

The Relationship between Employee Expectations and Culture: The Case of MNC Employees in Bangladesh

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Through individual narratives this study explores the culturally significant elements of human resource management (HRM) practices among employees of Multi-National Corporations (MNCs) operating in Bangladesh, an emerging South Asian economy. The study seeks to understand how the national cultural context in which the employees live influences their expectations of their employers (psychological contract). Cultural dimensions for Bangladesh were extrapolated from Hofstede's cultural dimensions framework for Pakistan and India. Using interviews from management level employees from three major MNCs operating in Bangladesh a thematic analysis identified four critical elements of HR practices that can affect an employee's psychological contract significantly. The emerged themes that were found to be directly or indirectly affected by the cultural orientation of the employees were the work environment, family considerations, social recognition, and financial stability.

JEL Codes: M12, M54, O15

1. Introduction

In today's world, no matter how easy it is to enter into a new market due to the free trade agreements and other trade treaties between countries, there are still numerous complexities. International managers of Multinational Corporations (MNCs) today face an external environment that is fast changing, complex, uncertain and more vigorously competitive than before (Thomas 2002). Internationalization of a company's operations results in competitive advantage only when companies integrate local differences in human resource management, realize global economies of scale, and effectively transfer knowledge and technology across borders. Without significant understanding of the organizational and socio-economic and cultural factors, MNCs will not succeed in taking full advantage of available resources and opportunities (Gupta & Govindarajan 2001). One of the challenges then for MNCs is to adapt to different socio-economic and cultural contexts of their various markets (Tayeb 1998).

One key aspect to consider in the management of human resources is the employment relationship itself. Cultural context can play a significant role shaping the employment relationship because many aspects in the employment relationship are unwritten or not formally established between the employee and employer (Rousseau 1989). The unwritten or informal aspects of the employment relationship are based on the employees' perceptions and interpretations of the communication about promises made by the employer (Rousseau 1989, 1995). This portion of the employee-employer relationship is in the minds of the employees and is defined as the psychological contract (Rousseau 1989). An employee's expectations (psychological contract) develop from either explicit or implicit promises made by an

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employer during the employment relationship, as well as how those implicit promises are interpreted in a given context (Rousseau & Schalk 2000).

Employee expectation (psychological contract) has emerged as an important element of the employment relationship and plays a significant role in shaping employees' behavioral and cognitive outcomes and performance in the workplace. In recent years organizational researchers have focused mainly on the issues associated with the unfulfilled employee expectations (Chelliah & Davis 2007; Rousseau 1998). While the direct outcomes of non-fulfillment of employee expectations have been studied extensively, only few studies have been conducted on the impact of employee expectations fulfillment on employees' cognitive, behavioral and attitudinal outcomes. The few studies that have been conducted exploring the consequences of employee expectations fulfillment on employee outcomes in the Western context have found that fulfilled expectations have positive influences on employees' behavioral and cognitive outcomes (Coyle-Shapiro & Conway 2005; Kickul & Lester 2001; Turnley et al. 2003; Lo & Aryee 2003). There is however little research on the consequences of fulfillment of employee expectations on employee outcomes in the non-Western context. Additionally, less attention has been paid to the sense-making process through which breach or fulfillment of employee expectations affects their behavioral, attitudinal, as well as cognitive outcomes (Lester et al. 2002; Restubog, Bordia, & Tang 2006). Reviews of the psychological contract literature reveal that organizational researchers have studied various factors that may influence and shape employees' perceptions of breach or fulfillment of their expectations. For instance, the role of national culture (Kickul, Lester & Belgio 2004) has been studied in the Western context as a factor influencing the employees' perception about fulfillment or breach of employee expectations). There is a lack of research about how employees' perceive the relative fulfillment or breach of their personal job expectations in non-Western cultures (Rousseau & Schalk 2000), therefore, the purpose of this study is to further this research by identifying the culturally congruent elements of HR practices that affect employee expectations and resultant cognitive and behavioral outcomes of the employees in Bangladesh.

In the next section (section 2) relevant literature are reviewed. The link between cultural context and employee expectations is discussed in sub-section 2.1 and the cultural dimensions of Bangladeshi culture are pointed out (sub-section 2.2) using Geert Hofstede's 1980 and 1993 studies. Demographic and sample profiles are discussed in the methodology section (section 3). In section 4, findings of the interviews are discussed with details. In the summary and conclusions (section 5) section, findings of this study are summarized and there implications are discussed. At the end of this section, limitations of this particular study are discussed and guidelines are provided for future studies.

