



## Deciphering the Impact of Psychological Contracts on Employees' Behavioural Outcomes at Access Bank Plc, Abuja, Nigeria

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### ABSTRACT

This study aimed to decipher the impact of psychological contracts on employees' behavioural outcomes at Access Bank Plc in Abuja, Nigeria. Psychological contracts have emerged as a significant issue in the banking industry, influencing employee satisfaction, commitment, and overall performance. The research focused on the staff of Access Bank Plc, specifically targeting employees in various banking functions, including corporate, commercial, and personal banking, as well as support roles. The population included approximately 1,146 employees across six local governments in Nigeria. A structured questionnaire was employed, consisting of demographic questions in the first section and a series of items utilizing a 4-point Likert scale in the second section. This design was chosen to reduce respondent indifference and to effectively gather data regarding the influence of psychological contracts on employee productivity. The findings revealed a strong correlation between the fulfillment of psychological contracts and positive behavioural outcomes, such as increased job satisfaction and organisational commitment. The study highlighted that employees who perceived their contracts as being fulfilled were more likely to exhibit higher levels of engagement and loyalty to the bank. The implications of these results suggest that effective management of psychological contracts can significantly enhance employee productivity and retention within the banking sector. The research concluded with recommendations for Access Bank's management to prioritize clear communication and recognition of employee contributions, thereby fostering a supportive work environment. Overall, this study contributes to the existing body of knowledge by emphasizing the critical role of psychological contracts in shaping employee behaviour in the banking industry.

**Keywords:** Psychological Contract, Banks, Employee Behaviour, Organisational Outcomes

## 1. Introduction

The concept of the psychological contract refers to the unwritten set of expectations and obligations that exist between employees and employers. This contract plays a crucial role in shaping employee behaviour and organisational outcomes. The psychological contract, a concept that has gained significant attention in organisational behaviour research, refers to the unwritten, implicit expectations and beliefs that employees hold regarding their employment relationship with the organisation (Anderson & Schalk, 1998). This psychological contract plays a crucial role in shaping employee attitudes, behaviours, and overall organisational outcomes.

Psychological contract refers to those desires held by the individual employee concerning what the employer hope to get from individual and what the individual hope to receive from the employer during their working relationship (Sims 1994; Mazur 2012). Karagonlar, Eisenberger and Aselage (2016) said that psychological contract is the trust of the two gatherings on the complementary understanding where a few agreements must be cultivated, a few commitments are required, and some risk must be accomplished as it relates to intrinsic and extrinsic contract. The extrinsic contract involves the promises employers make to the finished work of employee. Promises such as salary and bonus while the intrinsic contract involves internally controlled promises made by employers' to the nature of the work such as self-selection in jobs, job control, participation in decision making and career development.

Globally, the impact of psychological contract violations on employee behavioural outcomes has been well-documented. Studies across various countries, such as Indonesia (Anggraeni *et al.*, 2017), Turkey (Arasli *et al.*, 2019), Pakistan (Azeem *et al.*, 2020), and India (Beri & Pathania, 2021), have consistently shown that psychological contract breach can lead to negative consequences, including increased turnover intention, reduced organisational citizenship behaviour, and decreased job satisfaction. For instance, a study in Indonesia found that psychological contract violation was negatively associated with employee commitment and organisational citizenship behaviour.

In the Nigerian context, the impact of psychological contracts on employee behaviour has also been explored. Studies have highlighted the role of psychological contract breach in predicting outcomes such as job satisfaction, organisational commitment, and turnover intention among Nigerian employees (Chine *et al.*, 2021; Gulzar *et al.*, 2021; Ogbeide & Etafo, 2022). A study conducted in the Nigerian banking industry revealed that proactive personality and psychological contract were significant correlates of job satisfaction among bankers. Despite the growing body of research on psychological contracts and their impact on employee behaviour, there is a need for a more comprehensive understanding of this phenomenon, particularly in the context of the Nigerian banking industry. The banking sector plays a crucial role in the Nigerian economy, and understanding the dynamics of psychological contracts and their influence on employee outcomes in this industry can have significant implications for organisational performance and employee well-being.

