

BIROn - Birkbeck Institutional Research Online

Chaudhry, Sara and Aldossari, M. and Aboubichr, B. (2025) Navigating the unspoken: the impact of socio-institutional factors on employees' understanding of implicit promises. Journal of Managerial Psychology, ISSN 0268-3946.

Downloaded from: https://eprints.bbk.ac.uk/id/eprint/55019/

Usage Guidelines:

Please refer to usage guidelines at https://eprints.bbk.ac.uk/policies.html or alternatively contact lib-eprints@bbk.ac.uk.



Navigating the Unspoken: The Impact of Socio-Institutional Factors on Employees' Understanding of Implicit Promises

Journal:	Journal of Managerial Psychology
Manuscript ID	JMP-10-2023-0641.R2
Manuscript Type:	Research Paper
Keywords:	Psychological contracts, qualitative research, Human resource management, Cultural studies

SCHOLARONE™ Manuscripts

Navigating the Unspoken: The Impact of Socio-Institutional Factors on Pakistani **Employees' Perceptions of Implicit Promises**

Abstract

Purpose

The purpose of this paper is to empirically examine the under-studied construct of implicit promises within the broader field of psychological contracts by highlighting the impact of external, socio-institutional factors on employee perceptions of implicit promises.

Design/methodology/approach

A total of fifty-three in-depth qualitative interviews were conducted in four foreign MNEs operating in Pakistan. A purposive sampling technique was applied and the four-case study MNEs chosen differed considerably in terms of size, subsidiary age, organizational structure, HR strategy and industry/sector. 3/

Findings

Our findings highlight that employees continually process their social environments, subsequently constructing a web of unwritten, perceived obligations and implicit promises, that are influenced by a range of external factors outside organizational control such as social stratification, relational networking both within and outside the employing organization, the economic health of the industry/sector etc. We underline how implicit promises are socially constructed and therefore, the socio-institutional components of implicit promises are likely to vary across contexts/countries and time.

Originality/value

Despite extensive literature on psychological contracts, implicit promises in particular remain theoretically and empirically under-operationalized, largely because of methodological challenges and a preponderance of cross-sectional, self-reported and a-contextual studies in extant psychological contract literature. Our study offers a reworked definition of implicit promises that anizational cychological contract, . highlights the impact of contextually-specific, socio-institutional factors on employees' unspoken expectations and beliefs about future organizational outcomes and opportunities.

Keywords: Implicit promises, psychological contract, socio-institutional factors, Pakistan, multinational enterprises

Introduction

The psychological contract construct is broadly defined as the set of individual perceptions concerning the terms of the exchange relationship between employees and their organizations, underpinned by notions of reciprocity and mutuality (Rousseau 1995; Schein 1965). However, extant psychological contract literature often uses key terms such as 'promises', 'expectations', and 'obligations' interchangeably (Conway and Pekcan, 2019). Some work has specifically highlighted the promissory aspect of the psychological contract construct; underlining 'perceptions of mutual promises' (De Jong, Schalk & De Cuyper, 2009: 330), 'promise-based obligations' (Rigotti, 2009: 443), and 'the interpretation and recollection of promises' (De Vos & Freese, 2011: 291). We also have an understanding of the differences between explicit (that is, employee interpretations of verbal and written agreements) versus implicit (that is, employee interpretations of consistent/repeated patterns of exchange with the employer) perception of promises (Conway & Briner, 2009; Rousseau, 2001). However, overall, the implications of implicit, reciprocal promises for the definition and (re)conceptualization of psychological contracts (De Vos & Freese, 2011; Ho et al., 2004: Rousseau, 2001) remains theoretically and empirically underoperationalized (Bankins, 2014, Conway & Briner, 2009). Specifically, more empirical work is needed on the critical role implicit promises play in shaping psychological contracts, and their subsequent breach/fulfillment.

An exploration of implicit promises however, remains an especially complicated undertaking given 'the sensitivity of psychological contract contents to a range of individual, organizational, cultural and other contexts' (Conway & Briner, 2009: 89). While these various factors all collectively impact psychological contracts and implicit promises, in this paper we focus on employees' perceptions and experiences of implicit promises specifically with respect to the

external socio-institutional and cultural context. This is in line with recent work that appreciates the inherent subjectivity of, and subsequent variation in, psychological contracts across contexts (Rousseau & Schalk, 2000; Rousseau et al, 2018); especially the still under-studied Asian, Global South contexts (Kutaula et al, 2020). We focus on the socio-institutionally distinctive context of Pakistan - a small and very competitive labor market for highly-skilled managers and professionals in an otherwise agrarian economy that is more symptomatic of many other developing economies across South and West Asia, Africa and South America than the oft-studied Western/Global North contexts. Therefore, this paper seeks to serve as a foil both for the more well-researched Western contexts in psychological contract research, that are almost acontextual or context-free (Al-Ariss & Sidani, 2016), as well as the burgeoning but still limited work in the Asian context that either lacks contextual underpinning altogether or tends to limit itself to specific cultural dimensions such as power distance or collectivism (Kutaula et al, 2020).

Finally, we seek to study employees' perception and experience of implicit promises with respect to the external, socio-institutional context by applying the social information processing approach. This particular theory has been highlighted as an especially well-suited lens for studying social contexts because it helps draw out the impact of personal interactions, cultural values and structural features on employee attitudes and behaviors (Kutaula et al, 2020). We argue that since implicit promises are subjective and socially constructed they are likely to vary across different socio-institutional contexts as employees process their immediate social environment and formulate their needs accordingly (Salancik & Pfeffer, 1978). Social information processing theory, with its emphasis on analyzing how the broader 'informational and social environment' impacts the creation of individuals' 'internal models' and 'implicit theories' (Shetzer, 1993: 253), can

therefore help us understand how employees create perceptions about implicit promises in a distinctive context like Pakistan.

In line with these research objectives, we address the following research question:

How do features of the socio-institutional environment impact employees' perceptions of implicit promises?

In the literature review below we offer a theoretical bricolage, critically presenting psychological contract research with an emphasis on implicit promises. This review highlights the gaps in distinguishing between implicit and explicit promises, while also incorporating the social information processing approach as a theoretical lens. This theory serves as a backend framework to help tease out the impact of the socio-institutional context of Pakistan on employees' perceptions of implicit promises, providing a more nuanced understanding of how external factors shape these beliefs.

Implicit promises & the psychological contract literature

Psychological contracts are defined as 'individual beliefs, shaped by the organization, regarding terms of an exchange agreement between the individual and their organization' (Rousseau, 1995, p. 9). This definition highlights the inherently subjective nature of psychological contracts, open to individuals' interpretations of the exchange relationship (Conway & Briner, 2009). Additionally, the psychological contract is an ongoing, highly dynamic process, where both employers and employees play an active role in renegotiating, fulfilling or even breaching the terms of their mutual exchange relationship (Rousseau et al., 2018). Rousseau's (1985) seminal reconceptualization of psychological contracts shifted attention away from the earlier inclusion of

expectations and obligations and led to the dominance of a promise-based definition of psychological contracts (Montes & Zweig, 2009) and crucially highlighted that 'the degree to which an organization can shape an individual's psychological contract is contingent...on an individual's schema' (Coyle-Shapiro & Parzefall, 2008: 10).

Explicit promises refer to formal, clearly articulated commitments that are documented in written contracts or verbally agreed upon through official organizational channels (Roehling, 2008). Implicit promises, on the other hand, are unspoken or inferred expectations shaped by an employee's interpretation of organizational culture, consistent patterns of behavior, and relational dynamics (Conway & Briner, 2005). The distinction between these two forms of promises is crucial, as implicit promises often operate beneath the surface of formal agreements, making them harder to identify and measure, yet they play a significant role in shaping psychological contracts. In this study, we expand this definition further to include external socio-institutional factors, such as social status, networking, industry-specific norms, and socio-cultural influences, which contribute to the formation of both implicit and explicit promises.

Extant literature has examined the role of promises by highlighting how employees constantly engage in information-gathering by interpreting organizational communication, line manager actions (Guest and Conway, 2000), co-worker behaviors (Rousseau, 1995), and HR policies and practices (Conway & Monks, 2008; D'Annunzio-Green & Francis, 2005; Westwood, et al, 2001), all of which convey promises to employees in both explicit and implicit ways. For example, Farnese et al. (2018) examined newcomers' psychological contracts and the development of perceived promises during the socialization process, finding a positive spiral of increasing promissory beliefs about both employee and employer obligations, indicating an unfolding relationship based on reciprocity. Similarly, a qualitative study by Dick (2006) highlighted that

police workers believed that they were implicitly promised a transfer from full-time to part-time work at a certain point in their careers. These implicit promises had developed through individual interpretations of organizational practices, and employment law, as well as the opinions and experiences of co-workers who had previously made the transition. Therefore, employees' perceptions of promises can be vicariously learnt from a range of circumstances that suggest possible intent to promise (Ho et al., 2004).

However, this promise-based approach to psychological contracts is somewhat problematic because it remains incomplete (Bankins, 2014) for a number of reasons. First, while psychological contract research has developed noticeably (at least in terms of the volume of publications), the conceptualization of promises specifically still requires further exploration (Conway & Briner, 2009; Montes & Zweig, 2009). For instance, in extant psychological contract literature there are several variations in how promises are defined. Some describe it as 'a commitment to, or an assurance for, some future course of action' (Montes & Zweig, 2009: 1244), while others, like Rousseau (2001: 526), use the term to include a wide range of 'verbal and non-verbal expressions of future intent'. Suazo et al. (2009) offer a more extensive definition whereby any communication by the organization or its representatives can be interpreted by an employee as a promise; thus forming a psychological contract. This variety of definitions indicates that promises continue to be understood quite differently, highlighting the need for a clear and consistent definition of promising within the contract literature (Bankins, 2014). Crucially, Conway and Pekcan's (2019) review highlights the importance of defining implicit promises specifically, despite the challenges of empirically researching the phenomenon.

Second, much of the largely quantitative extant empirical work that has incorporated promises into their theoretical models often fails to distinguish between implicit and explicit promises in the measurement tools being utilized (Roehling, 2008). For instance, quantitative studies conducted by Tekleab and Chiaburu (2011) and Restubog et al. (2010) assess contract fulfillment using promise-related terminology but crucially do not explicitly differentiate between implicit and explicit promises. Furthermore, a majority of the studies focus on the *outcomes* of unmet promises, again without distinguishing between explicit and implicit promises. For instance, research regularly examines the undesirable effects of perceived contract breaches on employee attitudes and behaviors (e.g., Reimann & Guzy, 2017; Parzefall & Coyle-Shapiro, 2011) using broad measurements of promises and contract fulfillment. In doing so, they overlook the nuanced differences between explicit promises, which are clearly articulated, and implicit promises, which are more subtle and indirect. Therefore, our empirical understanding of implicit promises specifically remains limited. To this end, Conway and Pekcan (2019) explicitly highlight that most of the research on implicit promises relies on questionnaires which are unable to capture subtle implicit phenomena, and call for greater use of qualitative methods to examine what are highly interpretive beliefs.

