

Chapter 2

Psychological Contracts in the Age of Social Networks

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Abstract Psychological contracts are unwritten agreements that mutually shape the employment relationship between the employer and the employee. This chapter presents a basic overview of the anticipations and beliefs of today's workforce in contemporary work settings. Since social relations have become a crucial part of the work life, the two main pillars of the social network theory—actors and interactions—are taken as the theoretical basis in explaining how individual employees interact and how such interactions may shape their beliefs and perceptions about their jobs.

2.1 The Age of Social Networks and Social Actors

We are living in the Information Age—and as suggested in the writings of John Archibald Wheeler, the renowned theoretical physicist, 'information is fundamental to the physics of the universe' (p. 302 in [1], see also [2]). Information exchange has always been essential for the survival of systems created by human beings. Countries, economies, institutions, governments and all other social systems need to find, collect, process and disseminate information in order to survive in their environments. Business organizations are no exception. Information on the needs and requirements is collected, strategies are developed and implemented, commercials are released, financial ratios are calculated, and these and many other processes are fulfilled by individuals employed in business organizations. Therefore, information has always been essential to an organization's survival.

However, the Information Age is highly characterized by the use of *real-time* data—data that are collected and used immediately after collection. Countless

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parameters constantly change and effect organizations. Thus, organizations do not need ordinary doers but individual *actors* who rapidly collect data and disseminate ‘correct’ (realistic) information, and the existence of strong and efficient *links* between these actors is vital. In contrary to the conformist, conventionalist and brick-in-the-wall type of doers of the traditional organizations, actors—as their name implies—are interpreters, messengers and advocates of constant change. For this reason, actors are and tend to remain *unique*, each with a variety of skills and experiences, which differentiate him or her from others. On this account, such concepts as *creativity*, *design* and *innovation* became even more familiar, thanks to recent studies in the field of management, and taking this new conception of the human being today, some authors prefer to call the Information Age by other names—the ‘Digital Age’ to impose the importance of the shift from mechanical and electronic technology to digital technology and such outcomes of this shift as virtual communication and collective intelligence (e.g. [3]), the ‘New Media Age’ to stress the ultimate impact of accessing necessary data and information anywhere and any time (e.g. [4]), or perhaps even more interestingly, the ‘Conceptual Age’ (as a successor of the Information Age) to praise right-brain thinkers who are highly skilled in creative thinking, design and empathy and to identify them as the new workforce needed in the new century [5].

Consistent with the circumstances of the Information Age, or whatever we call it, social networking Websites have also become extremely popular. In fact, the conception of *social networking* is not new, and it should not be confined to a framework of connections through Websites or a configuration of digital communication devices. As Roberts and Roach predicate, ‘going to a social function such as a cocktail party, conference, or business luncheon’ meant social networking in the past, and in our day, such Websites as Facebook, LinkedIn or Twitter serve as efficient platforms for people to meet friends, find new connections and make themselves known for new opportunities [6]. With the aim of building online communities where individuals can share activities, ideas, works and community news or news on particular topics of interests, these Websites nevertheless serve as platforms for individuals to enrich their social networks through abundant and compatible connections.

2.1.1 Social Networks: An Egocentric Approach

One of the basic notions that underlie the social network theory is that the interactions among individuals are crucial for their organizations. Primarily data and information as well as several other types of resources can easily be exchanged through informal networks. As Podolny and Baron suggest, informal networks may offer an excellent basis to exchange work-related resources like ‘task advice’ and ‘strategic information’ [7], and consequently, such resources are likely to have an impact on the job performance [8].

Actors and their relations in networks can be observed through the lens of *complex adaptive systems*. As stated by Holland, ‘many difficult problems centre on complex adaptive systems’ and ‘complex adaptive systems are systems that have a large number of components, called agents, that interact, and adapt’ [9].

This central definition emphasizes the agent role of components that make up the overall system, and agents in complex adaptive systems are akin to actors with their multiple roles in the social networks.

This chapter will primarily draw on employees as individuals who are interconnected within and across networks of organizations. Regarding the main idea behind our topic, we take an ‘egocentric approach’ [10] instead of analyzing factors related to the total network of an organization and its social structure. Therefore, we approach specifically to the *individual* employee in the context of a social actor, and we focus on how the individual’s beliefs and expectations can shape in accordance with his or her interactions with others.

