



RESEARCH ARTICLE – 5

A STUDY ON IMPACT OF PSYCHOLOGICAL CONTRACT AND EMPLOYEE RELATION ON ORGANIZATION COMMITMENT

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ABSTRACT

This research explores the impact of psychological contracts and employee relations on organizational commitment, using Kirloskar Electric Company as the case study. The study investigates how mutual trust, communication quality, recognition, and fulfillment of employees' expectations influence commitment levels among employees. Data were collected from 80 respondents through a structured questionnaire and analyzed using descriptive and inferential statistics. The findings reveal that employees generally perceive the organization as supportive, fair, and trustworthy, contributing to high organizational commitment overall. However, younger and less experienced employees show lower levels of attachment compared to older and more tenured staff. The study confirms strong positive correlations between fulfillment of psychological contracts, healthy employee relations, and organizational commitment. It concludes that maintaining open communication, recognizing employee contributions, and offering growth and security opportunities enhance commitment and productivity. Recommendations emphasize strengthening recognition systems, ensuring transparency, and designing engagement programs targeted at newer employees to sustain long-term loyalty.

Keywords: *Psychological contract, employee relations, organizational commitment, recognition, trust, communication, employee engagement, Kirloskar Electric Company.*

INTRODUCTION

Background and Rationale

Importance of Employee Commitment for Organizational Success

Employee commitment is a critical component of organizational success, as it drives productivity, enhances cooperation among staff, and ensures long-term stability within companies. Committed employees are more motivated, perform at higher levels, and tend to remain with the organization for longer periods, reducing turnover and fostering a positive work environment. Such levels of employee dedication contribute directly to

organizational performance, profitability, and the sustainable achievement of business objectives.

The satisfaction and alignment of employees with organizational goals lead to improved morale, teamwork, and customer relations, creating a competitive advantage for the firm.

Role of Psychological Contracts and Employee Relations in Shaping Commitment

The psychological contract, defined as the unwritten and informal set of mutual expectations between employees and their employer, is pivotal in shaping organizational commitment. This contract covers expectations of trust, recognition, job security, fairness, and career development beyond formal employment agreements. Positive employee relations built on respect, transparency, and open communication help fulfill these psychological contracts, thereby increasing affective commitment and loyalty. When these intangible expectations are met, employees demonstrate greater motivation and engagement, leading to enhanced organizational citizenship behavior and reduced turnover intentions.

Industry Context: Electrical Manufacturing in India and Competitive Pressures

The electrical manufacturing industry in India forms a cornerstone of the country's industrial and infrastructural development. Companies like Kirloskar Electric Company operate within a competitive environment characterized by rapid technological advancements and growing domestic and global demand. Since the liberalization of the Indian economy in 1991, the sector has evolved with increased private participation and foreign investment, fostering innovation and efficiency. The industry faces challenges such as competition from multinational corporations, fluctuating raw material prices, and the need to adopt sustainable energy solutions. In this dynamic context, maintaining high employee commitment is essential for organizational resilience, product quality, and sustained market competitiveness.

LITERATURE REVIEW

The concept of the psychological contract, first introduced by (Argyris, 1960) and elaborated by (Lowman, 2021) refers to the unwritten set of mutual expectations between employees and employers that go beyond formal employment agreements. This implicit contract shapes employees' perceptions of job security, recognition, fairness, and career development and profoundly influences their workplace behavior and attitudes. Researchers have identified different types of psychological contracts including transactional (focused on short-term, tangible exchanges), relational (built on emotional trust and long-term support), balanced, and transitional contracts, each differing in how they foster employee commitment.

Employee relations, encompassing the quality of interactions between staff and management, is closely tied to the fulfillment of psychological contracts. Positive employee relations, characterized by open communication, mutual respect, trust, and effective

conflict resolution, create a supportive work environment that encourages higher job satisfaction and loyalty (Herrera & De Las Heras-Rosas, 2021). Studies indicate that supportive supervisor relationships and ethical leadership significantly enhance employees' affective commitment by fostering trust and emotional attachment to the organization (Kalidass & Bahron, 2015)

Organizational commitment itself has been broadly categorized into affective, continuance, and normative commitment (Meyer et al., 1993) . Affective commitment arises from employees' emotional attachment to the organization, continuance commitment from perceived costs of leaving, and normative commitment from a sense of moral obligation to stay. Empirical evidence shows that psychological contract fulfillment strongly predicts affective commitment, which in turn mediates improved job performance and reduced turnover intent (Maia & Bastos, 2015)

Several studies focusing on different industries and cultural contexts corroborate these findings. For example, (Jufri et al., 2018) and (Peng & Li, 2021) highlight that fulfilling psychological contracts boosts trust and innovation through enhanced organizational commitment. Similarly, emphasize the role of psychological contract clarity and fair treatment in reducing employee turnover. However, breaches in psychological contracts can erode trust, leading to decreased commitment and increased attrition (Alcover et al., 2012)