Psychological contracts, implicit promises & the external context

Research has shown that beyond the employee's employing organization, there are a range of external factors that may shape individuals' initial and future psychological contracts, such as pre-employment work experiences (Buch et al., 2014), the employment experiences of family members or friends, and the impact of school and media (e.g. Paugh et al., 2003; Rousseau, 2001; Tomprou & Nikolaou, 2011). However, this extant work on the impact of external factors on psychological contracts has several limitations. First, there is a general tendency to decontextualise psychological contracts. There are some exceptions such as Westwood et al's (2001) investigation of the changing business context in Hong Kong which explicitly highlighted the influence of

external, environmental factors such as globalization and increased competition both on how psychological contracts were formulated and how they subsequently changed. However, overall, there is an under-exploration of the broader socio-institutional influences and their impact on employee behaviors and attitudes. Second, the studies that do focus on factors outside the organization have a tendency to explore these external factors as isolated variables (for e.g. see Ravlin et al., 2012; Westwood et al, 2001; Zagenczyk et al., 2015). Third, there is a propensity in the field to employ cross-sectional designs to investigate national culture as a moderator of the exchange relationship (Arshad, 2016; Kickul, Lester, & Belgio, 2004). Therefore, Thomas, Au, & Ravlin (2003) argue that much of the psychological contract research when examining the external context focuses on how cultural differences shape the implicit exchange. However, a lot less is known about how employees take in social information tied to wider political, socio-economic, structural and institutional features of a given context and how this process in turn shapes socially acceptable implicit promises within the broader employer-employee exchange relationship. Fourth, even when the external context is being considered, the focus on implicit promises may be unclear/weak. For example, a recent study by Ma et al. (2020) explored the understanding and interpretation of promises in the Chinese context, highlighting participants' personal understandings based on their individual interpretations but did not specifically focus on implicit promises.

Psychological contracts, social information processing & the external context

Since consideration of external contexts in psychological contract research is limited, we do not have a theoretical blueprint to help us understand how distinctive socio-institutional features of non-Western contexts such as Pakistan impact implicit promises. For example, Pakistan can be classified as a status-conscious context whereby status as a system of social stratification signals

differential access to both material/economic and immaterial/social resources such as money, power, education, jobs and one's class within broader society (Khilji, 2013). Therefore, employees with higher external social status are automatically expected to be better educated, better-off financially, and more likely to be occupying managerial/technical specialist roles (Adler et al, 2000). However, extant psychological contract research has empirically examined status largely in terms of employment status because that is how status manifests in the oft-studied Global North/Western contexts; with very little exploration of the social dimensions of status beyond the workplace. Subsequently, research has highlighted differences between permanent versus temporary employees in terms of job insecurity, interactional justice and psychological contract violation/breach (Ma et al, 2019; Saunder & Thornhill, 2006), attitudinal and behavioral differences between full-time versus part-time employees with respect to psychological contract fulfillment (Conway & Briner, 2002), full-time employees perceiving a greater decline in relational aspects of psychological contracts (De Meuse et al, 2001) and differences in the perception of promises being tied to white-collar versus blue-collar status (Ellis, 2007).

There has been *some* indirect consideration of the social dimensions of status within workplaces. For example, research shows that fulfilling relational obligations in workplaces enhances social status within an organization (Bingham et al, 2014) and even informal differences in power and social status within organizational networks can impact psychological contracts (Dabos & Rousseau, 2013). There has also been a piecemeal attempt to draw out the socio-institutional embeddedness of social status. For instance, research on expatriates has highlighted that those with low socio-economic status tend to emphasize transactional psychological contracts (Haak-Saheem et al, 2023). However, overall, status in psychological contract research is predominantly viewed as an individual/organizational factor and the consideration of social status in Asian contexts

especially is scarce (Kataula et al, 2020). This is problematic because viewing psychological contracts from the social information processing lens underlines social status as an embedded macro-level feature that will be seen by Pakistani employees as rational, and socially acceptable in the low individualism context (Khilji, 2013). Therefore, the societal-level hierarchical ranking of employees, and their families, is likely to filter through to organizations and in turn shape their attitudes, needs and behaviors (Salancik & Pfeffer, 1978) and perceptions of implicit promises.

Another socio-institutional feature that is especially relevant within the Pakistani context is relational networking. In Pakistan, the combined influence of Islam (with its emphasis on family and community), Indian origins (and associated centrality of the family in a ritualistic *and* financial sense) and finally a British colonial legacy (with its emphasis on an elite culture utilizing contacts to maintain power and status) (Khilji, 2013) results in a socio-institutional context that places considerable emphasis on relational networking. Additionally, in Pakistan the construct of *Vartan Bhanji* subsists, a multi-layered form of social organization that encompasses both strong familial ties as well as broader 'courtesy relationships' with nonrelatives who can be asked for/given assistance or favors (Saher & Mayrhofer, 2014). Since we know that relational aspects of psychological contracts remain highly sensitive to socio-institutional contexts (Conway & Briner, 2009; Rousseau & Schalk, 2000), therefore, Pakistani employees' processing of external social cues on networking are likely to result in very distinctive, context-specific manifestations of relational contracts and promises. However, extant psychological contract literature has not to date explored this external, socio-institutional feature in sufficient detail.

There *is* an inherent recognition that since psychological contracts are ambiguous they are likely to vary across individuals (Rousseau & Tijoriwala, 1998) and be particularly 'prone to social influences from other people' (Ho & Levesque, 2005: 276). This *social influence* is in turn

explored through two key streams of literature. First, the work on relational psychological contracts highlights the importance of socioemotional and affective resources (Rousseau, 1995; Coyle-Shapiro et al. 2019) across different types of organizational networks ranging from instrumental/advice-based networks tied to work-related encounters versus the expressive/friendship-based networks typifying more reciprocal, personal support (Dabos & Rousseau, 2013; Ho et al, 2006). This body of work shows that social ties, and the influence of these ties on employees, impacts psychological contract fulfillment of both organization-wide (such as work-life balance) and job-related (such as pay) promises (Ho & Levesque, 2005). Second, social/relational influence is indirectly explored in research on socialization within groups/teams, team-level interactions such as collectively evaluating fulfillment of organizational promises and the subsequent realization of shared, team-level psychological contract fulfillment (Laulié & Tekleab, 2016; Tekleab et al, 2020). The link with national culture emerges here whereby, research shows that teams with higher levels of collectivism are more likely to agree on promises and obligations and will have greater group psychological contract fulfillment (Harvey, 2010).

However, both strands of literature suffer from the limitation of considering social ties, networks and group-level behavior *within* organizational hierarchies rather than considering the impact of broader networks and social ties *beyond* the employing organization. Even when there is a consideration of external networks, for instance, how they interact with formal and informal social networks within the workplace to impact employees' psychological contracts, these external networks are mainly conceptualized as professional associations (Dabos & Rousseau, 2013). This understanding of networks as primarily limited to workplaces or work contexts is problematic because in non-Western contexts like Pakistan relational networking is such an

integral part of the social fabric that employee perceptions of promises are likely to be impacted by both organizational networks *and* broader social networks beyond the employer.

In summary, our literature review considered our front-end theory of psychological contracts, highlighting that more contemporary work in the field has tended to under-emphasize the role of implicit promises (Bankins, 2014). We then considered psychological contracts, and specifically implications for implicit promises, against the distinctive socio-institutional context of Pakistan. Given our emphasis on employees' perceptions of implicit promises we applied the social information processing approach as a backend theory to understand how individuals may interpret 'multiple social influences' (Salancik & Pfeffer, 1978: 248) to create 'homogeneous perceptions about the way employers fulfill their promises' (Laulié & Tekleab, 2016: 660).

Methods

Current psychological contract research that focuses specifically on promises favors quantitative approaches that do not distinguish between implicit and explicit promises in their measurement tools (Tekleab and Chiaburu, 2011; Restubog et al, 2010; Roehling, 2008). Another limitation of quantitative work on implicit promises is their reliance on predefined lists of promises, which are presented to participants as closed categories. This approach risks omitting promises that lie outside the researchers' experiences or prior work, potentially overlooking significant but unexpected promises. Qualitative methods, on the other hand, allow for the emergence of such unanticipated promises, offering a more comprehensive exploration of psychological contracts in diverse organizational contexts (Conway & Briner, 2005; Coyle-Shapiro & Parzefall, 2008). Subsequently, there have been calls to move away from quantitative, cross-sectional, self-reported studies (Conway and Briner, 2005) and deploy qualitative methods that can help capture subtle

and highly subjective implicit phenomena (Conway & Pekcan, 2019). Since we applied the social information processing lens to empirically examine how employees' perceptions of implicit promises were impacted by socio-institutional factors an interpretive, exploratory approach was adopted. The interpretivist approach helped capture the socially-constructed 'subjective realities' (McKenna et al, 2011: 150), perceptions and choices of employees engaged in processing an under-studied and distinctive informational and social environment (Salancik & Pfeffer, 1978). This paper used an embedded multiple case study approach (Bryman and Bell 2003; DePoy & Gitlin, 2016) by interviewing employees as well as very senior management for employer-level interviews. A purposive sampling technique was deployed to identify four-case study MNEs that differed considerably in terms of size, subsidiary age, organizational structure and industry/sector (see table 1).

INSERT TABLE 1 ABOUT HERE

A total of fifty-three interviews were conducted across the four MNEs (see table 2). Thirteen employer-level semi-structured interviews (typically lasting 60-90 minutes) were conducted with very senior subsidiary management occupying key strategic positions (for e.g. ChemicalCo's Asia-Pacific HR director, BeverageCo's country manager for Pakistan and so on). These interviews were instrumental in enabling an in-depth understanding of both subsidiary *and* global MNE operations as well as drawing out the structural and strategic commonalities and differences between the four MNEs. Semi-structured interviews at the employer-level comprised of two thematic elements - 1) themes building on concepts highlighted by Perlmutter (1969), Bartlett & Ghoshal (1998) and Lorentz et al (1993) in order to establish each MNE's overall managerial orientation and business strategy and 2) specific HR policies ranging from recruitment and

selection, job tenures, mobility, job quality (including pay, promotion, training and international career opportunities) to job security in order to cross-validate employee-level data.

INSERT TABLE 2 ABOUT HERE

Furthermore, forty employee-level interviews (typically lasting 45-60 minutes) were conducted with managers and professionals/specialists, across different functions (marketing/sales, HR, finance etc.) and at different hierarchical levels (from graduate recruits to senior managers), in order to capture a broad range of individual employee perceptions. Employee-level semi-structured interviews deployed an oral work history interview technique (Atkinson 1998) with the key objective of allowing these employees to paint a detailed picture of their work history ranging from general historical detail like educational qualifications and previous work experience to individualized, experiential accounts of their career expectations, trajectories and strategies in their current organization. The oral work histories technique was especially well-suited to the social information processing approach adopted because it allowed employees to elaborate what in their social environment was of particular importance/relevance to them and how it impacted their judgment and choices (Shetzer, 1993; Salancik & Pfeffer, 1978).

Given the challenge of distinguishing between implicit and explicit promises in qualitative research, we took specific steps to ensure that the promises described by participants were indeed implicit. During the interviews, we honed in on employees' perceived unspoken agreements or obligations that were being *inferred* through consistent organizational behavior, social norms, and interpersonal relationships. We explicitly cross-checked with employees if these perceived agreements/obligations were part of their employment contract, annual performance appraisal or formal HR policies/employee handbook. To further corroborate the implicit nature of these

promises, we cross-referenced employees' responses with senior management/employer-level interviews to ensure that the promises were not part of formal, written HR strategy. This approach aligns with Conway and Briner's (2009) call for a more nuanced examination of implicit promises and helped us differentiate implicit promises from explicit ones.

To enhance the trustworthiness and credibility of our qualitative approach, we employed several strategies to ensure rigor in the research process. First, we utilized data triangulation by gathering insights from both senior management and employees. This approach helped capture diverse perspectives and ensured that our findings were comprehensive and reflective of the multifaceted organizational dynamics (Denzin, 2017). We also conducted pilot interviews to enable member checking, allowing a subset of participants to review and confirm the accuracy of our preliminary findings, thereby enhancing the credibility of the interpretations (Lincoln & Guba, 1994). Furthermore, to enable transferability, we offer rich, thick descriptions of the distinctive socioinstitutional environment of Pakistan, enabling readers to evaluate the applicability of our results to other contexts (Maxwell, 2021).