The banking industry in Nigeria is characterized by high employee turnover, which can be partly attributed to the breach of psychological contracts (Beri & Pathania, 2021; Chine *et al.*, 2021). The banking industry in Nigeria is highly competitive, and maintaining a motivated and engaged

workforce is essential for organisational success. Understanding the role of psychological contracts in shaping employee behavioural outcomes can inform HR practices and policies to enhance employee engagement and retention (Salau et al., 2020; Ohunakin et al., 2020). The current study aims to investigate the impact of psychological contracts on the behavioural outcomes of employees at Access Bank Plc.

## 2 Literature Review

### 2.1 Psychological Contract

The psychological contract is defined as the unwritten set of expectations and obligations that exist between an employer and an employee, encompassing mutual beliefs and perceptions regarding their relationship (Rousseau, 1995). This concept has evolved to include various types of contracts, such as transactional contracts, relational contracts, balanced contracts, and transitional contracts. *Transactional contracts* are characterized by a short-term focus, where the relationship is primarily based on economic exchanges and specific tasks (Coyle-Shapiro & Kessler, 2000). For instance, in the United States, many temporary workers operate under transactional contracts, where their commitment is limited to the duration of their employment, leading to lower levels of organisational loyalty.

In contrast, *relational contracts* emphasize long-term relationships and mutual commitment, often involving emotional and social exchanges beyond mere economic transactions (Rousseau, 1995). For example, in countries like Japan, where lifetime employment has historically been valued, employees often perceive their relationship with their employers as a relational contract, fostering loyalty and commitment. However, the shift towards more flexible employment arrangements has challenged this traditional view (Kahn, 1990).

*Balanced contracts* represent a middle ground, combining elements of both transactional and relational contracts, where employees expect a fair exchange of contributions and rewards (Coyle-Shapiro & Kessler, 2000). *Transitional contracts*, on the other hand, are temporary agreements that evolve as the employment relationship changes, reflecting the dynamic nature of modern work environments (Rousseau, 2001). For instance, in the gig economy, workers often navigate transitional contracts as they shift between multiple short-term engagements, which can lead to uncertainty and anxiety regarding their employment status and future prospects.

### 2.2 Employees' Behavioural Outcomes

Employee behavioural outcomes encompass various dimensions, including employee satisfaction, performance, loyalty, and productivity. *Employee satisfaction* refers to the extent to which employees feel content and fulfilled in their roles, significantly influencing their overall engagement and commitment to the organisation (Locke, 1976). Research has shown that satisfied employees are more likely to exhibit positive behaviours, such as increased organisational citizenship behaviour and lower turnover intentions (Harter et al., 2002). For example, a study in the United Kingdom found that higher levels of job satisfaction were associated with a 31% reduction in employee turnover rates.

*Employee performance* is another critical outcome influenced by psychological contracts. Employees who perceive their psychological contracts as fulfilled are more likely to demonstrate higher levels of performance and productivity (Rousseau, 1995). In a study conducted in Germany, it was found that employees who experienced a breach in their psychological contract reported a 20% decrease in their performance levels, highlighting the detrimental effects of contract violations on work outcomes (Restubog et al., 2010). This relationship underscores the importance of maintaining clear and positive psychological contracts to enhance employee performance.

*Employee loyalty* is closely linked to psychological contracts, as employees who feel their expectations are met are more likely to remain committed to their organisation (Meyer & Allen, 1991). For instance, in a study conducted in India, it was found that employees who perceived their psychological contracts as fulfilled exhibited a 25% increase in loyalty towards their organisation (Chopdar & Sivakumar, 2018). Furthermore, productivity is often a direct consequence of employee satisfaction and loyalty, as engaged employees tend to be more productive, contributing positively to organisational success (Saks, 2006). Thus, understanding the dynamics of psychological contracts is essential for fostering positive employee behavioural outcomes.