The attachment to the organization is also influenced by employee demographics such as age and tenure. Older and more experienced employees tend to exhibit stronger organizational commitment, suggesting that tenure strengthens emotional bonds and loyalty (Padmasiri & Mahalekamge, 2016) The literature also points to a special challenge in engaging younger employees, who often have higher expectations for recognition, career development, and transparent communication (Herrera & De Las Heras-Rosas, 2021)

Within the Indian industrial context, particularly in sectors like electrical manufacturing, research exploring the combined effects of psychological contracts and employee relations on organizational commitment remains limited. The current study by at Kirloskar Electric Company addresses this gap by examining how these factors jointly influence employee commitment, with potential implications for enhancing workforce stability and organizational success amid competitive market pressures.

This review integrates foundational theories and recent empirical findings, linking them to the study's industry-specific context and highlighting the research gaps addressed.

Research Gap

- Despite the importance of employee commitment, many organizations struggle to maintain it, as traditional motivators like salary alone are no longer enough to keep employees engaged and loyal. Although past research highlights psychological contracts and employee relations separately, there is limited understanding of how these two factors work together to influence organizational commitment,

particularly in Indian manufacturing contexts. Many studies overlook the unique challenges faced by younger and less experienced employees, who tend to feel less engaged and connected.

- This study aims to fill these gaps by investigating how psychological contracts and employee relations together shape commitment, with the goal of offering insights useful for improving workforce motivation and retention.

Objectives

1. To study the nature of psychological contracts and employee relations among employees.
2. To assess their impact on organizational commitment.
3. To identify demographic factors (age, experience) influencing commitment.
4. To analyze the level of organizational commitment among employees.

Hypotheses

Hypothesis 1

H1: There is a significant difference in organizational commitment among employees with different levels of work experience.

Hypothesis 2

H1-There is a significant difference in organizational commitment among employees of different age groups.

METHODOLOGY

Research Design

This study employed a descriptive research design using a survey method to investigate the impact of psychological contract and employee relations on organizational commitment. Given the objective was to assess attitudes, perceptions, and relationships among employees, descriptive research facilitated a clear understanding of these phenomena in a real organizational setting.

Sample

The sample consisted of 80 employees from Kirloskar Electric Company, including a mix of workers, supervisors, and managerial staff. Participants were selected through a convenience sampling technique to ensure representation across different roles and experience levels. The workforce was predominantly male and well-educated, with varying years of tenure to capture a broad perspective on psychological contracts and commitment.

Instruments

Data were collected using a structured questionnaire developed based on extensive literature review. The questionnaire included over 40 items covering various dimensions of the psychological contract (such as transactional and relational contracts), employee relations, and organizational commitment. Items were rated on a Likert scale from 1 (strongly disagree) to 5 (strongly agree). The instrument was designed to measure perceptions of trust, fulfillment of promises, communication quality, recognition, and emotional attachment to the organization.

Variables

This study focuses on the following key variables:

- Independent Variables:
 - *Psychological Contract*: Includes transactional aspects (short-term, economic exchanges) and relational aspects (long-term emotional and loyalty-based exchanges) reflecting employee expectations and employer obligations beyond the formal contract.
 - *Employee Relations*: Encompasses the quality of interactions between employees and management, focusing on communication, trust, respect, and support.
- Dependent Variable:
 - *Organizational Commitment*: The emotional and psychological attachment employees have to their organization, typically segmented into affective, continuance, and normative commitment. It reflects employees' willingness to remain and contribute to the organization's success.
- Control Variables:
 - Demographic factors such as age, gender, experience, and education level are considered to control for their potential influence on the dependent variable.

Data Analysis

Collected data were analyzed using quantitative statistical methods. Descriptive statistics summarized demographic details and overall trends. Further, factor analysis was employed to identify underlying dimensions of psychological contracts and employee relations contributing to organizational commitment. Reliability analysis using Cronbach's alpha assessed internal consistency of the scales. Hypothesis testing included correlation and regression analyses to explore relationships between variables, supported by SPSS software for statistical calculations.

Limitations

Although this study provides valuable insights into the relationship between psychological contract, employee relations, and organizational commitment, it has several limitations.

- Research was conducted within a single organization—Kirloskar Electric Company—which limits the generalizability of the findings to other industries or regions.
- The sample size of 80 employees, selected through convenience sampling, may not fully represent the views of the entire workforce.
- The study relied on self-reported questionnaire data, which can be influenced by personal bias or social desirability.
- The cross-sectional design captures employee perceptions at a single point in time; longitudinal research would be useful to examine how these relationships evolve over time.