2.1.2 Social Actors... and Their Proactive Behaviours

In the past, as now, people were eager to develop and extend their social networks in order to fulfil their need for belongingness, accomplish their targets and exchange information. A regular individual had the intention to be part of sets of relationships (work, family, private club, hobby groups, etc.) which were usually wide apart from each other and could hardly intersect. Such an intention seemed natural. Even organizational practices, which promoted employee participation in decision-making, generally had the lack of understanding the payoff between work involvement and family involvement, where the latter could interfere with the former. A generally accepted concern about ‘employee privacy’ was dominant—discussing on an employee’s personal life would mean the invasion of the employee’s privacy (which is certainly unethical). However, although such issues as long work hours, geographical relocation, frequency of business travels, high job pressure and many others were explicitly challenging the private lives of employees, organizations usually abstained from explicit discussions on family issues [11].

Today, we witness the predominance of social networks everywhere. Work life and private life can easily merge, and specifically in business settings, the needs and characteristics of the individual have changed. Uncertainty and ambiguity are the new keywords, and flexibility in time and workplace are the new work-life standards. However, for a knowledge worker with the mind of a social actor, these circumstances are not threatening—instead, they promise hidden opportunities. Therefore, these individuals tend to have influence as well as to shape things in their work settings, and their satisfaction depends on organizational practices and

management systems which confirm that their efforts are valuable. Changing behaviours of employees compelled scholars and human resource practitioners to find and implement new tools and techniques, particularly in the field of ‘job design’. In any case, the employment relationship must be seen as an exchange between the individual employed and the employer, which on the side of the former, perceptions and beliefs regarding the work is highly affected by social relationships.

Jobs—in the contemporary sense—seem to be embedded in social networks, and decisions related to work are affected by relationships among individuals [12]. Three reasons may be put forward as underlying factors to explain the impact of social networks on the work life of individuals:

1. Advancements in digital communication technologies and wide use of social media actualized efficient communication and rapid exchange of information.
2. Advancements in global logistics and transportation provided means for economic and rapid exchange of tangible resources and facilitated travelling.
3. Cultural and intellectual developments on a global scale gave rise to paradigm shifts in societies across the world.

In accordance with such developments, everybody holds the chance to establish and maintain an individualized social network. This ‘age of social networks’ portrays a complex set of relationships where contributions, expectations, rewards and obligations are discussed and set within the frame of multidimensional psychological contracts. While this equation is very complex, it also delivers significant signs regarding our understanding of today’s employees—or simply, *individuals*. Individuals engage in proactive behaviours (e.g. job crafting and idiosyncratic deals); ‘they engage in changing the task and relational boundaries of their work either cognitively or physically’—a process which is beyond the conventional job design efforts, whereas jobs are tailored by managers and assigned to employees [13, 14].

2.1.3 Individual as ‘an Actor’ of Production

Questioning, listening, learning, implementing and requestioning are the predominant behaviours of the new genre of workforce. Related to this point, almost a 100 years ago, Mary Parker Follett, the political writer who later reverted to a philosopher of management, said that the ‘true man’ was found solely through a group organization, whereas the group provided an environment for an individual to release his or her ‘potentialities’ (p. 6 in [15]). Her work on the ‘interrelatedness’ of individuals as well as systems actually presents us with various dimensions on understanding the whole systems for management. In maybe a

complaining manner, she made a point on writers and probably also on those who govern that they talked of the ‘social mind’ as if it were abstract and only the individual were concrete. However, in Follett’s view, they are both real and inseparable, and as a social person needs other social people, she continued as follows:

“... there is no way of separating individuals, they coalesce and coalesce, they are ‘confluent’... Our nineteenth-century legal theory (individual rights, contract, ‘a man can do what he likes with his own’, etc.) was based on the conception of separate individual. We can have ... no social or political progress until the fallacy of this idea is fully recognized. ... Individuality and society are evolving together... the relation between the individual and the society is not merely made up of action and reaction, but of ‘infinite reactions by which both individual and society are forever a-making...’ (pp. 60–61 in [21]).

A couple of years later, she wrote another book, which investigated the complexity of the human nature and the system dynamics even deeper. She interrogated the central problem of social relations, whereas she claimed that *power* was the problem; it needed not to understand where power meant to be located in a system, but *how* it were to be developed (p. 12 in [16]). Follett also pointed out the appreciable facet of ‘scientific management’ (or, ‘Taylorism’ as some authors call) which transferred the authority to knowledge and tended to depersonalize the *order*—the problem of what had to be done was analysed, the problem was clearly understood and parties involved in bringing out solution to this problem were aware of the conditions of the situation; hence, both managers and the workers were under order and obey the *law of the situation* (p. 59 in [17]). Understanding the conception of ‘power with’ (i.e. the optimum use of power per se in a group environment in order to achieve ‘the law of the situation’, or in other words, ‘the reality’) is significant for a thorough evaluation of work dynamics. Today’s individuals—in the sense of social actors—do not tend to fulfil orders without hesitation. Instead, they interrogate, criticize, evaluate and, above all, try their best to attribute meaning to the given tasks. As long as tasks reflect the real conditions of the things to be done, these individuals find space to use their creative skills and look for better ways to reach the target. On these grounds, the rise of a critical question is inevitable: Who are these actors?