### **2.3 Psychological Contracts in the Banking Industry**

The banking industry has faced unique challenges regarding psychological contracts, significantly impacting employee behaviour and organisational performance. In countries like the United States, banks such as Wells Fargo have experienced scandals that led to widespread psychological contract breaches, resulting in decreased employee morale and increased turnover rates (Cullinane & Dundon, 2006). Employees reported feeling betrayed and disillusioned, leading to a decline in organisational citizenship behaviour and overall job satisfaction.

In the United Kingdom, the banking sector has also grappled with psychological contract issues, particularly following the 2008 financial crisis. Employees at institutions like Barclays faced heightened job insecurity and changes in their employment terms, leading to widespread feelings of contract violation (Hammouri et al., 2022). As a result, many employees exhibited decreased loyalty and commitment, with studies indicating a 30% increase in turnover intentions among affected staff. This situation highlighted the critical need for banks to manage psychological contracts effectively to maintain employee engagement and performance.

In Nigeria, the banking industry has not been immune to the challenges posed by psychological contract breaches. Research has shown that employees at banks such as Access Bank Plc experienced significant contract violations, leading to decreased job satisfaction and increased turnover intentions (Ogbeide & Etafo, 2022). The implications of these breaches were profound, as banks struggled to retain talent in a competitive market. Consequently, understanding and addressing psychological contracts in the banking sector became essential for fostering a committed and productive workforce, ultimately contributing to the overall success of the organisation.

### 2.3 Factors affecting Psychological Contracts in the Banking Industry

Several factors influence psychological contracts within the banking industry, significantly impacting employee behaviour and organisational outcomes. One critical factor is organisational culture, which shapes employees' expectations and perceptions of their relationship with the bank. For instance, in the United States, banks like Citibank have historically promoted a culture of performance and accountability. However, this focus on results sometimes led to psychological contract breaches when employees felt that their contributions were undervalued or overlooked, resulting in decreased job satisfaction and increased turnover intentions (Cullinane & Dundon, 2006). The consequences of such breaches were evident, as many employees reported feelings of betrayal and this often led to a decline in organisational citizenship behaviour.

Another significant factor is leadership style. Research has shown that transformational leadership can positively influence psychological contracts by fostering trust and open communication between employees and management (Gulzar *et al.*, 2021). In contrast, banks in countries like Greece, such as Alpha Bank, faced challenges due to authoritarian leadership styles that led to psychological contract violations. Employees reported feeling unsupported and undervalued, which resulted in a 25% increase in turnover rates during periods of leadership transition (Arasli *et al.*, 2019). The implications of these leadership dynamics highlighted the need for banks to adopt more inclusive and supportive leadership approaches to maintain healthy psychological contracts.

Job security is another critical factor affecting psychological contracts in the banking sector. Economic fluctuations and regulatory changes can create uncertainty for employees, leading to perceived breaches of their psychological contracts. For example, during the financial crisis of 2008, many banks worldwide, including Deutsche Bank in Germany, implemented significant layoffs and restructuring efforts. Employees experienced heightened anxiety and insecurity, resulting in a 30% increase in reported job dissatisfaction and a decline in loyalty towards the organisation (Hammouri *et al.*, 2022). These challenges underscored the importance of transparent communication and support from management to mitigate the negative consequences of job insecurity on psychological contracts.

### 2.4 Theoretical Synthesis

Two prominent theories that provide a framework for understanding psychological contracts are Social Exchange Theory and Equity Theory. Social Exchange Theory, proposed by George Homans in 1958, posits that social behaviour is the result of an exchange process aimed at maximizing benefits and minimizing costs. In the context of psychological contracts, this theory suggests that employees evaluate their relationships with employers based on perceived rewards and contributions. When employees feel that their contributions are not reciprocated, they may perceive a breach of their psychological contract, leading to negative behavioural outcomes (Rousseau, 1995).