RESULTS

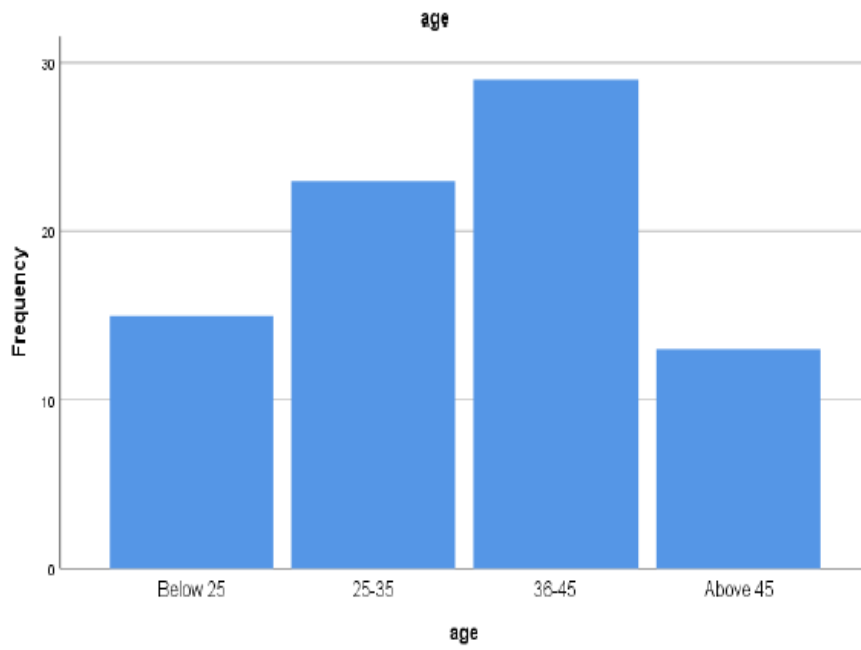
Demographic profile

The study included 80 employees, predominantly males (87.5%) with a diverse age distribution where the majority (36.3 %) were aged 36-45 years (Table 1, Figure 1)

Table 1: Age distribution of the respondents

| | | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|----------|-----------|---------|---------------|--------------------|
| Valid | Below 25 | 15 | 18.8 | 18.8 | 18.8 |
| | 25-35 | 23 | 28.7 | 28.7 | 47.5 |
| | 36-45 | 29 | 36.3 | 36.3 | 83.8 |
| | Above 45 | 13 | 16.3 | 16.3 | 100.0 |
| | Total | 80 | 100.0 | 100.0 | |

Figure 1: Figure showing the age distribution of the respondents

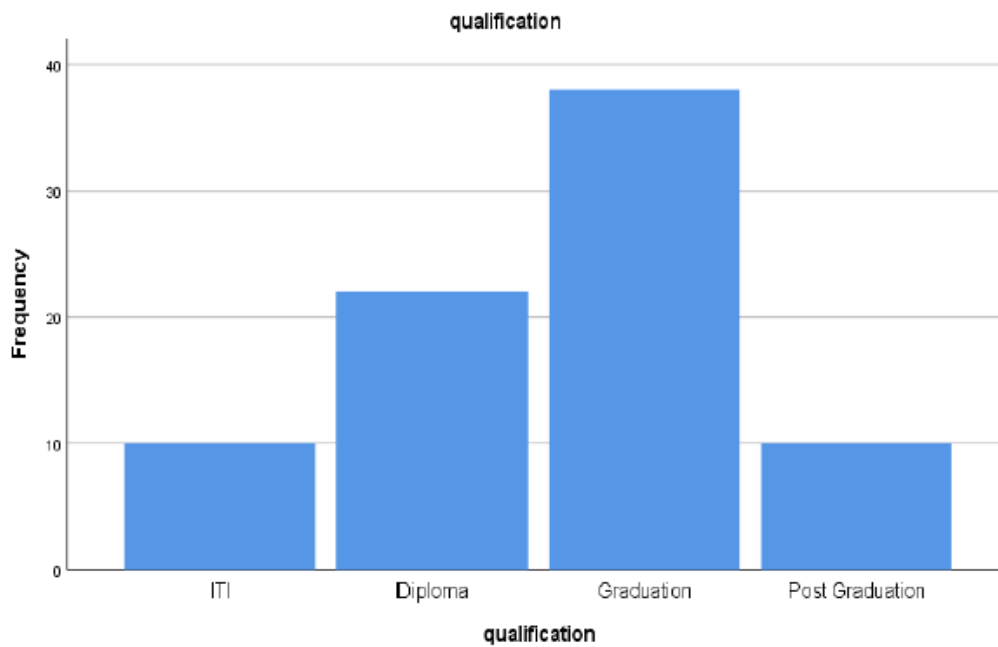


Educational qualifications ranged, with 47.5% holding graduation degrees and 27.5 % diploma holders, indicating a well-qualified workforce (Table 2, Figure 2).