An evaluation of an organization with a critical lens, whereas the priority is given to social relations, would *not* need the observation of individuals as ‘isolated’ actors—instead, their *positions* in the social network are crucial to understand, as relationships between individuals have great impact on how they perceive their jobs [12]. The isolated individual was the basic phenomenon of the Industrial Age. Frederick W. Taylor, founder of scientific management, and Henri Fayol, founder of the general management theory, were both engineers and rational thinkers. Taylor divided the work into simple tasks and assigned each task to the most possible appropriate individual—every single person in the workshop knew what to do, and the work in *total* was to be done efficiently. Fayol did the same for organizations; he divided it into several groups of activities (e.g. technical, commercial, accounting, etc.), formed departments and their subunits, defined the

process of management through sequential activities as forecasting, organizing, commanding, coordinating and controlling—every single person knew what to do, and the work—again in *total*—was to be done efficiently. However, either way, the task was repetitive, work was monotonous and employees were isolated [18].

Modern management theories which began to arise particularly after the World War II realized that not only human was a different factor but the system itself was also different. Gradually, the mechanistic perspective which assumed that managers hold the power in organizations and are responsible for the task as well as for motivating their employees shifted towards a dynamic paradigm. This paradigm shift, accompanied with the social, economic and cultural transformation, necessitated employees to be more proactive and open to experience in general. Consequent periods have evidenced the rise of organizations where learning and knowledge sharing were significant (e.g. [19]). Therefore, the successful performance of these companies was marked with the emergence of dynamic networks across business settings. This is basically where the discussions related on who an actor is begins. When a social network is taken as a complex adaptive system into consideration, the actors who are the nodes should be considered to have certain aspects.

2.1.4 Autonomy and Freedom to Collaborate

If autonomy marks the central characteristic of these individuals, then how can we define an *autonomous identity*? First of all, it should be noted that ‘being autonomous’ does not mean ‘being irresponsible’. As Hackman and Oldham wrote in 1976, ‘the job characteristic predicted to prompt employee feelings of personal responsibility for the work outcomes is autonomy’. Thus, a job with high autonomy implies that the job allows the individual a high degree of ‘freedom, independence and discretion’ in organizing the work and deciding on the procedures to follow; and in this case, the output of one’s work highly depends on his or her own efforts and decisions—instructions from the boss or from a handbook of procedures will have less importance [20].

Agents in a complex system are autonomous—so are the social actors. Just as a complex system is not modelled as a globally integrated entity, a social network is not the outcome of the coordinated efforts of centralized authorities (which *may* only act as constraints) either, but it is the outcome of interactions among social actors who act as ‘autonomous decision-makers’. Kauffman coined this phenomenon as *self-organization* [21, 22]. For these relations to sustain in the long run, individuals, as social actors, may feel the need for particular environmental constraints as *centralized authorities* and *institutions*—in our case ‘business organizations’. In fact, the guidance of a few rules is usually beneficial. Individuals regard these rules in the form of procedures, ethical codes, social and cultural values, and contracts.

2.1.5 From Mechanistic Organizations to Social Networks

When autonomous decision-makers interact and collaborate on the solution of a certain problem, their interactions lead to the building of a network—this maybe seen as an illustration of a more realistic structure of organization, which depends on dynamic facts and actual relationships among the individuals. Organizations are created in order to collect such relationships under one roof—such initiatives actually have a good reason; decision-making is a process of communication and collaboration, and these require order. However, those who communicate and collaborate are human beings with their respective emotions, perceptions and social conditions. Hereby we arrive to a notion that underlies what we understand from social networks. This required order does not call for the implementation of a mechanism but a platform of relationships among individuals to facilitate communication and collaboration. As Herbert Simon once pointed out, once an organization is embodied in charts and manuals of job descriptions, it is rather acknowledged as ‘a series of orderly cubicles following an abstract architectural logic’ than ‘a house inhabited by human beings’. To Simon, organizations are patterns of communications and relations among human beings, who are involved in processes for making and implementing decisions and, on this account, provided much of the information they need (pp. 18–19 in [23]).