2. Literature Review

2.1 Cultural Context and Employee Expectations

Cultural norms and values can play a significant role in the employee expectation (psychological contract) formation process and its related logical obligations within a given culture (Kickul, Lester & Belgio 2004). National cultural context can shape how individual employees receive and process information within their cultural environment (Kickul, Lester & Belgio 2004). Consequently, culture can influence

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perceptions about employee expectations and related obligations that usually define an employee's psychological contract with his or her employer (Kickul, Lester & Belgio 2004). According to Rousseau & Schalk (2000),

“Psychological contracts are subjective phenomenon not only individually but culturally. They are based on promises that can take many forms. Although we frequently think of promises as verbal (e.g., “I agree to work for 8 hours a day”), they can also be inferred (e.g., by observing how co-workers are rewarded). Workers and employers tend to believe that past practices, such as basing pay on performance or seniority, and employees’ willingness to accept these practices indicate the actions they can expect from each other in the future. Reliance on words as opposed to observations of behaviour in inferring promises can vary from country to country” (p.6).

Usually societies comprise of political, religious, familial and economic institutions that are closely intertwined with the phenomenon of “Culture,” each of which can powerfully shape employment practices and how individuals experience them (Carnoy 1993; Castells 1996). Rousseau and Schalk (2000) have identified three major cultural factors that can affect the nature of psychological contracts. The first one is “Zone of Negotiability” that represents the degree to which employees in a particular culture have the freedom to enter into various exchange agreements (Kickul, Lester & Belgio 2004). The zone of negotiability can be influenced by social customs, laws, and/or the status and family responsibilities of an employee (Rousseau & Schalk 2000). For instance, culture may determine acceptable work and family roles based on gender (Kickul, Lester & Belgio 2004).

The other two factors identified by Rousseau and Schalk (2000) are: the extent to which a culture influences whether members perceive promises as binding and the way in which culture can influence the identification of and interaction with in-groups and out-groups. In rigid cultures, there is an expectation that a promise is a guarantee of fulfillment (perceived binding contract). On the other hand, in relaxed cultures, promises mean that the promise-making party will try to do something, meaning the result is not guaranteed (Rousseau & Schalk 2000). This perception of the binding and non-binding nature of promises made can certainly affect the employees’ perception about how the promises are fulfilled. In rigid cultures, employee expectations are usually high about complete fulfillment of the promises made by the employer, while expectations of fulfillment of promises are quite low in more relaxed cultures (Rousseau & Schalk 2000).

2.2 Bangladeshi Culture in the Light of Hofstede’s Study

The current study was conducted in a non-Western context of Bangladesh, an emerging South Asian economy. To identify the relevant factors of Bangladeshi culture this research uses the cultural dimensions theory developed by Geert Hofstede, which identified cultural factors that influence behaviour in employees from different countries. Hofstede’s (1980) study did not include Bangladesh however two significant neighbors, India and Pakistan, were included. Despite some differences, Bangladeshi culture is quite similar to Indian and Pakistani culture due to historical and religious bindings amongst the people of these three countries. Bangladesh had been both part of the undivided Indian subcontinent and for a time, part of Pakistan

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from 1947 to 1971. Pakistan, a predominantly Muslim (about 90%) country has many common practices with Bangladeshi Muslims in terms of their societal practices (CIA Factbook 2008). While India has a good representation of both Islam and Hinduism, it too possesses cultural similarity with Bangladesh. Therefore, it is useful for this study to use Hofstede's analysis of Pakistan and India as a framework and extrapolate from this the most likely cultural dimensions to be found in Bangladesh. Appendix A provides a summary of the predicted Cultural Dimensions found in Bangladesh in relation to Hofstede's (1980, 1993) studies.

3. Methodology

For this study, semi-structured interviews were conducted among management level employees of three participating MNCs operating in Bangladesh. Each interview was 30-45 minutes in duration and was recorded by a digital voice recorder.