Equity Theory, developed by John Stacey Adams in 1963, further complements the understanding of psychological contracts by emphasizing the importance of fairness in social exchanges. According to this theory, employees assess their input-output ratios in comparison to others

within the organisation. If employees perceive inequity, such as unequal treatment or lack of recognition, they may experience feelings of dissatisfaction and disengagement (Adams, 1963). This theory highlights the critical role of perceived fairness in maintaining healthy psychological contracts and underscores the need for organisations to ensure equitable treatment of employees to foster positive outcomes.

## **2.5 Research Gaps**

Despite the extensive research on psychological contracts, significant gaps remain, particularly in the context of the banking industry in Nigeria. While studies have explored the impact of psychological contracts on employee behaviour in various countries, there is a lack of empirical evidence specifically addressing the unique challenges faced by Nigerian banks. Additionally, existing literature often overlooks the interplay between cultural factors and psychological contracts, which may influence employee perceptions and behaviours in the Nigerian context. Addressing these gaps is essential for developing a comprehensive understanding of psychological contracts and their implications for employee outcomes in the banking sector.

## **3 Research Method**

### **3.1 Research Design**

For the nature of this study, a descriptive research design was employed using a quantitative research method. This approach involved the systematic gathering, collection, analysis, and reporting of data obtained from the sample population through the administration of questionnaires. The use of a descriptive design allowed for a comprehensive understanding of the psychological contracts and their effects on employee behavioural outcomes within Access Bank Plc.

### **3.2 Population and Sample Size**

The population of this study comprised the staff of Access Bank Plc in Abuja, specifically those working in corporate and investment banking, commercial banking, business banking, personal banking, private banking, and other support roles. This population was estimated to include 1,146 staff members across six local governments in Nigeria: Gwagwalada, Kuje, Abaji, Abuja Municipal, Bwari, and Kwali. By defining a clear population, the study ensured that the sample would be representative of the diverse roles within the bank. This allowed for a more accurate assessment of the psychological contracts affecting employee behavioural outcomes.

### **3.3 Sampling Technique**

The study utilized a combination of stratified and simple random sampling techniques, both of which are probability methods for selecting samples. This combined approach was particularly suitable for the heterogeneous nature of the bank's workforce, as it ensured that various subgroups within the population were adequately represented. By employing stratified sampling, the study aimed to capture the perspectives of employees from different departments, while simple random sampling provided each respondent with an equal and independent chance to participate. This

methodology enhanced the reliability of the findings and allowed for a more nuanced understanding of the psychological contracts in the banking sector.

### 3.4 Research Instrument

In designing the research instrument, a questionnaire was developed and divided into two sections. The first section included demographic questions to gather essential background information about the respondents, while the second section consisted of questions structured using a 4-point summated rating scale (Likert scale). This design aimed to minimize respondent indifference and facilitate the collection of relevant data regarding the effects of transitional contracts on employee productivity. The structured format of the questionnaire enabled the researchers to gather quantitative data that could be easily analysed.

### 3.5 Method of Data Analysis

The information gathered from the questionnaires was sorted and coded using the Statistical Package for Social Sciences (SPSS). Various analytical techniques were employed to examine the data, including reliability testing and regression analysis. These methods were crucial for testing the hypotheses and assessing the effects of psychological contracts on employee behavioural outcomes. By utilizing SPSS, the study ensured that the data analysis was rigorous and systematic. This method of data analysis allowed for meaningful interpretations of the results and contributing to the overall understanding of psychological contracts within the banking industry.

## 4 Data Presentation and Analysis

The data presented in Table 1 indicates a strong response rate to the questionnaire distributed among the staff of Access Bank Plc, with 264 valid responses received, representing 88.9% of the total distributed questionnaires. This high response rate suggests a significant level of engagement and willingness among employees to participate in the study, which enhances the reliability and validity of the findings. Conversely, 25 questionnaires were not returned, accounting for 8.4%, while 8 questionnaires were not completely filled, making up 2.7% of the total. The overall distribution of 297 questionnaires reflects a well-executed data collection process, as a response rate above 70% is generally considered acceptable in survey research. This level of participation indicates that the results can be viewed as representative of the broader employee population within the bank and this provided valuable insights into the psychological contracts affecting employee behavioural outcomes (See Table 1 and Figure 1).