Simon’s perspective can be claimed to lay down the foundational thinking for contemporary organizations where individuals—as social actors—make decisions together, and for this reason, organizations cannot be illustrated as mechanistic structures. Years later, in 1961, the ground-breaking study of Burns and Stalker revealed that mechanistic and organic structures of organizations stand at two opposite ends, and from this lens, they informed us on the rise of networks in management studies. Some of the features of this contrast are summarized below (statements given as mechanistic structure *vs.* organic structure) [24]:

- Specialized differentiation versus contributive nature of special knowledge and experience.
- The abstract nature of each individual task versus the realistic nature of the individual task.
- The reconciliation of these distinct performances by the immediate superiors versus the adjustment and continual redefinition of individual tasks through interaction with others.
- The translation of rights and obligations and methods into the responsibilities of a functional position versus the spread of commitment to the concern beyond any technical definition.
- Structure based on hierarchic and contractual control versus network structure.

The authors also elucidated that in mechanistic organizations, knowledge of actualities was located at the top of hierarchy, communication was vertical between superior and subordinate, instructions and decisions were issued by superiors, and loyalty and obedience were expected from the employees, whereas

in organizations with organic structures, knowledge could be located anywhere in the network, communication was available between individuals of different hierarchical levels and functional units, information and advice were disseminated by superiors, and commitment to organizational tasks and progress were valued [24].

Unfolding such contrasts between classical and modern approaches to organizations revealed that organic organizational structures represent better and dynamic fits with environments.

2.1.6 *Patterns of Relationships*

Social network analysis focuses on the pattern of relationships among actors. However, as previously emphasized by some authors (e.g. [25, 26]), social network analysis encompasses the availability of resources as well as the exchange of these resources among these actors [25–28].

Yet, in today's stiff and innovation-driven work settings, having access to necessary resources is much more valuable than preserving the existing resources. Calling the present time as the *Age of Innovation*, Prahalad and Krishnan, in their book (2008), made a very good point on this that they drew their reader's attention to 'the centrality of the individual' and 'the access to resources instead of ownership of resources' (p. 11 in [29]). Their argument explicitly reflects an important detail underlying a pattern of relationships among actors—*value* and *experience*. Actors use their connections because they need resources; however, actors also have the intention to the best resource available to achieve the best outcomes. When two collaborating actors exchange a resource, the essential detail underlying this exchange is that the actor who initiated the interaction attributes value to what the other actor has. The applicant perceives what the recipient owns valuable. Once the interaction is complete, the applicant (and possibly the recipient too) acquires an experience, which takes the actor to a new state of being—the actor learns, blends the knowledge extracted out of the new experience with the already existing knowledge in mind and thus differentiates and takes one more step to being as unique as possible in the environment. Prahalad and Krishnan suggested that value was based on service, and a firm was actually selling a service rather than a product, which could be considered only an integral part of a service. For this reason, a firm was involved in a service relationship rather than a transactional relationship with a customer (p. 16 in [29])—whereas value and experience matter rather than a product. Collaboration and resource exchange patterns are not only realized among organizations. In fact, organizations are constituted by individuals, and in fact, individuals experience such resource exchange patterns. Individuals exchange tangible or intangible resources usually in the form of reciprocity [27]; nevertheless, reciprocity produces beliefs and perceptions on the value and experience obtained through such interactions.

2.1.7 Social Actors: A Brief Summary of Beliefs and Expectations

In order to frame our broad illustration of individuals at work regarding their beliefs and expectations *as social actors*, some key characteristics will manifest themselves as follows:

1. Individuals are intrinsically creative, and they have the intention to use their creative thinking skills and creative abilities.
2. For this reason, individuals need and tend to interact with other individuals (who are also social actors).
3. An individual can find these ‘other’ individuals anywhere—the workplace, other organizations (suppliers, customers or even competitors and non-governmental organizations), the market, unrelated industries, communities, social network Websites, networks of friends, etc.
4. Individuals are intrinsically autonomous—they communicate and act on the basis of self-determination, while they tend to follow basic and simple rules to facilitate their efforts and achieve their goals.
5. Individuals are autonomous but collaborative decision-makers—they are zealous to contribute their own knowledge and experience to the decision process, and they tend to collaborate with other individuals in order to construct a decision.
6. Individuals acknowledge their interactions with others as the preeminent source that (continually) define their tasks rather than instructions issued by superiors at higher levels of the hierarchy.
7. Individuals prioritize task contents and outcomes rather than procedures and other bureaucratic issues to accomplish the task.
8. Value is the key to the individual actions; therefore, primary concern of an individual is to access the best possible resource.
9. Interactions with other individuals—particularly coming from a variety of areas—are beneficial in a way to contribute to an individual’s intellectual and professional skills, and in this way, individuals differentiate and preserve their unique identities in their work settings.