3.1 Demographic and Sample Profile

Twenty-seven employees from three major MNCs operating in Bangladesh participated in this study. All interview participants are full-time management level employees of the MNCs. Of the 27 interviewees, 22 (81.48%) were male and 5 (18.52%) were female. The participants' average age was 35.8 years and their average tenure with the current company was 4.89 years. The majority of the participants (88%) stated that their current employer was their first and only employer. Only 12% of the participants had worked for a company other than their current company. All the participants were highly educated with 19 (70.37%) having masters degrees and 8 (29.63%) having bachelor degrees. Those who hadn't finished their masters yet were aspiring to do so in the near future. The interviewees came from different departments of the MNCs namely: marketing department, finance department, human resource department, information technology department, and customer service department. In terms of hierarchical levels, 10 (37.04%) of the respondents were senior managers, 12 (44.44%) were mid-level managers and remaining 5 (18.52%) were entry-level managers. Tables 2 and 3 below provide the demographic details of participants.

Table 2: Age and Gender of Participants

Gender	Frequency	Percentage	Cumulative percentage
Male	22	81.48	81.48
Female	5	18.52	100
Total	27	100	100
Age Category			
21-25 years	1	3.71	3.71
26-30 years	4	14.81	18.52
31-35 years	4	14.81	33.33
36-40 years	11	40.74	74.07
41-45 years	5	18.52	92.59
>45 years	2	7.41	100
Total	27	100	100

Table 3: Work Experience and Education Levels of Participants

Current Experience	Frequency	Percentage	Cumulative percentage
1-5 years	10	37.04	37.04
6-10 years	12	44.44	81.48
11-15 years	2	7.41	88.89
16-20 years	2	7.41	96.3
21-25 years	1	3.70	100
Total	27	100	100
Education Level			
Bachelor Degree	8	29.63	29.63
Master Degree	19	70.37	100
Total	27	100	100
Management Level			
Entry Level	5	18.52	18.52
Mid-Level	12	44.44	62.96
Senior Level	10	37.04	100
Total	27	100	100

4. Findings

When asked about their considerations behind taking their current jobs and their expectations from the employers, participants' responses revealed several key themes related to the socio-cultural context. These key themes which represent the culturally congruent elements of HR practices are: work environment (n=23), family considerations (n=15), social recognition (n= 14), and financial stability (n=6). The following table (Table 4) emerged key themes of each culturally congruent element of HR practices are stated.

Table 4: Key emerged themes

Element of HR Practice	Key Theme(s)
Work Environment	Peaceful and harmonious work environment Feeling comfortable in the workplace Supportive leadership Minimum or no internal politics
Social Recognition	Company reputation Job recognition/status Perceived social value of the job
Financial Stability	High wages More benefits (financial and non-financial)
Family Considerations	Taking care of children Taking care of parents

In the following sub-sections, these evolved themes are discussed in detail with at least one specific personal narrative provided for each theme.

4.1 Work Environment

Work environments refer to the milieus around employees. It is the social and professional environment within which organisational employees interact with each

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other. Reicher and Schneider (1990) defined organisational environment as 'the shared perception of the way things are around here' (p. 22).

The work environment, or organisational climate, relates to the internal organisational culture (Reicher & Schneider 1990). A number of organisational studies have found that the work environment is positively related to employee behaviours such as job satisfaction, commitment, participation and retention (Rose & Griffin 2002). In a collectivist society such as Bangladesh, it is expected that employees would prefer a sympathetic and harmonious work environment, rather than the more individualistic and competitive environment associated with Western countries.

Out of twenty-seven interviewees, twenty-three (n=23) mentioned work environment as an important consideration for taking a new job or staying in the same company. Six (n=6) interviewees mentioned that they had left their previous job because the work environment there was not up to their expectations. On the other hand, eleven (n=11) respondents mentioned that they hadn't switched their current jobs only because they loved the work environment in their present companies. Supporting this, the notion of feeling comfortable in the work environment is also very important for the Bangladeshi workers. Supportive and well behaving leadership is another thing Bangladeshi employees' look for in the workplace. They place very high importance on this matter when making job related decisions.

The following narrative provides a clear picture of the kind of work environment most of the Bangladeshi employees expect from their employers.

The interviewee was a graduate from the most reputed public university in Bangladesh. He had been working for the company for almost eight years. This was the only company he had worked for and he joined that company right after his graduation from the university. He loved the working environment so much that he wasn't thinking of switching to another company despite getting better offers. In his own words:

I always focus on the work environment. The surroundings of my work are very important for me. I and some of my colleagues have got numerous opportunities to switch to other firms, but we didn't switch only for the good environment we enjoy in this company. This is a big issue for me and certainly to my other colleagues as well. The company environments as a whole, the intra-departmental relationships are really good here and motivate us to be with the organisation.