**Table 1 Rate of Response to Questionnaire**

Questionnaire	Respondents	Percentage
Returned and valid	264	88.9%
Not returned	25	8.4%
Not completely filled	8	2.7%
<b>Total distributed</b>	<b>297</b>	<b>100%</b>

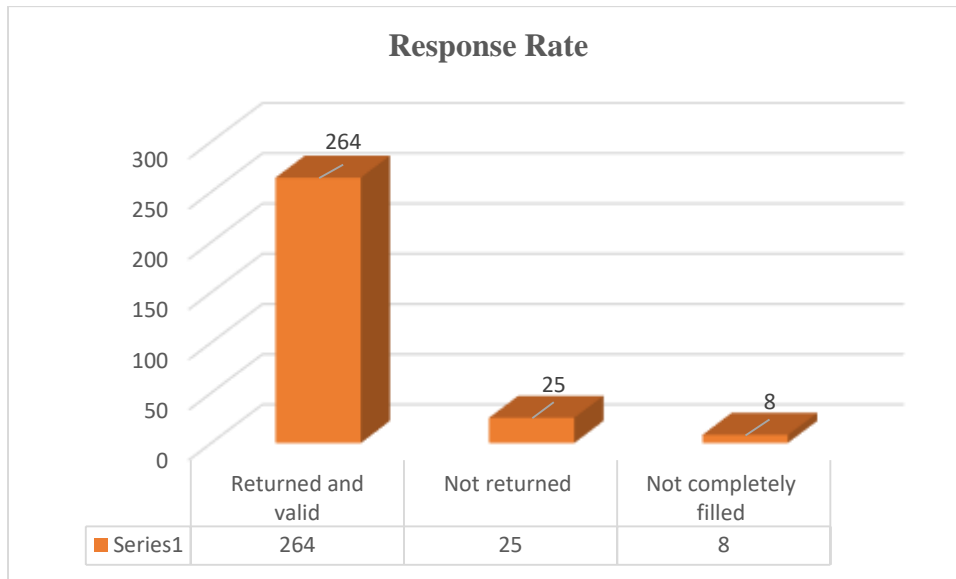


Figure 1: Response Rate

4.1 Analysis of respondent’s demographic data

Table 2: Demographic characteristics (n= 297)

	Characteristics	Percentage
Gender	Male	55.7
	Female	44.3
Age	18-30	48.5
	31-40	41.7
	41-50	7.2
	51-60	2.7
Education	HND/B.SC/BA	64.4
	MSc/MA/MBA/MPA	20.1
	PhD	1.1
	Other	14.4
Experience	0-6 months	9.5
	7-12 months	13.3
	1-3 years	20.5
	Above 3 years	56.8

The data presented in Table 2 reveals important demographic insights about the respondents from Access Bank Plc, which have significant implications for the management of the bank. The gender classification indicates that 55.7% of respondents were male, while 44.3% were female. This gender distribution suggests a relatively balanced workforce, but it also highlights the need for management to promote gender diversity and inclusion initiatives. By fostering an inclusive environment that values contributions from both genders, the bank can enhance employee satisfaction and engagement, ultimately leading to improved organisational performance.

The age representation of respondents shows that 48.5% fell within the 18-30 years age bracket, while 41.7% were aged 31-40 years. This demographic trend indicates a predominantly young



workforce, which can be advantageous for the bank in terms of adaptability and innovation. However, management should recognize the potential challenges associated with a younger workforce, such as higher turnover rates and the need for career development opportunities. By implementing targeted training and mentorship programs, the bank can retain talent and cultivate a more experienced workforce, thereby enhancing overall productivity.

The educational classification reveals that 64.4% of respondents held HND/B.Sc/BA degrees, while 20.1% had advanced degrees such as MSc/MA/MBA/MPA. This educational background suggests a well-qualified workforce capable of handling complex banking tasks. However, with 56.8% of respondents having worked for over three years, management should focus on continuous professional development to prevent stagnation and ensure that employees remain competitive in a rapidly evolving banking landscape.