2.2 Psychological Contracts of Individuals as Social Actors

Psychological contract—in modern sense—can be defined as ‘individual perceptions or beliefs of employees regarding terms and conditions of exchange agreements between themselves and their employing organizations’ [30–32]. In this definition, the conception of *perceptions* seems to get emphasized as the fundamental basis for such contracts incorporating what the employee *as an individual* interprets the mutual obligations either explicitly or implicitly agreed upon at the

beginning of the employment relationship [33, 34]. Psychological contracts can be ‘transactional’ or ‘relational’ in nature—the former being tantamount to rather short-term agreement with specific terms and conditions, whereas the latter to long term with non-specified terms [34–38]. Rousseau has further developed a framework where she conceptualizes a hybrid type of contract, referred to as ‘balanced’ contracts, entailing high levels of both relational and transactional type characteristics, and a transitional type of contract entailing low levels of both (see p. 98 in [34] for further details). However, as can be observed in later studies, this conceptualization does not seem to be widely held (e.g. [39]), and even Rousseau herself does not make frequent use of the measure for transitional type, since she conceives of it as ‘a temporary state’ [40, 41].

Depending rather on short-term relations with the employer, transactional contracts have reasonably tangible and specified performance terms, a materialistic and economic focus, and limited involvement of both parties. Meanwhile, relational contracts represent long-term relationships with the employer, with intangible and non-specified performance terms, involving not only economic terms, but also broader terms that emphasize social aspects of the employment relationship, and that promote loyalty in exchange for security and growth opportunities [34]. In a similar vein, findings suggest that employees with relational contracts tend to identify with and internalize the organizational values more, while for those with transactional contracts, identity comes from their own skills and competencies, without any need for personal investment in or from the organization [36].

In their intriguing article which explicitly challenges the macro-orientation of the social contract theory (which, with authors’ words, ‘has endured for centuries’), Thompson and Hart argued that the individual level (or, nano-level as mentioned by the authors) of analysis would be more beneficial and—referring to individuals as *real actors*—aimed to illustrate how a psychological contract approach would yield practical insight [42]. In fact, studies concerning psychological contracts in the framework of the social network theory are very scarce. One particular study, conducted in a start-up research firm by three scholars including Rousseau, investigated the relationship between employees’ social network positions and their psychological contract beliefs [43]. However, over the past few years, an increase in the number of studies on job design issues and proactive behaviour engagement in employment relationship associated directly or indirectly with the social network theory is observed (e.g. [12, 44–46]). As Kilduff and Brass inform us, ‘there is a resurgence of interest in the social aspects of job design’ [12], and at this point, it is crucial to understand the new workforce of the age in order to develop better tools and techniques to achieve more efficient and satisfying results in organizations and human resource management practices.

2.2.1 *Freedom for Creativity*

As a process of producing something novel and valuable, creativity has always been an attractive topic to study in the field of social sciences. Several researchers considered creativity at the individual level—how an individual might focus on a problem and use personal competencies in order to find out a way for solution. However, studies yield evidence that creativity is also an outcome of the work of a group of people [47, 48]. On one hand, psychology-oriented scholars bring forward the individual and some social factors regarding the relationship of this particular individual with others. For example Amabile, in 1983, focused on ‘a set of necessary and sufficient components of creativity’, whereas she constructed this framework by the ‘domain-relevant skills, creativity-relevant skills and task motivation’; and such a framework reveals what social factors might contribute to the phases of the creativity process in addition to cognitive abilities and personality characteristics [49]. A couple of years later, Csikszentmihalyi gave attention to the outputs of individual actions in the context of the individual, the domain in terms of rules and practices, and the people who establish the structure of this domain [50, 51]. On the other hand, sociology-oriented scholars went on to focus on the impact of the environment on the creativity process [48].

A few years later, Amabile presented a three-component model of creativity as a process of bringing out ideas that are useful and actionable. She argued that thinking *imaginatively* and flexibly is one part of creativity along with two other components—expertise (technical, procedural and intellectual knowledge) and motivation (in the context of inner passion rather than such external rewards as money) [52]. At the heart of these components, greater attention is perhaps drawn to what the conception of *imagination* represents. Admittedly, ‘ideas presented by the memory are much more lively and strong than those presented by imagination’ as ‘memory produces ideas in the same order as the original impressions were received’, but ‘imagination has liberty to transpose and change ideas’ (p. 15 in [53]). In regard to this argument which explicitly distinguishes memory from imagination, we can now focus on another conception—*liberty*. In fact, liberty of actors is what underlies the social system, which tends to survive through dynamic interactions among its components. In other words, the social system will continue its presence as long as actors, who are part of it, are able to use their abilities to think ‘the other way around’ and allowed to ask challenging questions like ‘What if?’.