Throughout the study, reflexivity was integral to our methodology, as we engaged in regular debriefing sessions to critically examine and mitigate potential researcher biases, ensuring that our analysis remained grounded in the participants' experiences (Harley and Cornelissen, 2021). An audit trail was maintained to document methodological decisions and trace the evolution of the research process, promoting transparency and dependability (Cornelissen, 2017). Finally, intercoder reliability was ensured through independent coding by two researchers, followed by collaborative discussions to resolve discrepancies and ensure consistency in thematic analysis (Boyatzis, 1998). This comprehensive approach ensured the robustness of our findings and

addressed common concerns regarding the reliability of qualitative research (Alvesson & Sköldberg, 2018).

Given our emphasis on key socio-institutional features impacting employees' perceptions of implicit promises, the first stage of data analysis involved running a broad search of the following terms: 'Pakistan/Pakistani', 'society', 'local' 'social' and 'cultural'. This created a dataset highlighting societal features and facilitated the generation of broad, first-order categories of power distance, collectivism, political instability and economic growth (see figure 1). The second stage of data analysis involved a mixed, open-ended thematic analysis (Braun & Clark, 2022) of specifically highlighting instances of implicit promises (signifying employee perceptions of indirect, implied agreements or obligations as well as consistent/repeated patterns of exchange based on workplace and external observations). This generated second-order sub-categories of social status, organizational status, functional status, relational networking with work-based ingroups and external social networks, and structural influence of industry/sector economic growth. In the final stage we then ran a within- and cross-case analysis to draw out intra- and interorganizational similarities and differences (for e.g. at this stage the first-order category of political instability was discarded because it was stronger for the American MNEs that sometimes faced anti-American backlash due to geopolitical tensions with the U.S. - signified by the dotted line in figure 1).

INSERT FIGURE 1 ABOUT HERE

Findings

Our discussion below of how implicit promises are impacted by the socio-institutional environment is organized around three key external factors that affected employees' perception of

implicit promises: the impact of stratification, relational networking and structural factors. Each theme is discussed below with illustrative examples from across a range of HR policies, principally promotion patterns, organizational provision of training and international career opportunities.

Implicit promises and social stratification

Our analysis highlighted that employees' socialization with respect to the mechanisms of social stratification and status markers impacted their perception of implicit promises within their employing organizations. Against the specific socio-institutional backdrop of Pakistan, social stratification manifested itself across three sub-themes: i) social status, ii) organizational status and iii) functional status.

A key sub-theme that emerged during our data analysis was social status - a perceived higher social status impacted the creation of implicit promises with respect to being offered international career opportunities or being assigned strategically important roles. Both employees and managers made references to social status markers such as the status/ranking of the educational institutions employees had attended (see figure 1, quote A), the inherent employability attached to their specific educational and professional qualifications and their previous work experience in internationally recognized organizations.

'the accounting and finance degree in my university... there's a lot of hype around it...'
(BankCo)

'I'm a chartered accountant. I did it from the best company in Pakistan...the representative of Ernest and Young in Pakistan...then I joined (previous employer)... that's a *big* group in Pakistan... I was eventually heading the department of the joint venture between (previous employer) and Company X which is the largest chemical group in the world'. (ChemicalCo)

'(I am part of) a very pampered programme because we are highly qualified individuals with a good education and we are better than many other people...working in BeverageCo'. (BeverageCo)

"...somebody who can speak English... (has a) good education... and (is) hard working... this combination altogether really makes you a resource... worth investing in..." (Vice President Corporate Banking – BankCo)

"...so there are status markers and I cannot deny that the real reason behind them... might not be directly job related..." (Organizational Development Manager – BeverageCo)

These quotations highlight that a range of status markers external to the employing organization impacted, and potentially enhanced, perception of social status within the organization. While this is to be expected in a status-conscious external context (Adler et al, 2000) it crucially highlights how the interplay of the meso/organizational and macro/socio-institutional contexts may end up impacting the promissory exchange relationship between the employer and the employee.

Organizational status, specifically the reputational advantage of the employing MNE in both local and global labor markets also impacted employees' perception of implicit promises; especially in terms of access to more career opportunities. In the context of a developing country like Pakistan, with few large local organizations and a sluggish public sector, MNEs by default had higher status in the broader economy and labor market by dint of their 'foreign-ness'. Additionally, many of these MNEs were globally recognised 'brands' with significant reputational advantages globally in their specific industry/sector.

'The name, the fact that it was a multinational, plus specifically...an American one. Because I have fairly good knowledge that American multinationals (compared to other Western MNEs) are better for growth and advancement purposes...' (Chemical Co)

'You can almost rate organizations that take you further...among the top league...you would put P&G, Unilever, BeverageCo and maybe Reckitt...if you are working in any of these 5 you do have an advantage over others (in terms of career opportunities)... (BeverageCo)

"...what my mindset was that the starting should be with an international brand because in the end that's what pays off. Right now, my worth on my CV is because of this logo..." (BankCo)

'In Pakistan people are very brand conscious...almost anywhere if you say you are working in a multinational that in itself is an advantage...(you) go out and say you are working in EnergyCo and it makes an impression...' (EnergyCo)

These quotations highlight that in line with the societal norm of creating and maintaining hierarchies, employees' also engaged in a ranking of various organizations. Therefore, landing a coveted job in a foreign MNE impacted the perception of implicit promises of being offered *more* developmental opportunities (such as training and international assignments) as compared to local and public sector institutions. Crucially, these career opportunities were in turn expected to preserve and enhance employees' social status and social capital in wider society - a complex interaction of social status both within and outside the organization. Thus, this processing of information about their employer impacted implicit promises that not only affected behavioral outcomes within the organization but could indirectly also impact outward-oriented, socio-institutional outcomes such as preservation and/or enhancement of social ranking.

A final manifestation of status was the hierarchical ordering of different functions/departments at the intra-organizational level. While functional silos, and associated features of bureaucratic and centralized organizational structures, are well-recognized as an outcome of growth; the dominant Western narrative views these functional distinctions as a 'flawed business construct' (Ribeiro et

al, n.d.) that impede competitiveness and profitability and need 'breaking down' (Dudler, 2019). However, in the socio-institutional context of Pakistan functional rankings subsisted and the strategic importance (or lack thereof) of different functions indirectly impacted the perception of implicit promises. For instance, employees perceived the implicit promise of atypical promotion patterns if they were working in the high-status, strategically important functions.

'I (in consumer banking) would be on a faster track compared to a guy in operations...
where I have seen people take 5-6 years to reach the assistant manager level...(for me
it's) 2 years here... this is the impression...it's not written anywhere...(so) this is a faster
track as compared to the career path of (others)'. (BankCo)

"...the downside in this field is that there (is a) certain hierarchical level which you can achieve...because I would want to grow in my career...I might consider changing departments in the future...' (Beverage Co).

These quotations highlight that employees perceived a hierarchy of functions within their employing MNEs. Distinctions between the various functions, which may have initially emerged as a structural and strategic outcome that is to be expected in large organizations, *endured* in the Pakistani context and over time were imbued with status connotations. These status differentials between functions in turn reinforced employees' experience of implicit promises with respect to a range of HR policies such as the scale and pace of vertical progression. Therefore, societal features such as status-based rankings are far from passive, background features and instead permeate organizations and impact employees' perceptions of implicit promises.

Implicit promises and relational networking

A second key aspect of the social environment that impacted employees' perceptions of implicit promises was the concept of relational networking. Our analysis highlighted two sub-themes whereby implicit promises were tied to: i) the perceived in-group at work and ii) wider social networks outside the employing organization. With respect to the first theme, interviewees made repeated references to what other colleagues who they identified as a part of their in-group, that is, a smaller workgroup they had a trust-based, collaborative relationship with (Muethel & Bond 2013), had (or had not) been offered in terms of promotions, bonuses, international career opportunities and so on (see figure 1, quote B). Employees highlighted instances where expectations for promotion or international opportunities were inferred from patterns of behavior, such as observing ingroup colleagues with similar qualifications receiving such opportunities. Data analysis highlighted that employees did not automatically expect performance-driven, atypical promotions and international assignments but the experiences of in-group employees served as a strong, indirect signal.

'I am on a faster track compared to (other people)... this is my impression...it's not written anywhere but... (I am on) a faster track as compared to the career path of (others)' (BankCo)

'I have seen people make even bigger jumps (than me)...my colleague...who joined one month after right now he is the regional business manager for (biggest region in Pakistan) which is an even higher jump than mine...' (ChemicalCo)

'...we have...examples recently where our staff has been moved out of Pakistan as expats...one of my colleagues is now working as a retail development head in Indonesia. There is another senior colleague of mine who is now working in the regional head office in Singapore... I think I have fair chances for that (international opportunities) because now we know it is no longer impossible for us because we have two examples in front of us'. (EnergyCo)

Importantly, these expectations were not based on formal HR policies or documented promises (see BankCo employee's quotation above) but rather on observation and trusted interpersonal cues (see ChemicalCo and EnergyCo employees' quotations above). This reinforces the implicit nature of these promises, whereby employees may infer atypical progression as well as international relocations based on the experiences of their peers rather than formal, written agreements or explicit commitments. This sub-theme also highlights how the creation and maintenance of ingroups within the workplace engenders a relational network that signifies an additional layer of social relationships which facilitates the exchange of advice and vicarious learning - ultimately impacting the formulation and communication of implicit, reciprocal promises and obligations.

A second influence of the external social environment on employees' perception of implicit promises was wider socialization experiences, that is, their extended family and friends' employment experiences outside of their own employing organization. This finding extends the extant conceptualization of vicarious learning (Conway and Briner, 2009) beyond the organization. Many interviews highlighted how career decisions were 'made after consulting relatives and

'...many other companies ...my friends work (in) have a very formalized structure for management trainees...... a lot of the companies give a very high post and a very high jump to their management trainees after their training is complete' (BeverageCo)

friends who were well established in the financial industry...' (BankCo).

'I have friends who (have) worked in Royal Bank of Scotland and Standard Chartered...every multinational bank provides career opportunities abroad and these friends have availed these opportunities and are now placed in Hong Kong or Malaysia. So I would say...I'll get it too... It's there in all multinationals' (BankCo)

'The reason why I joined here is because they offered a job most interlinked with my previous work experience and educational history and in consultation with...my family

members and friends already working in Pakistan... they advised me that there was a lot more chance of learning and growing here and that was really the deciding factor'. (EnergyCo)

These quotations highlight that respondents' perceptions of their own exchange relationship with their employer were constantly informed by comparable external experiences and external opinions given the centrality of broader relational networks in Pakistani society. While this finding was not unsurprising given the higher degree of collectivism, strong in-group dynamics and the continued importance of relational networking in a context like Pakistan it crucially highlights a key shortcoming of extant psychological contract literature which ignores the impact of external, relational factors on the creation of unwritten, implicit promises within workplaces.

Implicit promises and structural influences

A final theme that emerged from the data analysis was employees' perceptions of implicit promises being tied to the external economic environment. Interviewees showed a fine-tuned appreciation of the financial viability of various industries and sectors, which in turn impacted their perceptions of implicit promises within their organizations. With respect to this particular finding cross-case differentials emerged. Employees in ChemicalCo, BeverageCo and EnergyCo all had perceptions of implicit promises such as faster career progression, higher bonuses and more developmental opportunities because of the boom in their respective industries within Pakistan.