Table 2: Education qualifications of Respondents

| | | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|-----------------|-----------|---------|---------------|--------------------|
| Valid | ITI | 10 | 12.5 | 12.5 | 12.5 |
| | Diploma | 22 | 27.5 | 27.5 | 40.0 |
| | Graduation | 38 | 47.5 | 47.5 | 87.5 |
| | Post Graduation | 10 | 12.5 | 12.5 | 100.0 |
| | Total | 80 | 100.0 | 100.0 | |

Figure 2: Information on education qualifications of respondents

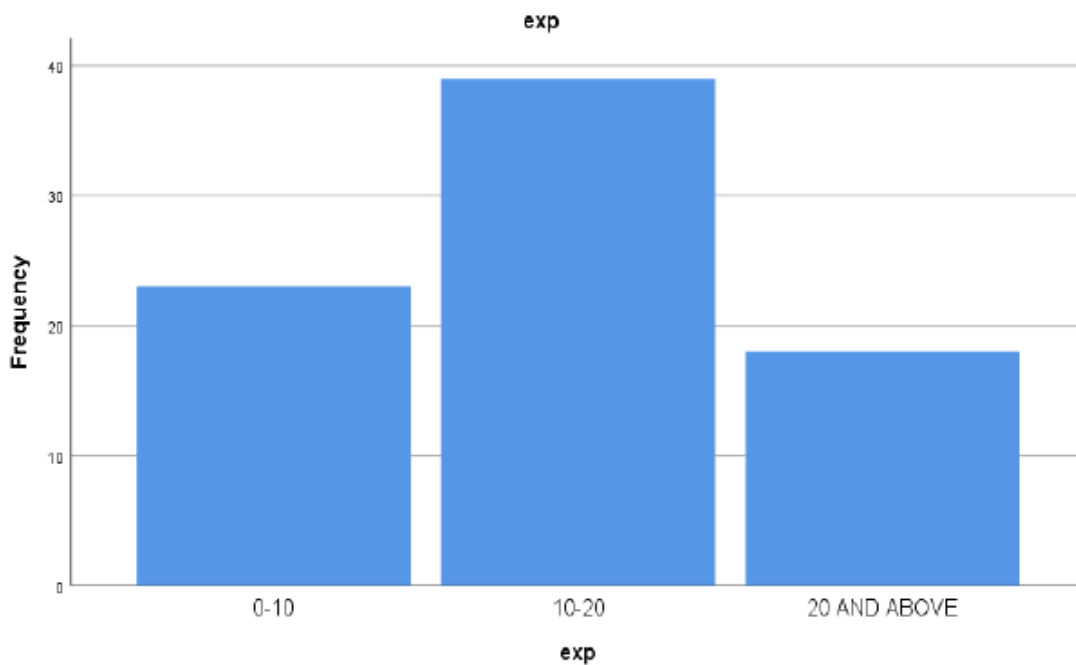


Nearly half of the participants had 10-20 years of experience, suggesting a seasoned employee base (Table 3, Figure 3).

Table 3: Information on experience of respondents

| | | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|--------------|-----------|---------|---------------|--------------------|
| Valid | 0-10 | 23 | 28.7 | 28.7 | 28.7 |
| | 10-20 | 39 | 48.8 | 48.8 | 77.5 |
| | 20 AND ABOVE | 18 | 22.5 | 22.5 | 100.0 |
| | Total | 80 | 100.0 | 100.0 | |

Figure 3: Information on experience of respondents



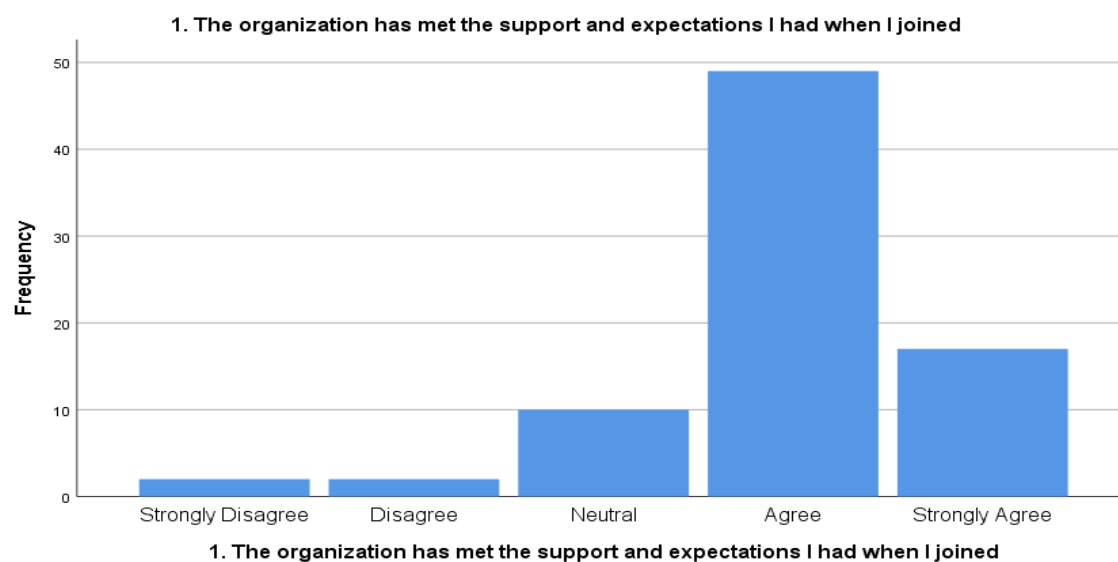
Psychological Contract and Employee Relations