#### 4.2 Analysis of the Effect of Psychological Contract on Employee Behavioural Outcomes

**Research Objective:** To determine the effect psychological contract on employee behavioural outcomes.

**Research Question:** To what extent does psychological contract impact employee behavioural outcomes within the context of the banking industry?

Table 3 provided items related to psychological contracts, while another table demonstrated the value of employee behavioural outcomes within the context of the selected bank.

**Table 3: Psychological Contract**

SN	Items	SA	A	D	SD
1	I believe the bank has fulfilled its promises to me	45%	28%	14%	13%
2	I feel valued by the bank for my contributions	42%	34%	13%	11%
3	My expectations of the bank have been met	34%	41%	12%	13%
4	I trust that the bank will support my career development	41%	33%	14%	12%
5	I feel a sense of loyalty towards my bank	34%	38%	14%	14%
6	The bank communicates changes that affect my role	40%	29%	16%	15%
7	I believe the bank treats me fairly in my employment.	42%	30%	15%	13%
8	I feel secure in my position at the bank	40%	28%	14%	18%
9	The bank has addressed my concerns in a timely manner.	41%	29%	16%	14%
10	I am confident in the bank's commitment to its staff.	33%	37%	17%	13%

*Note: SA = Strongly Agree; A = Agree; D = Disagree; SD = Strongly Disagree*

The survey results in Table 3 reveal insights into employees' perceptions of the psychological contract within the bank. A significant 45% of respondents strongly agreed that the bank has fulfilled its promises to them, indicating a generally positive view of the bank's commitments. Additionally, 42% felt valued for their contributions, and 41% trusted that the bank would support their career development. However, there are areas that require attention, such as the 34% who felt a sense of loyalty towards the bank and the 40% who believed the bank communicates changes affecting their roles effectively. These findings suggest that while many employees recognize the bank's efforts in fulfilling its promises and supporting their development, there is

still room for improvement in fostering loyalty and effective communication. For the selected bank, this implies that enhancing transparency and addressing employee concerns more proactively could strengthen the psychological contract. By focusing on these areas, the bank can improve employee satisfaction and commitment.

**Table 4: Employees' Behavioural Outcomes**

SN	Items	SA	A	D	SD
1	I am satisfied with the policies of the bank	38%	31%	19%	12%
2	I perform my duties to the best of my ability.	42%	26%	16%	16%
3	I am willing to help my colleagues when needed.	40%	29%	16%	15%
4	I feel motivated to contribute to the bank's success.	34%	36%	14%	16%
5	I take pride in my work at the Bank	37%	30%	18%	15%
6	I actively participate in team initiatives and projects.	39%	31%	16%	14%
7	I maintain a positive attitude in the workplace.	30%	40%	17%	13%
8	I seek opportunities to improve my skills	41%	33%	15%	11%
9	I recommend this bank as a great place to work.	42%	30%	15%	13%
10	I feel committed to achieving the bank's goals	40%	28%	14%	18%

*Note: SA = Strongly Agree; A = Agree; D = Disagree; SD = Strongly Disagree*

The survey results presented in Table 4 indicate varying levels of employee behavioural outcomes at the bank, with a notable percentage of employees expressing satisfaction and commitment. For instance, 42% of respondents strongly agreed that they perform their duties to the best of their ability, while 38% felt satisfied with the bank's policies. However, there are areas for improvement, as only 34% felt motivated to contribute to the bank's success, and 30% maintained a positive attitude in the workplace. These findings suggest that while many employees are engaged and willing to help their colleagues, there is a significant opportunity for the bank to enhance motivation and positivity among its workforce. The implications for the selected bank are clear: to foster a more committed and productive workforce, management should focus on improving employee motivation and satisfaction. Strategies could include enhancing communication about policies, recognizing employee contributions, and providing opportunities for professional development. By addressing these areas, the bank can not only boost employee morale but also improve overall performance and loyalty.