Viktor Frankl, a psychiatrist and a Holocaust survivor, once stated that finding the *meaning of life* was the essential duty of an individual. One of the key avenues he suggested to those who investigated it was ‘doing a deed or creating a work’ (p. 141 in [54]). This little hint acquired through Frankl’s sorrowful experience evidently explains that creativity is already a part of human nature and is related to the individual’s motivation—the latter being not only a topic but also a field of exploration in the social sciences for many decades. Literature on motivation usually implies what managers and business owners can do in order to maintain the devotion of their employees, to secure their belongingness to the organization and

ultimately, to ensure their productive and beneficial behaviours. This is usually a reflection of a managerial perspective, which gives the priority of the interrogation and determination of motivating terms to the manager rather than the employee. Bernard and his colleagues suggest that ‘a comprehensive theory of motivation should address not only mechanisms that motivate and activate goal-directed behaviour but also mechanisms that delay, alter, deactivate, and rechannel all manners of goal-directed behavior’, and therefore, the authors rightly address the conception of *self-control*, which, with their words, ‘may be effective in terms of resistance for immediate rewards in favour of longer term goals’, and ‘can intervene to channel motivated behaviours into prosocial behaviours’ [55]. So, employee’s self-control is inevitable in terms of the individual’s continual tendency to control and regulate his or her emotions, desires and behaviours, which takes us to accept the fact that as social actors, employees tend to decide to remain in and to work for the benefits of the organization upon their perceptions on employment relationships and whether they perceive the liberty to use their imagination and to regulate their own social behaviours beside using their skills of expertise.

Creativity has usually been perceived as a challenging issue for managers. For organizations after all, creativity must be regarded as something more than a mere process of producing novel and valuable things. In fact, creative skills themselves are even more valuable than products. A creative mind knows *what* to produce for the firm, and knowing what to produce is a precise and clear state that serves as a basis for a transaction between the employee and the employer. Moreover—if allowed and well equipped—a creative mind will also consider further dimensions and will try to understand *how* to produce, *when* to produce, *for whom*, *where*, *with whom*, *how much* or *how many* to produce for the firm. Clarification of such issues has a strategic value, and it is crucial for the organization’s long-term survival. Some beliefs and expectations of individuals can be listed as in the following:

- *Individuals want total freedom for observing facts:* In case that they realize a problem at work or an issue either directly or indirectly falls in their area of responsibility, they want to take action and interrogate the real facts of the situation.
- *Individuals want total freedom of speech:* Because they want to deal with real facts, they want to share their opinions freely with others in order to provide and supply necessary data and information.
- *Prerequisites must be fulfilled:* Easy and quick access to data and information inside and outside the organization must be provided. Only technically well-equipped and digitally literate individuals can efficiently use communication channels and collaborate with others.
- *Creative ideas must be confirmed beneficial and valuable:* Individuals spend efforts and time on dealing with problems, and in return, they want to ensure that their efforts are meaningful to the organization. This anticipation should not be restricted into a mere compensation based on higher salaries or rewards. Beyond a transactional relation, the individual wants to have the feeling of self-actualization rather than the feeling of belongingness.

2.2.2 *Collaboration with ‘Real’ Actors*

A realistic approach to problems facilitates the realistic definition of tasks to ensure effective task assignments to eligible individuals—and this is not a new phenomenon. In fact, the emergence of ‘scientific management’ in early 1900s took its root from the argument that any task could be redefined scientifically, required skills to accomplish the task could be identified and the ‘right person’ could be selected for the task; thus efficiency could be achieved in a rational manner [56]. It would be unwise to deny the fundamental role of this argument which obviously acts as the core idea of the general management theory. On the one hand—thanks to the advanced communication technologies and global transportation—searching, selecting and recruiting the right person for the rationally identified task has never been as easy as it is today. On the other hand, a wide range of practices—from job enlargement to teamworks—are being implemented for decades to overcome the demotivating nature of routine and simple tasks, and this leads to the question of how a realistic definition of tasks could be achieved in this contemporary context. Scientific management and other classical management theories assigned this responsibility to managers—scholars and practitioners avowed that the managers were the ones who could understand and solve the problems and employees were the ones to put the solution into action. Up to a certain point, such an approach may seem tolerable and reasonable, regarding the sociocultural and technological environment of the Industrial Age. However, problems in the contemporary context are quite complex and dynamic by nature—plenty of dimensions must be taken into account by several actors, while each dimension is also subject to change due to individual actions of these actors.