Respondents generally felt positive about support and expectations met by the organization 82.6% agreement (Table 4, Figure 4)

Table 4: Employee Perceptions of Organizational Support and Expectation Fulfillment

| | | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|-------------------|-----------|---------|---------------|--------------------|
| valid | Strongly Disagree | 2 | 2.5 | 2.5 | 2.5 |
| | Disagree | 2 | 2.5 | 2.5 | 5.0 |
| | Neutral | 10 | 12.5 | 12.5 | 17.5 |
| | Agree | 49 | 61.3 | 61.3 | 78.8 |
| | Strongly Agree | 17 | 21.3 | 21.3 | 100.0 |
| | Total | 80 | 100.0 | 100.0 | |

Figure 4: Employee Agreement Levels on Organizational Support and Expectations Met

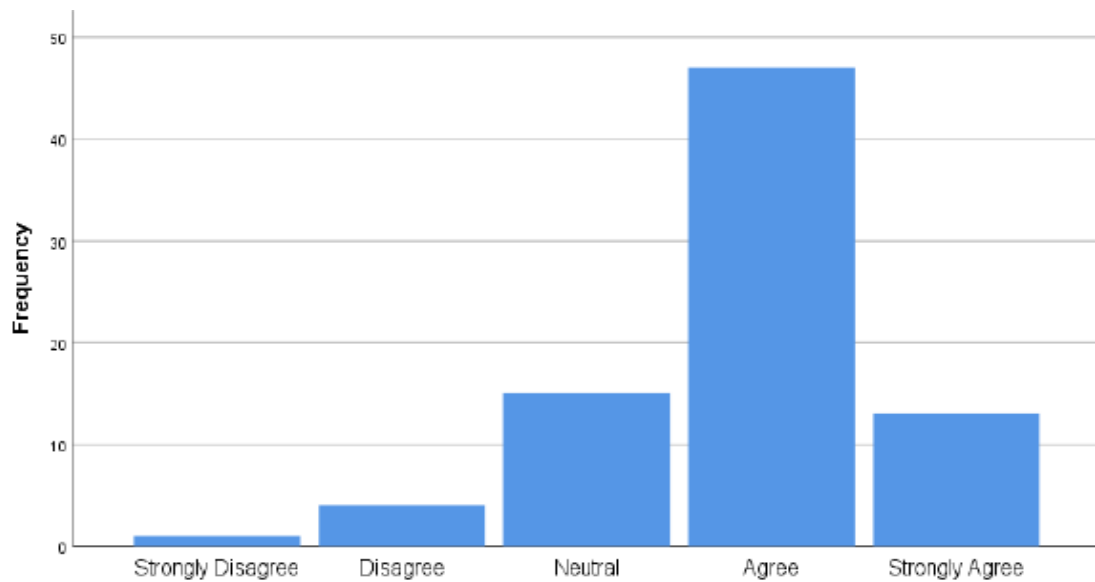


and most indicated promises made at recruitment were fulfilled 75.1% (Table 5, Figure 5).

Table 5: Information on fulfillment of the promises to the employees during the recruitment.

| | | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|-------------------|-----------|---------|---------------|--------------------|
| Valid | Strongly Disagree | 1 | 1.3 | 1.3 | 1.3 |
| | Disagree | 4 | 5.0 | 5.0 | 6.3 |
| | Neutral | 15 | 18.8 | 18.8 | 25.0 |
| | Agree | 47 | 58.8 | 58.8 | 83.8 |
| | Strongly Agree | 13 | 16.3 | 16.3 | 100.0 |
| | Total | 80 | 100.0 | 100.0 | |

Figure 5: Information on the fulfillment of the promises to the employees during the recruitment



Trust in the company’s commitments was strong, with 81.3 % affirming this (Table 6, Figure 6).

Table 6: Trust on the commitments provided by the company

| | | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|-------------------|-----------|---------|---------------|--------------------|
| Valid | Strongly Disagree | 2 | 2.5 | 2.5 | 2.5 |
| | Disagree | 2 | 2.5 | 2.5 | 5.0 |
| | Neutral | 11 | 13.8 | 13.8 | 18.8 |
| | Agree | 47 | 58.8 | 58.8 | 77.5 |
| | Strongly Agree | 18 | 22.5 | 22.5 | 100.0 |
| | Total | 80 | 100.0 | 100.0 | |

Figure 6: Trust on the commitments provided by the company



Job responsibilities and working hours align well with what was promised 85.1% agreement (Table 7).