'Anything related to...the energy sector... that's where the growth is...(so) I'll stick to this industry for now...because of the nature of the industry really'. (EnergyCo)

'...(this) industry is changing quite rapidly you know...professionals are moving quite quickly from one place to another... career paths are becoming a lot shorter and ChemicalCo needs to work on that'. (ChemicalCo)

However, the financial industry in Pakistan was a relatively small market and heavily impacted by political instability and security issues as well as not having recovered from the 2008-2009 global financial crisis (see figure 1, quote C). Therefore, even high-performing BankCo employees' perceptions of implicit promises such as atypical progression and international work experiences were tempered by external structural factors. Crucially, these inter-organizational differences highlight how employees are very aware that explicit and implicit patterns of exchange with their employing organization are likely to undergo cyclical changes depending on external economic conditions - underlining the dynamism of psychological contracts vis-à-vis external factors.

Discussion

Our paper sought to extend our understanding of implicit promises by moving beyond extant literature's relatively narrow focus on the content of psychological contracts (Conway & Briner, 2009; Bankins, 2014; Conway and Pekcan, 2019), with an emphasis on observable and explicit promises made by the employer (Roehling, 2008; Montes & Zweig, 2009). We moved beyond this dominant organizational lens (Conway & Monks, 2008; D'Annunzio-Green & Francis, 2005; Westwood, et al, 2001) and instead focused on how, and to what extent, socio-institutional factors beyond the organization's control might impact employees' perceptions of implicit promises. Our findings reveal that in the specific context of Pakistan distinctive socio-institutional factors, principally social status markers, relational networks and industry and sector-specific structural and economic conditions, served as signals that guided individual employees' perceptions of a range of employment opportunities, such as the pace and scale of career progression and the type

and frequency of international mobility opportunities. These implicit promises, though unwritten, in turn become an integral part of the psychological contract, subsequently influencing individuals' perceptions and behaviors.

Our qualitative and context-specific exploration of implicit promises contributes to theoretical and empirical knowledge in several ways. First, our study highlights the pivotal role external factors play in shaping employees' perceptions of implicit promises. Extant research has repeatedly highlighted the inherent subjectivity, context-specificity and hence variability of psychological contracts (Rousseau & Schalk, 2000; Rousseau et al, 2018; Conway & Briner, 2009). However, empirical work has to date not fully captured this variability across contexts (Kutaula et al, 2020) largely because the field has generated a greater amount of research in Western contexts that often favors an acontextual lens (Al-Ariss & Sidani, 2016). This is problematic because we argue that the definitional ambiguity surrounding implicit promises specifically (Conway & Pekcan, 2019; Bankins, 2014) is exacerbated in part because of the lack of explicit incorporation of external, socio-institutional factors. For instance, existing definitions of promises highlight 'commitment to...some future course of action' (Montes & Zweig, 2009: 1244) or 'verbal and non-verbal expressions of future intent' (Rousseau, 2001: 526). However, in contexts like Pakistan these 'future courses of action and intention' are going to be tied first, to extensive relational obligations of employees given they rarely operate as individual, autonomous agents within a deeply collectivist/family-oriented context and second, to greater political and economic uncertainty typical of developing/emerging economies. This underlines the influence of socio-institutional contexts as a significant precursor to the formation and communication of implicit promises. To this end we propose an expanded definition whereby implicit promises refer to the unspoken, yet deeply ingrained expectations and beliefs about future organizational outcomes and opportunities,

shaped by the continual interaction of the individual employee with the external, socio-institutional context.

This expanded definition allows for a more nuanced understanding of how employees' beliefs and perceptions are shaped not only by organizational practices but also by the broader external environment. Furthermore, it helps extend the definition of psychological contracts to include external socio-institutional factors which contribute to the formation of both implicit and explicit promises (Conway & Briner, 2005). This expanded definition that explicitly incorporates the external, socio-institutional context is of theoretical significance in two ways. First, it is of particular relevance in non-Western contexts like Pakistan, where socio-institutional factors play a critical role in shaping the psychological contract content. Second, it highlights the importance of distinguishing between implicit and explicit promises in contexts where employees' expectations are shaped by unwritten and inferred cues rather than formal agreements alone. Second, we argue in line with existing authors (Kutaula et al, 2020) that application of the social information processing approach (Salancik & Pfeffer, 1978; Shetzer, 1993) is especially wellsuited for capturing unseen, more implicit features, models or theories (Fiske and Taylor 1984) within organizations. For instance, our findings highlighted how employees continuously processed the external, contextual norm of social stratification in Pakistani society and then applied this information within and across organizations. Therefore, employees generated a hierarchy of functions, ascribing high versus low status to different departments as well as analyzing the relative reputational status of their employing MNEs within the external labor market; which in turn impacted implicit expectations and beliefs about future career outcomes and opportunities such as pace of career progression and type of international opportunities. Thus, far from being passive background elements, socio-institutional features actively contribute to the construction and

reinforcement of implicit promises, demonstrating the multi-layered and dynamic nature of the psychological contract. More importantly, social information processing captures 'homogeneous perceptions about the way employers fulfill their promises' (Laulié & Tekleab, 2016: 660) and therefore, can offer a certain degree of theoretical generalizability regarding individual employees' behaviors and choices between culturally and institutionally similar contexts - a considerably more robust approach than the large-scale application of Western research in Global South contexts. Additionally, the social information processing approach, by emphasizing the individual-level processing and application of social information, builds in a sensitivity to the dynamism inherent in socio-institutional contexts as they change over time in response to a range of stressors such as public policy agendas, economic fortunes/misfortunes, natural disasters and political turmoil.

Additionally, our socio-institutionally contextualized findings on employees' perceptions of implicit promises in Pakistan also offer a general contribution with respect to relational psychological contracts specifically. Extant research has highlighted a potential decline in relational aspects of psychological contracts specifically because of widespread structural changes such as corporate restructuring, downsizing and lifetime employment (De Meuse et al, 2001). There are also definitional concerns given that the distinction between relational and transactional psychological contracts in real life is complicated since some employment practices such as training have both relational and transactional features (Conway & Briner, 2009). However, our findings, with their emphasis on extensive relational networking both within and outside the employing organization, underline the continued importance of relational psychological contracts in contexts where local/immediate as well as wider social ties (Ho et al, 2006) remain important in generating information, advice and judgements that in turn impacts employee beliefs and attitudes.

Conclusively, our research reveals that in a context like Pakistan, characterized by a competitive labor market for skilled managers/professionals and a limited local business landscape, foreign MNEs naturally assume a heightened status. This heightened status predicated on the reputational advantage of MNEs in turn may impact employees' perception of implicit promises, especially in relation to access to wider career opportunities. Our research reveals that in a collectivist society like Pakistan, career decisions are intricately tied to the opinions and experiences of one's broader social network, including family members, friends, and even acquaintances. This external relational influence was evident as many participants shared instances of consulting their wider social circles for career advice and being influenced by the career trajectories of their peers and families. These interactions in turn contribute to the creation of unwritten, implicit promises within workplaces, reflecting a unique characteristic of the psychological contract in a collectivist context that requires a broader consideration of socio-institutional features than a stand-alone discussion of the collectivism dimension. Our qualitative approach involved cross-checking employee perceptions of implicit promises with employer-level interviews, ensuring a focus on unwritten, implicit promises. Therefore, this research responds to calls for more context-sensitive studies (Conway & Briner, 2009), particularly in non-Western contexts (Kataula et al, 2020) where implicit, relational, and socially- constructed promises subsist alongside formal, written agreements.

Practical implications

A key practical implication of this study is for MNEs to prioritize a more context-specific approach with respect to HRM, rather than implementing the corporate-driven, standardized approach commonly favored for subsidiary-level senior professional/managerial staff. Understanding local

socio-institutional factors, such as the value of social status and relational networking, can assist MNEs in developing HR policies that correspond with employees' expectations, improve the fulfillment of implicit commitments and crucially, enable the retention of scarce managerial/professional skills. For instance, organizations can leverage formal and informal networking both within and outside the workplace through self-nominated and self-managed mentorship initiatives, offering employees paid memberships to relevant external professional associations/bodies as a bonus, hosting industry-wide networking events, facilitating external secondments with partner/client multinational firms within a given host country, and highlighting these opportunities during recruitment events in order to improve attraction of potential employees. At a more global level MNEs can increase the use of multicultural teams, and given the increased use of virtual work, establish teams with members from across borders. Extending employees' opportunities to network beyond the local context and across various parts of the global operations will help fulfill implicit promises and reduce the risk of psychological contract breaches. These initiatives, in offering employees from collectivist contexts specifically the opportunity to expand their relational network, will reinforce implicit promises about their career growth, thereby fulfilling employees' psychological contracts and increasing overall organizational commitment and performance.

Given the importance of vicarious learning tied to relational networks both within and outside the organization, it is important for managers to actively manage employee perceptions shaped by the experiences of others. By monitoring and informally guiding these perceptions through regular informal conversations with line managers, psychological contract breach even when unavoidable

(such as not being offered an international assignment) can be managed in terms of its intensity and fallout.

Limitations and Future Research

While this study provides valuable empirical and theoretical insights into the role of socioinstitutional factors in shaping implicit promises, several limitations subsist. First, the research was conducted within the specific socio-institutional context of Pakistan, which necessarily limits the generalizability of our findings to other regions. Future research could explore implicit promises in other developing or emerging economies specifically in Africa and South America, allowing for comparative analyses that will help enhance our overall understanding of how cultural, institutional and economic factors shape psychological contracts globally. Second, while adopting a qualitative approach allowed us to generate rich, context-specific insights, however, it limits broader applicability. Future studies could adopt a mixed-methods approach, combining qualitative insights with quantitative surveys to increase generalizability across different settings. Longitudinal research could further explore how implicit promises evolve over time in response to both organizational and external changes (Rousseau et al., 2018; Coyle-Shapiro et al., 2019). Lastly, while this study focused on implicit promises within a relatively unchanging organizational and socio-institutional context, future research could examine how these promises are influenced by flux such as internal organizational changes, such as restructuring, mergers, or shifts in management practices and external changes such as recessions, natural disasters, pandemics and political instability. These changes often create uncertainty, which may affect employees' perceptions of implicit promises. Understanding how these promises adapt under such conditions

could offer valuable insights into the resilience of psychological contracts (Conway & Briner, 2009; Coyle-Shapiro et al., 2019).

References:

Adler, N. E., Epel, E. S., Castellazzo, G. and Ickovics, J. R. (2000). "Relationship of subjective and objective social status with psychological and physiological functioning: Preliminary data in healthy, White women", *Health Psychology*, Vol. 19 No. 6, pp. 586–592.

Alvesson, M. and Sköldberg, K. (2018). Reflexive Methodology. London: Sage.

Arshad, R. (2016), "Psychological contract violation and turnover intention: do cultural values matter?", *Journal of Managerial Psychology*, Vol. 31 No. 1, pp. 251-264

Atkinson, R. (1998). *The Life Story Interview: Qualitative Research Methods Series 44*, Thousand Oaks, California & London: Sage Publications.

Bankins, S. (2014), "Delving into promises: Conceptually exploring the beliefs constituting the contemporary psychological contract", *Journal of Management & Organization*, Vol. 20 No. 4, pp.544-566.

Bartlett, C. A. and Ghoshal, S. (1998), *Managing across borders: The transnational solution*. Harvard Business School Press, Boston, Massachusetts.

Bingham, J. B., Oldroyd, J. B., Thompson, J. A., Bednar, J. S. and Bunderson, J. S. (2014). "Status and the true believer: The impact of psychological contracts on social status attributions of friendship and influence" *Organization Science*, Vol. 25 No.1, pp. 73-92.

Boyatzis, R. E. (1998). *Transforming qualitative information: Thematic analysis and code development*. SAGE Publications, Inc.

Braun, V., & Clarke, V. (2022). Thematic analysis: A practical guide. Sage.

Bryman, A. and Bell, E. (2003), *Business Research Methods*, Oxford University Press, New York.

Buch, R., Kuvaas, B., Shore, L. and Dysvik, A. (2014), "Once bitten, twice shy? Past breach and present exchange relationships", *Journal of Managerial Psychology*, Vol. 29 No. 8, pp. 938-952.