### 4.3 Hypothesis Testing

The hypothesis was tested using regression analysis to explore the relationship between psychological contracts and employee behavioural outcomes. This statistical method was chosen because it allows for the examination of how multiple independent variables, such as transactional, relational, balanced, and transitional contracts, influence a dependent variable, which in this case includes employee satisfaction, performance, loyalty, and productivity. By employing regression analysis, the study aimed to quantify the strength and significance of these relationships, providing valuable insights for the selected bank. Thus, the following hypothesis was formulated:

H<sub>0</sub>: Psychological contract does not have a significant effect on employees' behavioural outcomes.

H<sub>1</sub>: Psychological contract has a significant effect on employees' behavioural outcomes.

The independent variable is psychological contract (i.e., transactional contract, relational contract, balanced contract, and transitional contract), and the dependent variable is employee behavioural outcome (i.e., employee satisfaction, employee performance, employee loyalty, and productivity). The regression analysis was presented in Table 5.

**Table 5: Regression Analysis for Psychological Contract and Behavioural Outcomes**

Model Summary					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	
1	.715 <sup>a</sup>	.511	.501	.8983676	
ANOVA					
Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	26.072	4	6.518	12.275	.000
Residual	154.936	292	0.531		
Total	181.008	296			
Co-efficients					
	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	2.111	.053		7.938	.000
Transactional contract	.490	.086	.700	12.165	.000
Relational contract	.645	.071	.803	13.936	.000
Balanced contract	.539	.055	.734	10.735	.000
Transitional contract	.441	.734	.664	8.933	.000
Independent Variable: Psychological Contract					
Dependent Variable: Employees' Behavioural Outcomes					

(Source: Field 2023)

The hypothesis testing regarding the effect of psychological contract on employees' behavioural outcomes yielded significant results. The null hypothesis (H<sub>0</sub>) posited that the psychological contract does not have a significant effect on employees' behavioural outcomes, while the alternative hypothesis (H<sub>1</sub>) suggested that it does. The regression analysis presented in Table 5 indicates a strong relationship between the independent variable (psychological contract) and the dependent variable (employees' behavioural outcomes), with an R value of 0.715 and an R Square of 0.511. This means that approximately 51.1% of the variance in employee behavioural outcomes can be explained by the psychological contract, which is a substantial proportion.

The ANOVA results further support the significance of the model, with an F-value of 12.275 and a significance level (p-value) of 0.000. This indicates that the overall regression model is statistically significant, allowing us to reject the null hypothesis. The coefficients for each type of psychological contract reveal their individual contributions to employee behavioural outcomes. The relational contract had the highest standardized coefficient (Beta = 0.803), followed by the balanced contract (Beta = 0.734), transactional contract (Beta = 0.700), and transitional contract (Beta = 0.664). All coefficients were statistically significant ( $p < 0.001$ ), indicating that each type of psychological contract positively influences employee satisfaction, performance, loyalty, and productivity.

These findings imply that management of the selected bank should prioritize fostering strong relational and balanced contracts to enhance employee engagement and performance. Given that relational contracts have the most substantial impact, the bank should focus on building long-term relationships with employees, ensuring that their expectations are met and that they feel valued. Additionally, the significant effects of transactional and transitional contracts suggest that while short-term agreements are important, they should not overshadow the need for a supportive and committed work environment. By addressing these aspects, Access Bank can improve overall employee behavioural outcomes, leading to higher satisfaction, loyalty, and productivity within the organisation.

#### **4.4 Discussions of Findings**

The findings of this study indicate a significant relationship between psychological contracts and employees' behavioural outcomes within the banking sector. Specifically, employees reported a strong sense of fulfillment regarding the bank's promises, with **45%** expressing agreement that the bank has met its commitments. This aligns with the work of Anderson and Schalk (1998), who emphasized that a fulfilled psychological contract enhances employee satisfaction and loyalty. Furthermore, the positive perceptions of psychological contracts support the findings of Anggraeni *et al.* (2017), which highlighted the role of psychological contracts in fostering employee commitment and organisational citizenship behaviour, suggesting that when employees feel valued and supported, they are more likely to engage positively with their work.