Table 7: Alignment of promises with Job responsibilities and working hours

| | | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|-------------------|-----------|---------|---------------|--------------------|
| Valid | Strongly Disagree | 3 | 3.8 | 3.8 | 3.8 |
| | Disagree | 2 | 2.5 | 2.5 | 6.3 |
| | Neutral | 7 | 8.8 | 8.8 | 15.0 |
| | Agree | 43 | 53.8 | 53.8 | 68.8 |
| | Strongly Agree | 25 | 31.3 | 31.3 | 100.0 |
| | Total | 80 | 100.0 | 100.0 | |

Rewards were mostly viewed as fair and timely by 73.1 % of employees (Table 7).

Table 7: Agreement about rewards being provided fair and timely

| | | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|-------------------|-----------|---------|---------------|--------------------|
| Valid | Strongly Disagree | 4 | 5.0 | 5.0 | 5.0 |
| | Disagree | 3 | 3.8 | 3.8 | 8.8 |
| | Neutral | 16 | 20.0 | 20.0 | 28.7 |
| | Agree | 42 | 52.5 | 52.5 | 81.3 |
| | Strongly Agree | 15 | 18.8 | 18.8 | 100.0 |
| | Total | 80 | 100.0 | 100.0 | |

Additionally, employees felt valued for their long-term contributions (63.8%) and recognized for performance (72.5 %)(Tables 3.8, 3.9).

Table 8: Employees agreement/disagreement to value for long term contributions

| | | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|-------------------|-----------|---------|---------------|--------------------|
| Valid | Strongly Disagree | 4 | 5.0 | 5.0 | 5.0 |
| | Disagree | 3 | 3.8 | 3.8 | 8.8 |
| | Neutral | 22 | 27.5 | 27.5 | 36.3 |
| | Agree | 31 | 38.8 | 38.8 | 75.0 |
| | Strongly Agree | 20 | 25.0 | 25.0 | 100.0 |
| | Total | 80 | 100.0 | 100.0 | |

Table 9: Employees perception to Company's recognizing performance

| | | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|-------------------|-----------|---------|---------------|--------------------|
| Valid | Strongly Disagree | 4 | 5.0 | 5.0 | 5.0 |
| | Disagree | 4 | 5.0 | 5.0 | 10.0 |
| | Neutral | 14 | 17.5 | 17.5 | 27.5 |
| | Agree | 40 | 50.0 | 50.0 | 77.5 |
| | Strongly Agree | 18 | 22.5 | 22.5 | 100.0 |
| | Total | 80 | 100.0 | 100.0 | |

Supervisor and management support were also rated highly, as respect, communication, and trust exceeded 75% positive responses (Tables 10).

Table 10: Supervisor respects, communicates and trusts employees

| Response | Trust | | Communication and respect for employees | |
|-------------------|-----------|--------------|---|--------------|
| | Frequency | Percent | Frequency | Percent |
| Strongly Disagree | 1 | 1.3 | 1 | 1.3 |
| Disagree | 3 | 3.8 | 1 | 1.3 |
| Neutral | 10 | 12.5 | 17 | 21.3 |
| Agree | 53 | 66.3 | 45 | 56.3 |
| Strongly Agree | 13 | 16.3 | 16 | 20.0 |
| Total | 80 | 100.0 | 80 | 100.0 |

Feedback and team support were satisfactory, with over 80 % agreement on receiving regular performance feedback and feeling supported by their teams (Tables 11, 12).

Table 11: Responses on the agreement of regular performance feedback

| | | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|-------------------|-----------|---------|---------------|--------------------|
| Valid | Strongly Disagree | 3 | 3.8 | 3.8 | 3.8 |
| | Disagree | 3 | 3.8 | 3.8 | 7.5 |
| | Neutral | 8 | 10.0 | 10.0 | 17.5 |
| | Agree | 51 | 63.7 | 63.7 | 81.3 |
| | Strongly Agree | 15 | 18.8 | 18.8 | 100.0 |
| | Total | 80 | 100.0 | 100.0 | |

Table 12: Responses on feeling supported by the team and receive necessary resources to do the job.

| | | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|-------------------|-----------|---------|---------------|--------------------|
| Valid | Strongly Disagree | 2 | 2.5 | 2.5 | 2.5 |
| | Disagree | 2 | 2.5 | 2.5 | 5.0 |
| | Neutral | 15 | 18.8 | 18.8 | 23.8 |
| | Agree | 47 | 58.8 | 58.8 | 82.5 |
| | Strongly Agree | 14 | 17.5 | 17.5 | 100.0 |
| | Total | 80 | 100.0 | 100.0 | |

Organizational Commitment

Emotional attachment to the organization was moderate to high, with 66.3% employees expressing pride and belongingness (Tables 3.13, 3.14).