Chaudhry, S., & Rubery, J. (2019). "Why do established practices deinstitutionalize? An actor-centred approach". *British Journal of Management*, Vol. 30 No. 3, pp. 538-557.

Conway, N. and Briner, R. B. (2009), "Fifty years of psychological contract research: What do we know and what are the main challenges", *International Review of Industrial and Organizational Psychology*, Vol. 24 No. 71, pp. 71-131.

Conway, N. and Briner, R. B. (2005). *Understanding Psychological Contracts at Work: A Critical Evaluation of Theory and Research*. Oxford University Press, USA.

Conway, N. and Briner, R. B. (2002), "Full-time versus part-time employees: Understanding the links between work status, the psychological contract, and attitudes", *Journal of Vocational Behavior*, Vol. 61 No.2, pp. 279-301.

Conway, E. and Monks, K. (2008), "HR practices and commitment to change: an employee-level analysis", *Human Resource Management Journal*, Vol. 18 No.1, pp. 72–89.

Conway, N. and Pekcan, C. (2019), "Psychological contract research: older, but is it wiser?". Griep, Y and C. Coopre (Ed.), *Handbook of Research on the Psychological Contract at Work*, Edward Elgar Publishing, Cheltenham, England, pp.10-34.

Cornelissen, J. (2017). 'Preserving theoretical divergence in management research: Why the explanatory potential of qualitative research should be harnessed rather than suppressed'. *Journal of Management Studies*, Vol. 54, pp. 368–83

Coyle-Shapiro, J. A. M., Pereira Costa, S., Doden, W. and Chang, C. (2019), "Psychological contracts: Past, present, and future", *Annual Review of Organizational Psychology and Organizational Behavior*, Vol. 6, pp. 145-169.

Coyle-Shapiro, J. A.-M., & Parzefall, M. (2008). Psychological contracts. In *The SAGE Handbook of Organizational Behavior: Volume II: Macro Approaches* (pp. 17-34). SAGE Publications Ltd: London.

D'Annunzio-Green, N. and Francis, H. (2005), "Human resource development and the psychological contract: great expectations or false hopes?", *Human Resource Development International*, Vol.8 No.3, pp. 327–344.

Dabos, G. E. and Rousseau, D. M. (2013), "Psychological contracts and informal networks in organizations: The effects of social status and local ties", *Human Resource Management*, Vol. 52 No.4, pp. 485-510.

De Meuse, K. P., Bergmann, T. J. and Lester, S. W. (2001), "An investigation of the relational component of the psychological contract across time, generation, and employment status", *Journal of Managerial Issues*, Vol. 13 No 1, pp. 102-118.

Denzin, N. K. (2017). The research act: A theoretical introduction to sociological methods. Routledge.

De Jong, J., Schalk, R. and De Cuyper, N. (2009), "Balanced versus unbalanced psychological contracts in temporary and permanent employment: Associations with employee attitudes", *Management and Organization Review*, Vol. 5 No. 3, pp. 329-351.

De Vos, A. and Freese, C. (2011) "Sensemaking during organizational entry: Changes in newcomer information seeking and the relationship with psychological contract fulfilment". *Journal of Occupational and Organizational Psychology*, Vol. 84 No. 2, pp. 288–314.

DePoy, E. and Gitlin, L.N. (2016). Introduction to Research (Fifth Edition). Missouri: Elesevier.

Dick, P. (2006), "The psychological contract and the transition from full to part-time police work", *Journal of Organizational Behavior*, Vol. 27 No. 1, pp. 37–58.

Dudler, T. (2019). 'Break through functional silos for speed, agility', *Research Report*,

Accenture. available at: Breaking Functional Silos to Achieve Operating Model Agility |

Accenture

Ellis, J. B. (2007), "Psychological contracts: Does work status affect perceptions of making and keeping promises?", *Management Communication Quarterly*, Vol.20 No.4, pp. 335-362.

Farnese, M.L., Livi, S., Barbieri, B. and Schalk, R. (2018). "You can see how things will end by the way they begin: The contribution of early mutual obligations for the development of the psychological contract", *Frontiers in Psychology*, Vol. 9 No.543, pp. 1-11.

Fiske, S. and Taylor. S.E. (1984), Social Cognition. New York: Random House.

Guest, D. and Conway, N. (2000), *The Public Sector and the Psychological Contract*. IPD Research Report, IPD, London.

Guba, E. G., & Lincoln, Y. S. (1994). Competing paradigms in qualitative research. Handbook of qualitative research, 2(163-194), 105.

Haak-Saheem, W., Woodrow, C. and Brewster, C. (2023), "Low-status expatriates in the United Arab Emirates: a psychological contract perspective", *The International Journal of Human Resource Management*, Vol. 34 No.6, pp.1157-1181.

Harley, B., & Cornelissen, J. (2022). Rigor with or without templates? The pursuit of methodological rigor in qualitative research. *Organizational Research Methods*, Vol.25 No.2, pp. 239-261.

Harvey, J. (2010), "We are in this together: Group psychological contracts, breach, and outcomes", *OU Dissertation*. Available at: https://shareok.org/handle/11244/318698

Ho, V.T., Weingart, L.R. and Rousseau, D.M. (2004), "Responses to broken promises: does personality matter?," *Journal of Vocational Behavior*, Vol. 65 No. 2, pp, 276-293.

Ho, V. T. and Levesque, L. L. (2005), "With a little help from my friends (and substitutes): Social referents and influence in psychological contract fulfillment", *Organization Science*, Vol.16 No.3, pp. 275-289.

Ho, V. T., Rousseau, D. M. and Levesque, L. L. (2006), "Social networks and the psychological contract: Structural holes, cohesive ties, and beliefs regarding employer obligations", *Human Relations*, Vol. 59 No 4, pp. 459-481.

Khilji, S. E. (2013), "Human resource management in Pakistan", Budhwar, P and Dehrah, Y. (Ed), *Human Resource Management in Developing Countries*, Routledge, pp. 102-120.

Kutaula, S., Gillani, A. and Budhwar, P. S. (2020), "An analysis of employment relationships in Asia using psychological contract theory: A review and research agenda", *Human Resource Management Review*, Vol. 30 No. 4, pp. 100707.

Kickul, J., Lester, S.W. and Belgio, E. (2004), "Attitudinal and behavioral outcomes of psychological contract breach: A cross cultural comparison of the United States and Hong Kong Chinese", *International Journal of Cross-Cultural Management*, Vol. 4, No.2, pp. 229–252.

Laulié, L. and Tekleab, A. G. (2016) "A multi-level theory of psychological contract fulfillment in teams. *Group & Organization Management*", Vol. 41 No. 5, pp. 658-698.

Ma, G., Blenkinsopp, J. and Armstrong, S. (2020), "Same words, different worlds: Exploring differences in researcher and participant understandings of promise and obligation in the psychological contract", *Journal of Management & Organization*, Vol.26 No 1, pp. 95-109.

Maxwell, J. A. (2021). Why qualitative methods are necessary for generalization. *Qualitative Psychology*, Vol. 8 No. 1, pp. 111- 118.

Montes, S. D. and Zweig, D. (2009). "Do promises matter? An exploration of the role of promises in psychological contract breach", *Journal of Applied Psychology*, Vol. 94 No.5, pp.1243 - 1260.

Muethel, M., & Bond, M. H. (2013). National context and individual employees' trust of the outgroup: The role of societal trust. *Journal of International Business Studies*, *44*, 312-333.

Parzefall, M. R. and Coyle-Shapiro, J. A. (2011), "Making sense of psychological contract breach", *Journal of Managerial Psychology*, Vol. 26 No. 1, pp. 12-27.

Perlmutter, H.V. (1969), "The torturous evolution of the multinational company", *Columbia Journal of World Business*, Vol. 4 No. 4, pp. 9–18.

Ravlin, E.C., Liao, Y., Morrell, D.L., Au, K. and Thomas, D.C. (2012), "Collectivist orientation and the psychological contract: Mediating effects of creditor exchange ideology", *Journal of International Business Studies*, Vol. 43 No. 8, pp. 772–782.

Rigotti, T. (2009), "Enough is enough? Threshold models for the relationship between psychological contract breach and job-related attitudes", *European Journal of Work and Organizational Psychology*, Vol. 18 No.4, pp. 442-463.

Reimann, M. and Guzy, J. (2017), "Psychological contract breach and employee health: The relevance of unmet obligations for mental and physical health", *Journal of Work and Organizational Psychology*, Vol. 33 No.1, pp. 1-11.

Restubog, S. L., Bordia, P., Tang, R. and Krebs, S. (2010) "Investigating the moderating effects of leader-member exchange in the psychological contract breach-employee performance relationship: A test of two competing perspectives", *British Journal of Management*, Vol. 21 No. 2, pp. 422–437.

Ribeiro, F., Giacoman, A. and Trantham, M. (n.d.). 'Dealing with market disruption: Seven strategies for breaking down silos'. *Research Report, PWC*. Available at:

https://www.strategyand.pwc.com/gx/en/insights/2016/dealing-market-disruption/dealing-with-market-disruption.pdf

Roehling, M. V. (2008), "An empirical assessment of alternative conceptualizations of the psychological contract construct: Meaningful differences or "much to do about nothing?", Employee Responsibilities and Rights Journal, Vol. 20,pp. 261-290.

Rousseau, D.M., Hansen, S. D. and Tomprou, M. (2018) "A dynamic phase model of psychological contract processes", *Journal of Organizational Behavior*, Vol. 39 No 9, 1081-1098.

Rousseau, D.M. (2001), "Schema, promise, and mutuality: The building blocks of the psychological contract", *Journal of Occupational and Organizational Psychology*, Vol. 74 No. 4, pp. 511–54.

Rousseau, D., Schalk, R. and Schalk, M. R. (2000). *Psychological Contracts in Employment: Cross-national Perspectives*. Sage Publications, Thousand Oaks.

Rousseau, D. (1995). Psychological contracts in organizations: Understanding written and unwritten agreements. Sage Publications, Thousand Oaks.

Salancik, G. R. and Pfeffer, J. (1978), "A social information processing approach to job attitudes and task design", *Administrative Science Quarterly*, Vol.23 No.2, pp. 224-253.

Saher, N. and Mayrhofer, W. (2014), "The role of Vartan Bhanji in implementing HRM practices in Pakistan", *The International Journal of Human Resource Management*, Vol.25 No.13, pp. 1881-1903.

Saunders, M. N. and Thornhill, A. (2006), "Forced employment contract change and the psychological contract", *Employee Relations*, Vol. 28 No.5, pp. 449-467.

Shetzer, L. (1993). "A social information processing model of employee participation", *Organization Science*, 4(2), pp. 252-268.

Suazo, M. M., Martínez, P. G. and Sandoval, R. (2009), "Creating psychological and legal contracts through human resource practices: A signaling theory perspective", *Human Resource Management Review*, Vol. 19 No 2, pp. 154-166.

Schein, E.H. (1965, 1980) Organizational Psychology. Prentice-Hall, Englewood Cliffs, NJ.

Tekleab, A. and Chiaburu, D. S. (2011), "Social exchange: Empirical examination of form and focus", *Journal of Business Research*, Vol. 64 No. 5, pp. 460–466.

Tekleab, A. G., Laulié, L., De Vos, A., De Jong, J. P. and Coyle-Shapiro, J. A. (2020), "Contextualizing psychological contracts research: A multi-sample study of shared individual psychological contract fulfilment", *European Journal of Work and Organizational Psychology*, Vol.29 No.2, pp. 279-293.

Tomprou, M. and Nikolaou, I. (2011), "A model of psychological contract creation upon organizational entry", *Career Development International*, Vol. 16 No. 4, pp. 342-363.

