

Do promises matter to employees? Not as much as we once thought

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Years of research suggest that the promises organizations make to employees matter in establishing and maintaining a "psychological contract" between the two parties. However, new research by Samantha Montes and co-author David Zweig, professors at the University of Toronto's Rotman School of Management and the University of Toronto Scarborough, suggests that what an organization promises to employees (e.g., training opportunities, benefits, compensation) don't matter nearly as much as what the organization actually delivers.

In a study to be published in the <u>Journal of Applied Psychology</u>, the authors found that the influence of promises has little effect on employee's emotional reactions toward the organization, their intentions to stay with the organization, and intentions to engage in citizenship behaviors. People care more about what they receive from their organization, not what they were promised. Contrary to much of the research in this area, employees still feel like the psychological contract has been "broken" even in the absence of any promises made and when they don't get what they think they should from their organization.

Basically, it's 'show me the money', give me developmental opportunities, and provide me with support" says Samantha Montes. "What this means is that organizations should focus more on delivering valuable benefits and opportunities to employees rather than investing time, effort, and resources into making promises that these benefits will be delivered."



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Source: University of Toronto, Rotman School of Management

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