Table 13: Respondents' emotional attachment towards the organization.

| | | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|-------------------|-----------|---------|---------------|--------------------|
| Valid | Strongly Disagree | 4 | 5.0 | 5.0 | 5.0 |
| | Disagree | 3 | 3.8 | 3.8 | 8.8 |
| | Neutral | 20 | 25.0 | 25.0 | 33.8 |
| | Agree | 36 | 45.0 | 45.0 | 78.8 |
| | Strongly Agree | 17 | 21.3 | 21.3 | 100.0 |
| | Total | 80 | 100.0 | 100.0 | |

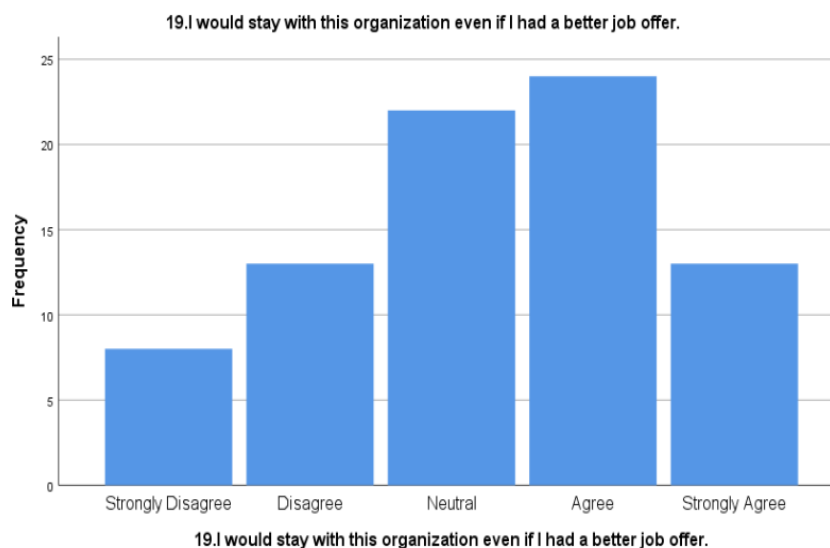
Table 14: Respondents feeling sense of belongings towards the organizations

| | | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|-------------------|-----------|---------|---------------|--------------------|
| Valid | Strongly Disagree | 2 | 2.5 | 2.5 | 2.5 |
| | Disagree | 5 | 6.3 | 6.3 | 8.8 |
| | Neutral | 17 | 21.3 | 21.3 | 30.0 |
| | Agree | 38 | 47.5 | 47.5 | 77.5 |
| | Strongly Agree | 18 | 22.5 | 22.5 | 100.0 |
| | Total | 80 | 100.0 | 100.0 | |

Commitment to stay even if better job offers arise was mixed, with about 46.3% affirming loyalty despite alternatives, while 26.3% showed willingness to leave if offered higher pay (Table 3.15, Figure 3.15).

Table 15: Respondents commitment to stay with organization

| | | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|-------------------|-----------|---------|---------------|--------------------|
| Valid | Strongly Disagree | 8 | 10.0 | 10.0 | 10.0 |
| | Disagree | 13 | 16.3 | 16.3 | 26.3 |
| | Neutral | 22 | 27.5 | 27.5 | 53.8 |
| | Agree | 24 | 30.0 | 30.0 | 83.8 |
| | Strongly Agree | 13 | 16.3 | 16.3 | 100.0 |
| | Total | 80 | 100.0 | 100.0 | |



Job security and benefits remained critical retention factors (Table 16).

Table 16: Responses on critical retention factors

| | | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|-------------------|-----------|---------|---------------|--------------------|
| Valid | Strongly Disagree | 1 | 1.3 | 1.3 | 1.3 |
| | Disagree | 3 | 3.8 | 3.8 | 5.0 |
| | Neutral | 28 | 35.0 | 35.0 | 40.0 |
| | Agree | 36 | 45.0 | 45.0 | 85.0 |
| | Strongly Agree | 12 | 15.0 | 15.0 | 100.0 |
| | Total | 80 | 100.0 | 100.0 | |

Statistical Analysis

Reliability analysis showed a Cronbach's alpha of 0.949, indicating excellent internal consistency of the survey instrument. Pearson correlation revealed strong positive relationships between psychological contract fulfillment, employee relations, and organizational commitment ($r = 0.788$ and 0.755 respectively, $p < 0.01$)

Table 17: Correlation

| | | commitment | Employee relation | Psychological contract |
|------------------------|---------------------|------------|-------------------|------------------------|
| commitment | Pearson Correlation | 1 | .755** | .788** |
| | Sig. (1-tailed) | | .000 | .000 |
| | N | 80 | 80 | 80 |
| Employee relation | Pearson Correlation | .755** | 1 | .799** |
| | Sig. (1-tailed) | .000 | | .000 |
| | N | 80 | 80 | 80 |
| psychological contract | Pearson Correlation | .788** | .799** | 1 |
| | Sig. (1-tailed) | .000 | .000 | |
| | N | 80 | 80 | 80 |

** . Correlation is significant at the 0.01 level (1-tailed).

ANOVA tests demonstrated significant differences in organizational commitment across age groups and experience levels. Older employees (above 45) and those with over 20 years of experience exhibited the highest levels of commitment ($p < 0.01$) (Tables 4.2, 4.3).