Teamwork culture was highly encouraged in the organizations particularly in the last 30 years of the past century. In this context, project teams were seen as a miracle where people from different departments could come together, discussed problems and shared ideas on a scope of different areas. Are intraorganizational teams effective enough to establish and exploit attentively developed strategies based on thoroughly examined facts? Is a cross-functional teamwork is solely an effective process to deliver products and services that fulfil the needs and requirements of the market? If we were back in the 1970s/1980s, where market competition was based on keeping know-how and information within the boundaries of the organization, ‘yes’ would probably be the answer to such questions. Nevertheless, how we interpret the competition or, more precisely, the rules of the game in the business environment seems to have changed over the past two decades.

In 1977, Hannan and Freeman published an article, which gives proof of their awareness of these two pillars. The authors laid particular stress on challenging issues related to how information was obtained by decision-makers in the organizations. This statement shows evidence: ‘Much of what we know about the flow of information through organizational structures tells us that leaders do not obtain anything close to full information on activities within the organization and environmental contingencies facing the subunits’ [57]. Hannan and Freeman’s

approach was a pioneering example that represents the ecological model of competition—a response to the traditional model of competition based on linear relationships with principles and concepts borrowed from the classical Newtonian physics. According to the ecological model's point of view, business organizations operate in a complex environment, made up of other organizations either competitors or suppliers or customers. Organizations may be interpreted on the basis of the principles of living organisms, which are subject to the stages of the life cycle from birth to death and made up of lower-level organisms like subunits and individuals. However, organizations are entities which can decompose, whereas individuals can only move from one organization to another. This is actually where the notion related to exchange of information and connectedness on a global scale begins. If organizations tend to survive in the market, this depends on the effective interactions among its subunits and among its members. Yet, just as a living organism requires water and food from the environment, the organization will require information and resources as appropriate as possible—and which can already be possessed by anyone located anywhere—to continue its life in the environment. Individuals in the organization assume this duty; they look forward to ways of reaching, processing and using the information and resources in favour of their organization. Since these information and resources are owned by other individuals either inside or outside their organization, these individuals need to interact with others on exchange basis. Restricting such interactions, particularly between subunits or departments of the organization, apparently will cause a paradoxical situation.

One of the basic notions underlying the classical management paradigm is *cooperation*—which requires a group of individuals to carry out their respective tasks ‘in accord with some larger plan’, and as Smith puts it, these individuals need not ‘to know what goes on in the other parts of the project’, as long as they accomplish their part of the whole work. However, *collaboration* has the anticipation of the work of a single mind, whereas parts carried out by individuals are *integrated* (pp. 2–3 in [58]). Integration, in essence, requires a consciously realized mutual exchange among individual actors. Some implications on the individual beliefs and expectations in this sense may be listed as in the following:

- *Decision-making is a collective process*: Organizational problems are diverse, and even a simple problem is indeed a heterogeneous process of various activities carried out by different individuals (e.g. responding to customer complaints, developing a new product or even bookkeeping for a small shop for which the responsibility of one single accountant is assumed to be adequate). One single individual, in this case, cannot be assigned with the responsibility of making decisions.
- *Tasks are defined through interactions between individuals—not through instructions issued by authorities*: A realistic definition of an individual task can only be possible through interactions with other individuals, and redefinition of the task in line with changes becomes inevitable. In other words, instead of a solution process in a linear manner where problem analysis and task

assignments are fulfilled by decision-makers prior to the action stage, the possibility of the use of real-time information and skills of expertise transmutes this process into a dynamic platform, where interactions among individuals constantly redefine the problem and the solution in line with actual circumstances.

- *Integration of tasks is the key to working together:* Individuals collaborate. Every individual is specialized in a certain area and has the intention to contribute his or her knowledge and past experience to the collective work. Harmonized contribution is appreciated, and it is much more valuable than manifestation of personal contribution.
- *Individuals tend to exchange resources with real master:* The awareness of a problem requires the provision of the most accurate information and resources possible for an efficient solution. Therefore, individuals tend to use their social networks rather than remaining within the boundaries of their organizations.

2.2.3 *Balancing Autonomy with Rules and Procedures*

Empowerment theory has sufficiently been central to the field of management, especially in the 1990s. Scholars making research on empowerment frequently advocated its win-win advantage—improving organizational performance, which leads to improvements in the experience of work for the employees [59]. Far beyond being motivated due to what the organization offers, individuals as social actors are autonomous—sticking to their own rules and own ways of doing things while seizing opportunities to compromise with the system they are involved in.