Thomas, D.C., Au, K and Ravlin, E.C. (2003), "Cultural variation and the psychological contract", Journal of Organizational Behavior: The International Journal of Industrial, Occupational and Organizational Psychology and Behavior, Vol. 24 No.5, pp. 451–471.

Westwood, R., Sparrow, P. and Leung, A. (2001), "Challenges to the psychological contract in Hong Kong", *International Journal of Human Resource Management*, Vol. 12, No. 4, pp. 621–50.

Zagenczyk, T.J., Cruz, K.S., Cheung, J.H., Scott, K.L., Kiewitz, C. and Galloway, B. (2015), "The moderating effect of power distance on employee responses to psychological contract breach", *European Journal of Work and Organizational Psychology*, Vol. 24 No. 6, pp. 853–865.

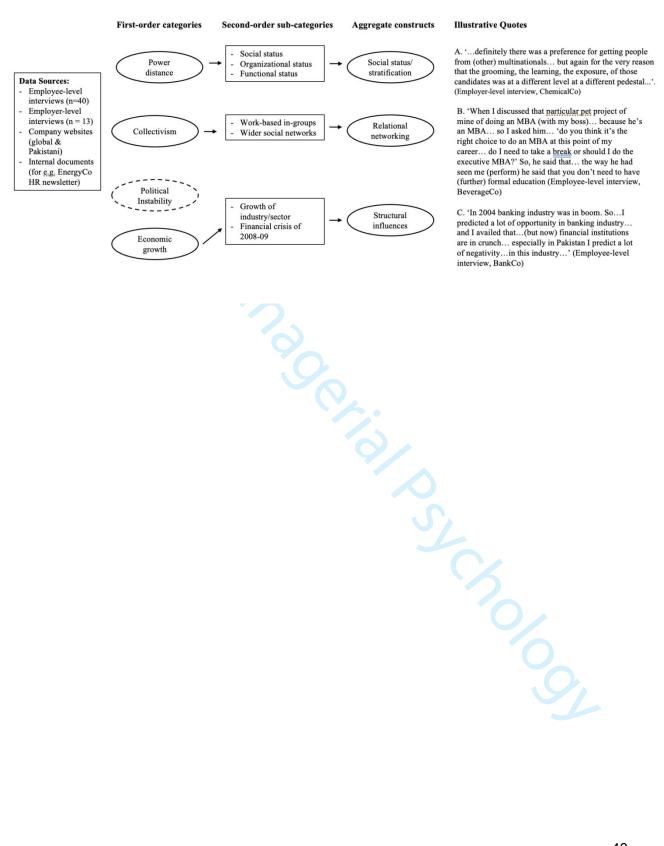
Table 1: Case study MNEs

Name	Ownership	Industry	Operational in Pakistan since	Size of Pakistani operations (number of employees)	Pakistani Subsidiary Structure		
Bank Co	American	Financial business services	1961	1100	 Country head office (HO) Corporate Banking HO Customer services/ commercial banking branches – spread across Pakistan 		
Chemical Co	American	Agro- chemical	1978	~ 500	Country HOManufacturing PlantSales Offices – spread across Pakistan		
Beverage Co	American	Fast-moving consumer goods/ beverage	1953	1800	- Country HO (has 2 parts) i) Beverage Co International (deals with international issues like branding, marketing, quality control, product development etc.) ii) Beverage Co Pakistan (oversees Pakistani territory offices & manufacturing plants)		
Energy Co	French	Oil/gas	2001	~ 800	 Country HO 4 territory offices (south, mid-country, central & northern regions) Service stations (across all four regions). 		

Table 2: Primary data (n=53)

	Beverage Co	Energy Co	Chemical Co	Bank Co	Total
Employee-level interviews	10	10	8	12	40
Employer-level interviews	3	2	5	3	13
Total	13	12	13	15	53

Figure 1: Data structure



Illustrative Quotes

- A. '...definitely there was a preference for getting people from (other) multinationals... but again for the very reason that the grooming, the learning, the exposure, of those candidates was at a different level at a different pedestal...'. (Employer-level interview, ChemicalCo)
- B. 'When I discussed that particular pet project of mine of doing an MBA (with my boss)... because he's an MBA... so I asked him... 'do you think it's the right choice to do an MBA at this point of my career... do I need to take a break or should I do the executive MBA?' So, he said that... the way he had seen me (perform) he said that you don't need to have (further) formal education (Employee-level interview, BeverageCo)
- C. 'In 2004 banking industry was in boom. So...I

11th October 2024

Dear Dr. Smirti Kutaula,

Thank you for giving us the opportunity to submit a revision of our paper now titled "Navigating the Unspoken: The Impact of Socio-Institutional Factors on Employees' Understanding of Implicit Promises" to the Journal of Managerial Psychology (Manuscript: ID JMP-10-2023-0641.R1). We ree rete.
red font. Below w.
etailed description of h.
stice to the useful guidance pr. would like to thank you for your constructive editorial letter and clear directions, as well as the useful comments offered by all three referees. Collectively these comments have informed a further revision of our paper and hopefully made it considerably stronger. All substantial changes in the revised manuscript are in red font. Below we address your, and each reviewer's, comments (in italics) one by one with a detailed description of how we tackled each suggestion.

We hope we have done justice to the useful guidance provided and look forward to receiving feedback on this version.

Best wishes,

Authors

Editor's comments:

- The Reviewers' comments do offer suggestions for improvement that you may find useful, the detailed reviewer comments appear further down below after the decision letter. I would specifically advise you to consider the reviewers' comments around novelty and theoretical contributions, in particular, those raised by Reviewer 3. You also need to add a detailed section on Limitations and Future research as suggested by Reviewer 2 and data analyzes improvements mentioned by Reviewer 1.

We sincerely appreciate the opportunity to revise and resubmit our manuscript and are grateful for the thoughtful feedback provided by the reviewers and yourself. Each comment has been carefully considered, and we believe that the revisions we have made have significantly strengthened the manuscript.

In response to Reviewer 3's suggestion regarding the novelty and theoretical contributions we refined the focus of our study by taking out any mention of talent management/talent status. This was a valuable suggestion and helps underscore the distinctiveness of our paper from previous work that tends to focus primarily on the organizational perspective. In this revised version we are now theoretically focusing clearly on how under-studied socio-institutional factors impact the formation of implicit promises within psychological contracts. As noted on pages 4-6, we explicitly discuss how these external socio-institutional factors influence employees' perceptions of implicit promises, which represents several unique contributions to the literature; namely a) an empirical exploration of implicit promises leading to the generation of a new and expanded definition (page 27), b) an emphasis on the implications of distinctive socio-institutional factors on implicit promises and psychological contracts against the backdrop of largely a-contextual extant research in the area and c) an exploration of under-studied Global South context with considerable empirical and theoretical generalizability across South Asia, the Middle East and parts of Africa and South America. In this revised version we also expanded our discussion section (pages 26–28). We highlight our theoretical contributions in terms of extending existing frameworks, particularly the work of Conway & Briner (2009) and Rousseau (2018), by incorporating non-Western, context-specific insights into the development of psychological contracts. Furthermore, our findings on relational networking have theoretical implications for literature dealing specifically with relational psychological contracts - we argue that far from declining in importance (De Meuse et al, 2001) relational psychological contracts are an immutable reality in contexts typified by collectivism, in-group/out-group relations, and networking.

We completely agree with Reviewer 2's suggestion of adding a section on limitations and future research directions. On pages 31–32, we have now added a new section that outlines several key limitations of our study. Specifically, we acknowledge the potential limitations of offering findings from a distinctive socio-institutional context like Pakistan and highlight the need for studying other

non-Western settings in order to draw out additional nuances specific to different cultural and economic environments and facilitate a cross-country, comparative analysis. We have also suggested future research directions in terms of different methodologies (specifically mixed-methods and longitudinal approaches) as well as the impact of change both at the organizational level (such as restructuring or shifts in management practices) and at the macro/external level (such as recessions or times of political instability) as these internal and external transformations often create uncertainty that can reshape employees' perceptions of implicit promises and subsequently their psychological contracts.

In response to Reviewer 1's comments regarding methodological transparency and rigor, we have made several important additions to the manuscript. First, we have added more detail for our coding approach (specifically how we distinguished between implicit and explicit promises during data organization and first stage of coding) (pages 15-16). We have also expanded our description of our thematic analysis and coding processes by adding a figure that illustrates our coding framework and provides an overview of how themes were developed, ensuring the transparency of our data analysis (page 17 and Figure 1). We have also strengthened the credibility of our qualitative findings by elaborating on the steps we took to ensure rigor (such as the use of member checking), the creation of a detailed audit trail, and engaging in reflexive discussions to mitigate researcher bias (pages 15 & 16). This aligns with the best practices suggested by Denzin (2017) and Lincoln & Guba (1994) and enhances the overall trustworthiness of our study.

We hope that these revisions adequately address the concerns raised by the reviewers and yourself. We believe that the changes have significantly strengthened the manuscript's clarity, theoretical contributions, and methodological rigor. We look forward to receiving further feedback on this revised submission.

Reviewer: 1

- Dear authors, I have reviewed your paper a second time and would like to acknowledge that overall, there have been major improvements. However, I still suggest you provide more checks and balances in the way your data was processed. Qualitative data is often subject to criticism due to reliability and validity issues so I would suggest you provide some more information about the trustworthiness of the design.

Thank you for your valuable feedback and for recognizing the improvements in our revised manuscript (which we credit to your and other reviewers' helpful comments in the previous round). In response to your comment on the trustworthiness and rigor of our qualitative approach, we have now added a detailed description of how we sought to enhance the transparency and robustness of our methodology (pages 15 & 16). Specifically, we explain how we utilized multiple data sources, including interviews with both senior management and employees, to capture diverse perspectives

and also enabled cross-checking. In line with Denzin (2017), we argue that this approach allowed us to cross-validate our findings, ensuring that they are comprehensive and reflective of the different viewpoints within the organizations.

We also explained in the method section that, during the research, we conducted member checking by conducting a pilot study and sharing preliminary findings with a smaller subset of participants to improve the credibility of our interpretations, as suggested by Lincoln & Guba (1994). This process confirmed the accuracy of our interpretations and ensured alignment with participants' lived experiences. Additionally, we highlighted that our descriptions of the socio-institutional environment of Pakistan aimed to offer rich, thick descriptions that would enable the reader to assess the degree of applicability of our findings to other contexts (Maxwell, 2021).

We emphasized that during the research, we engaged in regular debriefing sessions to critically examine and mitigate potential researcher bias. This reflexive approach helped ensure that the analysis remained grounded in participants' perspectives rather than influenced by preconceived notions (Harley & Cornelissen, 2021). Furthermore, we maintained a detailed audit trail throughout the research process, documenting key methodological decisions and the evolution of our analysis to enhance transparency and dependability (Cornelissen, 2017).

Finally, we explained in the manuscript how we addressed inter-coder reliability by having multiple researchers independently code the data, followed by collaborative discussions to resolve any discrepancies. This process ensured consistency and rigor in our thematic analysis (Boyatzis, 1998). Our approach was influenced by the work of Alvesson & Sköldberg (2018), whose emphasis on reflexive methodology helped guide our efforts to enhance the robustness of our findings.

It is interesting to note that we had already taken all these steps at the time of data collection and analysis but it is your (very valid) comment that qualitative research is criticized with respect to reliability and validity which prompted us to add all this detail. We hope that this added description will address common concerns regarding the reliability of qualitative research and bolstered the overall trustworthiness and methodological rigor of our study. We hope these revisions do justice to your comments and further enhance the quality of our paper.