Table 18: ANOVA

| Experience | Mean | N | Std. Deviation |
|--------------|--------|----|----------------|
| 0-10 | 3.3768 | 23 | .58096 |
| 10-20 | 3.5698 | 39 | .62709 |
| 20 AND ABOVE | 4.3458 | 18 | .67413 |
| Total | 3.6889 | 80 | .71737 |

| ANOVA Table | | | | | | | |
|----------------------------|----------------|------------|----------------|----|-------------|--------|------|
| | | | Sum of Squares | df | Mean Square | F | Sig. |
| commitment * Experience | Between Groups | (Combined) | 10.560 | 2 | 5.280 | 13.510 | .000 |
| | Within Groups | | 30.095 | 77 | .391 | | |
| | Total | | 40.655 | 79 | | | |

Table 18: ANOVA tests on significant differences in commitment across age groups.

| age | Mean | N | Std. Deviation |
|----------|--------|----|----------------|
| Below 25 | 3.3407 | 15 | .66859 |
| 25-35 | 3.4493 | 23 | .50530 |
| 36-45 | 3.6322 | 29 | .61730 |
| Above 45 | 4.6412 | 13 | .50738 |
| Total | 3.6889 | 80 | .71737 |

| ANOVA Table | | | | | | | |
|---------------------|----------------|------------|----------------|----|-------------|--------|------|
| | | | Sum of Squares | df | Mean Square | F | Sig. |
| commitment * age | Between Groups | (Combined) | 15.021 | 3 | 5.007 | 14.845 | .000 |
| | Within Groups | | 25.634 | 76 | .337 | | |
| | Total | | 40.655 | 79 | | | |

These findings indicate that psychological contract fulfillment and positive employee relations significantly enhance organizational commitment. The data reveal a stable, motivated workforce with some scope for improving engagement among younger and less experienced employees.

DISCUSSION

The study reveals a strong positive perception among employees regarding the organization’s fulfillment of initial support and expectations. The majority of respondents either “agree” or “strongly agree” that their expectations for support, made at the time of joining, have been met. This high level of perceived organizational support is known to

foster a sense of belonging and loyalty among the workforce, leading to increased engagement and motivation.

Statistical results show robust positive relationships between psychological contract fulfillment, employee relations, and organizational commitment. Employees who reported that the company delivered on promises and maintained fair, respectful relations also exhibited higher levels of emotional attachment and willingness to remain with the organization, even when presented with outside opportunities.

Notably, the data demonstrates that positive employee relations such as clear communication, recognition, mutual respect- play a significant role in reinforcing the psychological contract. This, in turn , translates to better workplace morale and reduced turnover intentions. The small proportion of employees who reported dissatisfaction or neutrality suggests areas where management can further strengthen support and communication efforts.

The results also indicate that age and experience contribute to variations in commitment; more experienced employees showed greater attachment and satisfaction. This finding suggest that tailored engagement strategies maybe needed for newer or younger employees.

In conclusion, the organization's success in meeting employee expectations and supporting them both at entry and throughout their tenure significantly contributes to a committed and productive workforce, This aligns with organizational support theory, which posits that when employees perceive their organization as caring and reliable, they reciprocate with loyalty , sustained effort, and reduced propensity to leave, ultimately driving long-term organizational success.

CONCLUSION

The study affirms that fulfilling psychological contracts and fostering positive employee relations play a crucial role in strengthening organizational commitment among employees at Kirloskar Electric Company. The results show that when employees perceive the organization as meeting its promises, providing clear support, and recognizing their contributions, their emotional attachment, loyalty, and willingness to stay with the organization increases significantly. Both relational aspects of the psychological contract (trust, long-term support) ans effective communication from management are central to building a committed workforce.

The findings also highlight that more experienced employees tend to display higher commitment levels, suggesting the importance of nurturing psychological contracts throughout an employee's tenure. Importantly, the study provides empirical evidence supporting core theories in organizational behavior, demonstrating that invested employer-employee relationships are not only a matter of ethical practice but also strategic drivers of organizational success.

Overall, the study concludes that organizations seeking to enhance employee retention, satisfaction, and performance should actively invest in maintaining and honouring psychological contracts, promote transparent and supportive relations, and develop tailored engagement strategies for newer or less experienced staff. Doing so will lay the groundwork for a resilient, motivated, and high-performing workforce that can meet current and future organizational challenges effectively.

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