Autonomy can be observed as the focus of many organizational practices and analysed by a great number of scholars throughout the history of management thought—the ‘Junior Board’ as part of McCormick’s multiple management plan in 1930s, studies on ‘employee participation’ in the Harwood pyjama factory in 1940s, ‘autonomous work group’ practices in the Volvo car manufacturing plants at Uddevalla and Kalmar in Sweden in 1970s, and the Japanese ‘quality circles’ in 1980s are a few of many examples [60–63]. Nevertheless, in the context of employment relationship, autonomy is a two-dimensional phenomenon—a leadership issue taking trust and consensus among individuals into consideration and a job design issue reflecting the advent of new technologies that support better task accomplishments. The introduction of manufacturing technologies that replace the traditional assembly line and integrate work units after 1970s gave rise to better employee relationships (pp. 163–164 in [64]).

Autonomy is ‘the degree to which employees experience freedom, independence and discretionary decision-making in terms of scheduling their work, selecting the equipment they will use and deciding on procedures to follow’ [65]. In other words, an individual’s expression of ‘high level of autonomy’ indicates a belief in a sense that the individual can act independently and have control over his or her work [66]. However, on the side of the manager, giving autonomy may be perceived as a risk-taking action as the manager becomes dependent on the employee’s skills and qualifications [20].

At this point, the individual is aware that some constraining rules and order might be necessary for his or her actions. Imagination is good, but for efficient and valuable outcomes, conceptualization—by means of certain limits and guiding rules—is necessary. Regarding the need for such a balance, the individual's beliefs and expectations may manifest themselves as in the following:

- *Rules and procedures are necessary, but they must derive from realistic issues:* Individuals tend to have freedom of thought and action. However, in order to shape their creative thoughts and transform them into concrete products, they need specifications determined through the analysis of the problem covered or situation handled. Imposed power or issued instructions from superiors are not welcome.
- *Rules and procedures must be simple, clear and intelligible:* Since individuals interact with each other, the efficiency of such interactions is based on the mutual satisfaction on the exchange process.
- *Individuals tend to arrange their own jobs:* Rules and procedures must be defined for guiding purposes. For example, standard working hours may be considered a mere formality, or dress codes may seem useless. Instead, the individual has the intention to arrange his or her own working hours and methods as the priority is given to the content and quality of the task rather than rules and procedures.

2.3 Conclusion: Some Organizational and HR-Related Remarks

Studies on career planning in the turn of the century reflect the existence of a radical change, which has great impact on individual careers and human resource management practices [67–69]. Particularly, boundaryless careers—defined as ‘a sequence of job opportunities that go beyond the boundaries of a single employment setting’ (p. 116 in [70])—challenge traditional careers in certain ways. Traditional careers emphasise stability, hierarchy and clearly defined job positions. However, boundaryless careers encompass transferable skills instead of firm specific skills, individual's responsibility for career management instead of organisation's responsibility, on—the—job training instead of formal training programmes, learning—related career path instead of age—related career path, psychologically meaningful work rather than success based on pay, promotion and status [69]. In the past, managers were responsible in giving directions to careers. Following a long career path in their organizations, managers' experiences were essential. As pointed out by Dessler, particularly in today's environment, employees should not deliver this responsibility to others (p. 354 in [71]).

Sustainability of social networks depends on participation; and this participation is characterised by the freedom of self—determination and collaboration of social network actors. Correspondingly, the classical maxim of management as

‘getting things done through others’ must be updated with the compendious message underlying the following statement of a manager in the Information Age: ‘People need to be free to do what has to get done’ (pp. 157–167 in [72]). Patronizing employees with promises of rewards will not work. However, organizations are expected to be platforms where a well-established web of channels facilitating communication with individuals inside and outside the organization is available, so organizational individuals can get connected freely with others and contribute to getting things done. Individual according to his or her intellectual, entrepreneurial and socioemotional traits use these channels and interact, and the sum of interactions shapes the behaviour of the organization observed in various forms of outcomes—e.g. market share, profit, the performance of a new product and innovative strategies. A managerial capability of seeing the future in its true colour and taking proactive measures to control the whole organization is factitious. No actor is capable of having the consciousness of the whole system, and in a dynamic sense, no actor can be kept informed of all information throughout the system—managers are no exception. Thus, a manager should take the responsibility of the dynamic flow of information exchange among individuals for valuable outcomes. In fact, the social capital theory reveals that supporting individuals by their connections to resources through their social networks and relations can provide additional resources to the organization (p. 20 in [73]). In return, individuals who are able to exploit the privileges of their networks and social relations—and thus can contribute more value to their organizations than their colleagues—believe that ‘they are owed more’ [43].

In conclusion, today’s work settings are based increasingly on social relations—interactions between people contribute to the strategies, image and prejudice of the organizations. Individuals have beliefs and expectations in line with the features of the Information Age. Unfortunately, not all the work settings and circumstances respond to such anticipations. Organizational facilities and organizational culture together create a substantial infrastructure to meet the needs and requirements of the individual employees today.

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