- In addition, the notion of implicitness remains a bit of an issue as interviews are difficult to decipher to what extent stated promises are implicit or not unless you corroborate with other pieces of evidence; for example, is what is stated as an obligation listed in an employee manual? It is inferred or implied by some conclusion the employee made? how did the employee consider a specific aspect of work to be a 'promise'. You need to convince better the reader that the notion of implicitness being measured is indeed implicit.

Thank you for your insightful comment regarding the nature of implicit promises. We have addressed this concern by providing further clarification in the methodology section on how we ensured that the promises identified by participants were genuinely implicit. Specifically, we asked

participants to focus on promises or obligations that were not part of any formal, written agreements or explicitly documented in employee manuals or contracts. To validate these perceptions, we then cross-referenced participants' responses with senior management/employer-level interviews, in order to confirm that the promises being described were truly implicit/inferred from consistent patterns of behavior and interpersonal relationships, rather than formal organizational/HR policies (see p. 16).

Additionally, we have revised the findings section to make it explicit that these promises were based on unspoken expectations and organizational practices, rather than documented obligations (pages 22-23). Furthermore, we revisited the distinction between implicit and explicit promises in the discussion section, providing a theoretical justification for how the study effectively captured implicit promises, particularly in a non-Western context (see p. 27).

We believe these clarifications will enhance the reader's understanding of how we distinguish implicit promises from explicit ones and adequately address your concerns regarding the trustworthiness of our approach.

Additional Questions:

1. Originality: An understanding of how the PC shapes itself in the Asian context especially in terms of promises is essential.

We appreciate your acknowledgment of the relevance and originality of our study, particularly regarding the psychological contract (PC) in the Asian context typified by distinctive socio-institutional factors that influence the formation of implicit promises in non-Western settings.

2. Relationship to Literature: There is improvement in the new revision in this sense with the authors utilizing social information processing theory to establish an understanding of the mechanics of how implicit promises shape themselves in that context and serves as a background to pin down the results.

Thank you for recognizing the improvements in our engagement with the literature, particularly the integration of social information processing theory (which was such a helpful and relevant suggestion). We aimed to use this theoretical framework to provide a more nuanced understanding of how implicit promises develop and shape employees' expectations in this context.

3. Methodology: While more details have been provided, there is still little information of how the transcripts were processed and how the codes were generated; what checks and balances were in place to evaluate the trustworthiness of the qualitative data? (Grodal et al., 2021; Tracey, 2010). Moreover, although the authors try to justify the use of interviews to elicit implicit beliefs, they fall short of ensuring to what extent the beliefs are actually 'implicit'? Is it because of vicarious learning or social patterns at work that

elicit signals that something is an inducement? They do however imply although not so articulately that some implicit beliefs are generally inferred from what employees consider as an obligation.

We understand your concern regarding the processing of the transcripts and the generation of codes. In response, we have provided additional detail in the methodology section (pages 15-17), where we describe checks to ensure methodological credibility, and detail on how the transcripts were analyzed and coded (see also figure 1). We employed a mixed open-ended thematic analysis (Braun & Clarke, 2022) and utilized triangulation, member checking, and reflexivity to ensure the trustworthiness of our data, as well as an audit trail and inter-coder reliability checks to maintain consistency. Additionally, we clarified how we distinguished implicit from explicit promises in our methods section (pages 15-16), and then presented our findings to explain how participants' beliefs were inferred from organizational behaviors, vicarious learning, and social patterns at work, and not from formal written agreements (pages 22-23). We believe these revisions address your concerns regarding the processing of qualitative data and how implicit beliefs were identified.

4. Results: Fine

We appreciate your feedback and are glad to hear that the results section meets your expectations.

5. Practicality and/or Research implications: The understanding of how promises take shape in different cultural contexts is essential to help us evaluate how the PC forms itself. Perhaps implications could also be drawn on areas like internationalization of business or multi-cultural work teams.

Thank you for your insightful comment regarding the practicality and research implications of our study. We agree that understanding how promises take shape in different cultural contexts is crucial for evaluating how psychological contracts are formed. Based on your suggestion, we have expanded the Practical Implications section (pages 30-31) to include additional insights on the internationalization of business and the deployment of multicultural work teams to expand networking across borders as well as expanding the scope for vicarious learning beyond the local context. In this revised section, we discuss how local cultural norms, such as collectivism and relational networking, influence the development and fulfillment of implicit promises in international and multicultural contexts. We believe these revisions provide a more comprehensive understanding of the global relevance of our findings and address the concerns you raised regarding practical implications.

6. Quality of Communication: Fine

Thank you for your positive feedback regarding the clarity and quality of communication in the manuscript. We have made further refinements to ensure the content is presented in a clear and accessible manner.

Reviewer: 2

- Dear Authors, It was a pleasure to read this new version of the manuscript. You did a great job working on the comments made on the earlier version of the manuscript. The decision to focus on external factors playing a role in forming the promises of the psychological contract is convincing to me. In the following I will first describe how my earlier comments were met and then add some further points to consider in further revising this manuscript.

Thank you very much for your positive feedback on the revised version of our manuscript. We greatly appreciated your thoughtful comments in the previous round and therefore, are pleased that changes such as the decision to focus on external factors influencing the formation of promises within the psychological contract resonated with you. Your detailed feedback on the earlier version served as a valuable blueprint for developing and refining our manuscript, and we are glad to hear that the changes we made have addressed your concerns effectively. We look forward to your additional points, and we are committed to incorporating them to further strengthen the manuscript.

1. The list of references that one of the other reviewers and I suggested are included in the manuscript now. The relationship to earlier quantitative studies is a lot clearer now.

Thank you for acknowledging the inclusion of the suggested references. We are pleased that the relationship to earlier quantitative studies is now clearer, and we appreciate your guidance in helping to strengthen this aspect of the manuscript.

2. As the internal aspects have been left out in the new version of the manuscript, my earlier comment #2 is not relevant anymore.

Thank you for your understanding. We appreciate your acknowledgment that the focus of the manuscript has shifted, making your earlier comment no longer relevant.

3. The discussion has largely improved. It now ties the results of the qualitative results nicely together with the literature. Thank you for adding interesting practical implications to the discussion. I am still missing a section on limitations and future research. Please either add such a chapter or explain why you do not deem this important for you manuscript. I understand that the length of the manuscript is strictly regulated, however, it is important to still cover all parts of a manuscript. There might be some opportunities to scrutinize the largely new written theory section and gain still some room in the manuscript.

Thank you for your positive feedback on the improvements made to the discussion and practical implications. In response to your suggestion, we have now added a section on Limitations and Future Research to further strengthen the manuscript. This section, now located on pages 31–32, outlines the limitations of the study, particularly concerning the generalizability of findings due to our focus on the specific socio-institutional context of Pakistan and the use of qualitative methods.

We also highlight potential future research directions, including exploring similar phenomena in other cultural contexts, adopting mixed-methods and longitudinal approaches, and investigating how implicit promises adapt/are reshaped by internal organizational changes, such as restructuring and mergers as well as external changes such as recessions and political instability. We believe this addition helps provide a more comprehensive perspective on the study's contributions and areas for further inquiry.

New comments to further work on:

4. You argue in multiple places of the manuscript that implicit promises in the context of the psychological contract are understudied and that prior research did not make a clear distinction between implicit and explicit promises. From my point of view, this calls for a very clear conceptual description of the differentiation. We need clear definitions here and a delineation of the two forms of promises.

Thank you for your insightful comment. We agree that a clear conceptual distinction between implicit and explicit promises is necessary for this study given our overarching research objectives. In response to your comment, we have now provided a clearer delineation between these two forms of promises in the Literature Review section (page 6). Explicit promises are described as formal, clearly articulated commitments that are typically documented in written contracts or communicated through official organizational channels (Roehling, 2008). Implicit promises, by contrast, are unspoken or inferred expectations shaped by an employee's interpretation of organizational culture, consistent patterns of behavior, and relational dynamics (Conway & Briner, 2005). This distinction is essential, as implicit promises often operate beneath the surface of formal agreements, making them harder to measure but nonetheless significant in shaping the psychological contract. We believe this clarification strengthens the conceptual framework of the manuscript.

5. A general definition of psychological contracts as "individual beliefs, shaped by the organization, regarding terms of an exchange agreement between the individual and their organization" (p. 5) is presented. However, this definition clearly refers to the origin of beliefs/promises: the organization. As the focus of this paper is now on external factors shaping the psychological contract content, this calls for an adaptation of this basic definition to fit with the aim of the current study. Overall thus, there is still work to do to enhance definitional clarity within the manuscript.

Thank you for your valuable suggestion. While we have retained this more general definition of psychological contracts in order to set the scene with respect to extant literature we now highlight that the impact of the organization is ultimately contingent upon individuals' social processing of information both within and outside the firm (page 6). We also explicitly highlight our intent to expand this extant definition by specifically including external, socio-institutional factors in the

Literature Review (page 6). We then elaborate upon this further in our Discussion (page 27-28), underlining the importance of making this shift away from a predominantly organizational focus with respect to implicit promises and psychological contracts to also consider how socio-institutional factors shape employees' perceptions of promises. While the traditional definition of psychological contracts emphasizes beliefs shaped by the organization (Rousseau, 1995), we have expanded this to include external socio-institutional factors, such as social status, industry-specific norms, and socio-cultural influences, which play a critical role in shaping both implicit and explicit promises. This expanded definition aligns with the focus of our study on non-Western contexts and the unique role of external factors in shaping the psychological contract. We hope these changes address your concerns and enhance the definitional clarity of the manuscript.

6. On p. 13 (first paragraph) the currently available quantitative results are discussed. I belief that another problem of the quantitative study of implicit promises is that we can only present participants of a questionnaire with a list of promises, that we as researchers can think of, leaving out promises that are outside of our own experience or the horizon of knowledge of earlier work. Feel free to add this as an argument if you find it helpful.

Thank you so much for this invaluable comment regarding the limitations of quantitative studies in capturing implicit promises. We have now incorporated this point into the revised manuscript on page 13. Specifically, we addressed the concern that quantitative studies often rely on predefined lists of promises, which risks overlooking promises outside the researchers' prior knowledge or experience. This is particularly relevant for our study given we argue that implicit promises may be shaped by unanticipated or context-specific factors. We also emphasize the strength of qualitative methods in allowing for the emergence of such unanticipated promises, drawing on the critiques by Conway and Briner (2005) and Coyle-Shapiro and Parzefall (2008). We believe this comment of yours helps further justify our use of qualitative methods.

Minor aspects of language or presentation:

7. On p. 5, one sentence forms one paragraph. This should be avoided.

Thank you for this comment. We have revised the text on page 5 by breaking down the single-sentence paragraph and have also tried to avoid this mistake in the rest of the paper as well. Hopefully this will improve the overall flow of the manuscript.

8. '...more financially well-off...' on p. 9 sounds very strange to me. It should rather be '...who are better-off financially' I believe (although I am not a native speaker myself).

Thank you for your suggestion. We agree that the phrase 'more financially well-off' is awkward, and we have revised it to 'better-off financially' now on page 10.

9. In the newly written results section the three paragraph headings are inconsistent in how they present the content and the part '...implicit promises...' in one case 'implicit promises' is

stated first, in two cases at the end of the heading. It would be preferable to make this coherent.

Thank you for pointing out the inconsistency in the presentation of the paragraph headings. We have revised the headings in the results section to ensure coherence. All headings now consistently place "implicit promises" at the start of the heading. This revision can be seen on page 22.

10. Towards the end of the first paragraph of the discussion you name two examples of your findings and then end with '...and so on.' (p. 25). This reads a bit un-serious to be honest. I would rather name one more example and just leave the 'and so on' out.

Thank you for your helpful suggestion. We agree that the phrase "and so on" can appear informal and detract from the precision of our discussion. We have replaced it with more specific examples of findings in this revised manuscript (now on page 26).

