	28	22	124	72	3	2	175	105	280
Kenyatta University	23	4	38	20	142	96	527	265	142	123	0	0	872	508	1380
Kibabii University	7	0	10	1	18	8	82	32	108	40	0	0	225	81	306
Kirinyaga University			2		1		10	8	50	31	9	7	72	46	118
Kisii University	4	0	8	0	62	31	124	56	87	48	7	6	292	141	433
Laikipia University	1	0	8	3	12	1	130	67	13	8	3	2	167	81	248
Maasai Mara University	3	0	11	2	28	8	61	8	126	63	18	6	247	87	334
Machakos University	5	2	5		15	1	55	13	72	44	9	7	161	67	228
Maseno University	23	1	28	7	31	9	121	67	81	37	0	0	284	121	405
Masinde Muliro University of Science and Technology	19	3	21	3	69	33	257	117	138	90	40	20	544	266	810
Meru University of Science and Technology	3		6		24	7	11	6	221	81	6	3	271	97	368
Moi University	48	8	50	16	284	56	224	109	45	41	118	81	769	311	1080
Multimedia University of Kenya	3		11		13	8	120	59	150	59	35	14	332	140	472
Muranga University of Technology	1	1	4	1	4	1	12	2	21	11	3	0	45	16	61
Pwani University	10	2	11	4	14	4	48	28	58	19	8	3	149	60	209
Rongo University	7	2	13	0	7	2	169	58	17	11	0	0	213	73	286
South Eastern Kenya University	5	0	7	1	16	4	67	17	107	64	4	10	206	96	302
Taita Taveta University	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Technical University of Kenya	29	6	36	4	78	34	199	154	511	291	99	42	952	531	1483
The Cooperative University of Kenya	1	0	6	0	4	2	7	4	25	4	6	2	49	12	61
University of Eldoret	20	2	32	7	34	25	295	212	64	28	32	22	477	296	773
University of Embu	2	1	2	1	6	1	73	36	112	43	3	3	198	85	283
University of Kabianga	6	1	10	0	21	2	109	59	125	79	0	0	271	141	412
University of Nairobi	138	30	201	48	295	116	501	299	152	123	16	16	1303	632	1935
Grand Total	411	71	623	147	1331	499	3919	1960	3351	1701	568	311	1020	4689	14892

Source: CUE (2019)

Appendix IV: Research Authorization



KENYATTA UNIVERSITY
GRADUATE SCHOOL

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P.O. Box 43844, 00100
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Our Ref: D86/CTY/38301/17

Date: 31st August, 2021

The Director General,
National Commission for Science, Technology & Innovation,
P.O. Box 30623-00100,
NAIROBI

Dear Sir/Madam,

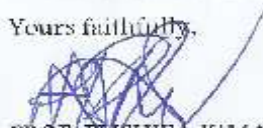
RE: RESEARCH AUTHORIZATION FOR MS. RUTH A. ODENGO - REG. NO. D86/CTY/38301/17

I write to introduce Ms. Odengo who is a Postgraduate Student of this University. She is registered for a Ph.D. degree programme in the Department of Business Administration in the School of Business.

Ms. Odengo intends to conduct research for Ph.D. thesis entitled, "Psychological Contact and Performance of Academic Staff at Selected Public Universities in Kenya".




Any assistance given will be highly appreciated.

Yours faithfully,


PROF. ETISHIBA KIMANI
DEAN, GRADUATE SCHOOL

RM/cao

Appendix V: Research Permit

 REPUBLIC OF KENYA	 NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY & INNOVATION
Ref No: 274001	Date of Issue: 01/October/2021
RESEARCH LICENSE	
	
<p>This is to Certify that Ms. RUTH Anyango ODENGO of Kenyatta University, has been licensed to conduct research in Kiambu, Kisumu, Nairobi, Nakuru, Uasin-Gishu on the topic: PSYCHOLOGICAL CONTRACT AND PERFORMANCE OF ACADEMIC STAFF AT SELECTED PUBLIC UNIVERSITIES IN KENYA for the period ending : 01/October/2022.</p>	
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