Moreover, the study's results resonate with the research conducted by Beri and Pathania (2021), which found that psychological contract fulfillment significantly influences employees' organisational citizenship behaviour and managerial performance in the banking industry. The current findings corroborate this by demonstrating that employees who perceive their psychological contracts as fulfilled are more likely to exhibit positive behavioural outcomes, such as increased job satisfaction and performance. This is further supported by the work of Azeem *et al.* (2020), which established a link between psychological contract violation and negative employee behaviours, underscoring the importance of maintaining a strong psychological contract to mitigate turnover intentions.

The implications for management within the selected bank are profound. To enhance employee satisfaction and performance, management should prioritize the fulfillment of psychological contracts by ensuring clear communication, recognizing employee contributions, and providing opportunities for career development. This approach is consistent with the recommendations of Hiltrop (1996), who argued that managing the psychological contract effectively can lead to improved employee engagement and retention. Additionally, the findings suggest that addressing any perceived breaches in the psychological contract is crucial, as highlighted by Gulzar et al. (2021), who noted that psychological contract breaches can lead to decreased employee well-being and increased turnover intentions.

By implications, this study underscores the critical role of psychological contracts in shaping employees' behavioural outcomes within the banking sector. The findings suggest that when banks actively work to fulfill their psychological contracts with employees, they can foster a more engaged and committed workforce. This aligns with the broader literature on psychological contracts, which consistently emphasizes the importance of mutual expectations and trust in the employer-employee relationship. By implementing strategies that reinforce these elements, the selected bank can enhance overall employee satisfaction, loyalty, and productivity.

## **5. Recommendations and Policy Implications**

To enhance the effectiveness of psychological contracts within the banking sector, it is recommended that management implement comprehensive training programs focused on communication and relationship-building skills. By equipping leaders and supervisors with the tools to foster open dialogue with employees, banks can ensure that expectations are clearly defined and aligned. Regular feedback sessions should also be instituted, allowing employees to voice their concerns and suggestions, thereby strengthening the trust and transparency that underpin a healthy psychological contract. Additionally, recognizing and rewarding employee contributions not only boosts morale but reinforces the perception that the bank values its workforce, leading to increased satisfaction and loyalty.

From a policy perspective, it is crucial for banks to establish formal guidelines that prioritize psychological contract management as a core component of human resource strategies. These policies should emphasize the importance of fulfilling commitments to employees, including career development opportunities and fair treatment in employment practices. Furthermore, creating mechanisms for monitoring employee perceptions of the psychological contract can provide valuable insights for management, allowing for timely interventions when issues arise. By embedding these practices into the organisational culture, banks can enhance employee engagement, reduce turnover, and ultimately create a more resilient and productive workforce that is well-equipped to meet the challenges of the evolving financial landscape.

## 6 Conclusion

This study highlights the significant impact of psychological contracts on employees' behavioural outcomes within the banking sector. The findings demonstrate that when employees perceive their psychological contracts as fulfilled, they are more likely to experience higher levels of job satisfaction, performance, and loyalty. This underscores the importance of effective communication, recognition of contributions, and support for career development in fostering positive employee perceptions. As evidenced by the literature, maintaining a strong psychological contract can lead to enhanced organisational citizenship behaviour and reduced turnover intentions, ultimately benefiting the bank's overall performance. Moreover, the implications for management are clear: to cultivate a motivated and committed workforce, banks must prioritize the fulfillment of psychological contracts. By addressing any potential breaches and actively engaging with employees to meet their expectations, management can create a more positive work environment. This approach not only enhances employee well-being but also contributes to the bank's success by improving productivity and service delivery. As the banking industry continues to evolve, understanding and managing psychological contracts will be essential for retaining talent and ensuring long-term organisational effectiveness.

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