Additional Questions:

1. Originality: I still find the research question very important. By focusing the manuscript on one research question, the analysis gained depth and made the manuscript significantly more convincing.

Thank you for your positive feedback on the focus and depth of our research question. We appreciate that you find the refined research question important and that it strengthened the analysis. This narrowing of focus has indeed allowed us to provide a deeper, more convincing exploration of implicit promises within the psychological contract literature, particularly in a socio-institutionally distinctive context like Pakistan.

2. Relationship to Literature: The new version of the manuscript contains a clearer description of earlier quantitative research finding, helping to locate the study within the realm of the psychological contract literature.

We are glad that the revised manuscript more clearly situated our study within the realm of psychological contract literature, particularly in relation to earlier quantitative research. Specifically, we incorporated your comment regarding quantitative studies often relying on predefined lists of promises, which risks overlooking those outside researchers' prior knowledge or experience. This is particularly relevant for implicit promises shaped by unanticipated or context-specific factors. We believe we have highlighted the strength of qualitative methods in addressing these limitations, drawing on critiques by Conway and Briner (2005) and Coyle-Shapiro and Parzefall (2008).

3. Methodology: The quantitative analysis still seems the most suitable approach from my understanding. However, it would be great if the authors would share their coding approach etc. It might be a solution to upload such documents in an of project and to later add the material as

an online supplement to the manuscript. This is very important to enhance transparency about the methodology and results.

Thank you for your valuable feedback regarding improving the transparency of our qualitative methodology. In response to your comment we have now expanded our description of our thematic analysis and coding processes by adding a figure that illustrates our coding framework and provides an overview of how themes were developed, enhancing transparency and clarity of our data analysis (page 17 and Figure 1).

Additionally, we have addressed concerns about trustworthiness and rigor in the Methodology section (pages 15–17). We now outline how we used multiple data sources, conducted member checking, maintained a detailed audit trail, and ensured inter-coder reliability through independent coding and collaborative discussions. These steps, grounded in frameworks from Denzin (2017) and Lincoln & Guba (1994), reinforce the robustness and credibility of our findings. We believe these additions address your concerns and further strengthen the transparency and rigor of our methodological approach.

4. Results: The presentation of results has been adapted to fit the new focus of the research question. From my point of view, this structure is very clear and easy to follow.

Thank you for your positive feedback regarding the clarity and structure of the revised results section. Your previous comments on the original document were instrumental in helping us refine and clarify the findings, ensuring that they align with the focused research question. We are pleased that the revised results are now comprehensive and easy to follow.

5. Practicality and/or Research implications: The discussion has significantly improved. However, I am still missing a discussion of limitations and future research ideas. This would also help clarify what we have learned from the qualitative results of this study for future quantitative studies on psychological contract content.

Thank you for recognizing the improvements in the discussion section. In response to your feedback, we have added a dedicated Limitations and Future Research section (pages 31–32). This section addresses the study's constraints, particularly its focus on the socio-institutional context of Pakistan and the use of qualitative methods, and outlines areas for future research. We suggest that future studies could expand on our findings through mixed-method and longitudinal approaches, exploring cross-cultural variations in implicit promises and examining how these promises evolve in response to organizational and external changes. We believe this new section provides greater clarity on how the qualitative insights from this study can inform future research on implicit promises and psychological contract content.

6. Quality of Communication: The quality of communication is good.

Thank you for your positive comment on the overall quality of communication in the manuscript. We have worked diligently to ensure clarity and readability throughout.

Reviewer: 3

- Thank you for the opportunity to review your manuscript, "Navigating the Unspoken: Understanding Implicit Promises in the Psychological Contracts of Talented Pakistani Employees." The topic is very interesting and I agree that it is important to understand the factors that influence psychological contract. I can see that many of the previous comments have been addressed, however, I have several concerns with the manuscript, which I outline below.

Thank you for your thoughtful feedback and for acknowledging the importance of the topic. We appreciate your recognition of the efforts made to address earlier comments. We will address your concerns in detail below.

1. You seem to have identified the gap where there is a need to understand the social-institutional factors but at a later stage you mention that the focus is on policy context of GTM which does not seem to be linked well to your discussions in the literature. As one of your practical implications is also for MNEs to prioritise context specific approach with regard to GTM programs, the discussions in the literature could have also included the need/issues present within these policies.

Thank you for raising this point. Your comment is an extension of reviewer 2's recommendation during the previous round of revision that focusing on external factors and taking out a discussion of the internal context will result in a clearer direction and more focused theoretical contributions. Therefore, we have now taken out all references to GTM/policy context in order to have a more consistent focus on socio-institutional factors.

2. Though mention that you have incorporated insights from new literature to highlight how external socio-institutional factors, such as status markers and relational networks may influence the formation of implicit promises therefore not focusing on talent management, the sections on participant selection, findings etc., still seem to focus on talent related aspects. So it is a bit confusing to follow. Maybe you want to consider removing talent related information completely.

As highlighted in our response to your previous comment - this is a valuable suggestion from you which we have now implemented by taking out all information pertaining to talent management; a fitting recommendation since we are not offering any theoretical contributions to the talent management literature.

3. In addition, you seem to have cross analysed some of the results cross-culturally but your literature does not suggest anything about culture differences or influences of culture expect that research shows that teams with higher levels of collectivism are more likely to agree on promises and obligations. This needs to be linked more to the literature to justify the analysis done.

Thank you for your valuable feedback. We appreciate your thoughtful reading of our manuscript and the opportunity to clarify this point. The focus of our study is specifically on the socio-institutional context of Pakistan, which serves as an example of a non-Western, developing economy where distinctive external factors such as social status, relational networking, and industry-specific conditions shape employees' perceptions of implicit promises. Our aim was to explore how these specific factors influence psychological contracts, rather than to perform a cross-cultural analysis comparing different cultural contexts. To ensure clarity, we have emphasized throughout the manuscript that the cultural references (such as collectivism) serve to illustrate Pakistan's unique context rather than to suggest broader cross-cultural comparisons. The primary contribution of the study lies in extending psychological contract theory by highlighting how socio-institutional factors external to the organization influence the formation and perception of implicit promises, a relatively understudied area in the literature (Rousseau & Schalk, 2000; Kutaula et al., 2020).

We hope this clarification addresses your concern and highlights the contribution of our study in focusing on socio-institutional influences within the specific cultural setting of Pakistan, without the intent to conduct a cross-cultural analysis.

4. The findings and discussions are re-written but still refers to the impact on talented employees. The arguments on Pg 27: These interactions in turn contribute to the creation of unwritten, implicit promises within workplaces, reflecting a unique characteristic of the psychological contract in a collectivist context that requires a broader consideration of socio-institutional features than a stand-alone discussion of the collectivism dimension. But, this was not very evident from the findings provided and also lacked support in the literature as to how these promises are formed and its impact on psych contract.

In line with your recommendation we have now removed all references to talent management. For example, there was a brief discussion on talent status in the first section of the findings titled 'Implicit promises and status' which we have now removed and only focus on social status tied to *external* status markers. Our findings also highlight the impact of a range of socio-institutional features such as social stratification (pages 18-22), collectivism and relational networking (pages 22-24) and structural influences (page 25). This approach was built on the critique we incorporated in our introduction (page 4) and literature review that extant work considers

external factors as isolated variables (page 9). Given our findings on social stratification and collectivism/relational networking we specifically consider literature on both themes in order to provide critical theoretical framing (pages 9-13).

Additional Questions:

1. Originality: The paper is interesting but does not seem to offer new insights.

We appreciate your interest in the research question and the recognition of its importance. While we acknowledge that implicit promises within psychological contracts have been explored in various contexts, our study uniquely focuses on the socio-institutional influences in a non-Western setting, specifically Pakistan. As noted on pages 8–13, we extend the scope of psychological contract research by emphasizing the external socio-institutional factors, such as social status and relational networking, which are often overlooked in Western-centric studies. Our study's contribution lies in its ability to provide a culturally and institutionally specific understanding of how these implicit promises are shaped, offering new insights into the nuances of psychological contracts in developing economies. For example, we illustrate how social stratification and external relational ties significantly impact employees' perceptions of implicit promises (p. 17). This approach helps fill an important gap in the literature, as discussed by authors like Kutaula et al. (2020), who emphasize the need for research in non-Western contexts.

2. Relationship to Literature: The literature review is provided in depth including the social information processing lens, but still some key elements like cultural aspects, talented employees, the need for policy context is not included.

Thank you for acknowledging the depth of the literature review. Regarding the cultural aspects and talented employees, we agree that these are important elements. We discuss the socio-cultural specificity of our setting on pages 9–13, linking it to psychological contract research and implicit promises through the lens of social information processing (Salancik & Pfeffer, 1978). We aim to build on works such as Conway and Briner (2009) and Kutaula et al. (2020), who call for a broader exploration of external socio-cultural factors in under-studied contexts. In line with previous comments by other reviewers we removed our theoretical discussion of talent management/policy context from the literature review so that the focus of the paper would be on the impact of external factors alone. In line with your own comments, in this revised version all mention of the policy context has been removed (largely from the methods and some of the findings sub-sections), a valuable suggestion from you since we are no longer making any theoretical contributions to the talent management literature.

3. Methodology: Methodology has included relevant information though they could have explained on the themes more and explained why some analyses were done.e.g., cross case analysis and its link to the study.

Thank you for your comments on the methodology. The decision to focus on qualitative methods was driven by the need to explore the subtle, subjective nature of implicit promises in a socio-culturally complex and distinctive environment. Regarding the cross-case analysis, we employed this method to draw out organizational similarities and differences across the four case study MNEs (p. 14). This approach allowed us to examine how external socio-institutional factors, such as industry-specific conditions and organizational status, influenced employees' perceptions of implicit promises across varied organizational contexts. Cross-case analysis also impacted the final aggregate constructs considered - for example, once the cross-case analysis was conducted the first-order category of political instability was discarded because it was stronger for the American MNEs that sometimes faced anti-American backlash due to geopolitical tensions with the U.S. as opposed to the non-American MNEs being considered (page 17). We also provided clarity on the thematic analysis approach and the coding framework used, as demonstrated in the findings section (pp. 18–25). As suggested by other reviewers, we have now also added a figure to outline the coding process for transparency, which can be found on page 17.

4. Results: Results have been restructured and presented but the focus seems to be on talented employees and their perception which was not clear from the literature review. The findings could be structured more coherently to help the reader.

Thank you for your feedback regarding the structure and focus of the results section. In response to your suggestion, we have now removed all references to talent management from the manuscript, as this was not the central focus of our study and did not contribute to the theoretical framework we aimed to build. Our findings are now solely focused on the influence of external socio-institutional features, such as status stratification, relational networks and structural factors on employee perception of implicit promises. We believe this revision provides a clearer and more cohesive narrative.

5. Practicality and/or Research implications: Practical implication though mentioned remains somewhat very limited

We have expanded the discussion of practical implications to include specific recommendations for MNEs, that is, greater use of multicultural teams in order to facilitate networking and expansion of work in-groups across borders (p. 31). We also highlight the importance of adopting context-specific HR policies that account for local socio-cultural factors such as social stratification and relational networking. This is crucial for improving employee retention and the fulfillment of implicit commitments for managers/professionals operating in a very tight and highly competitive labor market. Additionally, we have included a section on the limitations of the study and suggestions for future research (pp. 31–32), where we propose exploring how organizational (such as mergers or shifts in management practices) and external (recessions and periods of political instability) changes, might influence the employees' perception of implicit promises.

6. Quality of Communication: The quality of communication is good.

sitive feedback regarding th
acel to maintaining this level of qu
ase responses address your concerns and
pt. We have made substantial efforts to incorpor,
acerence and focus of the research.