He also mentioned that his friends who were working for other companies were getting better wages and other benefits, which at times enticed him to switch. But, when he thought about the work environment he couldn't make that decision. In the previous two years the company faced some serious monetary, as well as regulatory, challenges. But, the employees shared the pain together and got through that situation as a team. For him and for many of his work friends, monetary as well as non-monetary benefits like bonuses, medical allowance, housing allowance and group insurance were not everything. What was most important for them was a

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harmonious, congenial workplace where employees care about each other and share things amongst themselves.

4.2 Family Considerations

Within collectivist cultures a family orientation is seen as a dominant trait (Wagner & Hollenbeck 2005; Hofstede 1984). Family considerations are important in the life of Bangladeshi employees where it is the social norm to make personal sacrifices for the benefit of their families. For example, the need to take care of older family members or children often takes precedence over their career aspirations. Importance of family considerations are very well reflected in the interviews conducted. Fifteen (n=15) participants specifically mentioned that family consideration was a very significant issue for them in deciding about their jobs and career goals. They also expected their employers to provide them with ample opportunities to take care of their families.

The following narrative illuminates the relationship between family considerations and employment in the Bangladeshi context.

The respondent was a thirty-six year old manager in the finance division of one of the participating organisations. He holds an MBA from a prestigious business school in Dhaka and a bachelor degree from a foreign university. He had been working for the current organisation for the last ten years. He mentioned that since his company was the most reputed private company in Bangladesh and with several years of job experience in its finance division, he was getting multiple job offers from different companies, especially from the foreign and local banks. The offered salaries were significantly higher than what he was getting in his current company and the other benefits offered were very lucrative as well. However, he couldn't take any of those opportunities due to family reasons. His father was in his 70s and suffering from Alzheimer's disease, needing constant care. The participant had to spend a significant amount of time with his father. Although the respondent had a brother, he was the only one able to take care of his father because his younger brother was living abroad. He mentioned that his job was important for money, but taking care of his father was equally important. His current job allowed him to spend ample time with his father. The management fully understood his family responsibilities and they were 100% supportive of him. He said:

Had I taken one of those lucrative offers, the situation wouldn't be the same. I could have earned a lot, but definitely couldn't take care of my father because of the workload and inflexibility of those jobs.

He categorically made it clear that he was happy with the current company for their constant support and was not thinking of leaving the organisation anytime soon.

The next narrative is about considerations related to family and children's well-being.

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The interviewee was a mid-level marketing manager of one of the participating MNCs. He was thirty-three years old and had an MBA from a public university. He had started working for this company in 1999. This company was his first and only employer. When asked why he had stayed with this company for so long, he mentioned that he had several good opportunities outside of Dhaka, but he couldn't consider taking any of those opportunities because he didn't want to move. His first consideration was his children's health and schooling. In his own words:

I am not considering taking position in any organisation outside of Dhaka because this is the only city in Bangladesh that can provide all the necessary amenities for my family, like good hospitals, and good schools for my kids. Moving to another town will only benefit me financially in expense of my family well-being. I can't simply accept that.

4.3 Social Recognition

Social recognition is defined as the public acknowledgement of a person's status or achievements (Bjarnason 2009). The recognition of an individual's achievements is seen by many as an important part of their work as it can lead to them receiving special status both inside and outside of their organisation (Bjarnason 2009). In a masculine culture people are more inclined to publicly seek recognition for their individual performance and achievement (Wagner and Hollenbeck 2005; Hofstede 1984) and personal achievement is also highly valued within collectivist societies. Both in collectivist and masculine cultures, social recognition that comes with personal achievement is something every individual craves. This study has found that the Bangladeshis are no exception. Being a collectivist and masculine society, fourteen (n=14) out of twenty-seven interviewees mentioned that social recognition of their job or company is very important for them.

Six (n=6) interviewees mentioned how their friends, peers and other family members perceive their job as an important factor for them. Three interviewees (n=3) mentioned that even though they had the opportunity to earn better salaries in other companies they were not leaving their current company because of the recognition they get. Social recognition also motivates the employees to work harder to show better individual performance to make sure their jobs are secure.

The following narrative illustrates the role of social recognition on employees' cognitive and behavioural outcomes in the Bangladeshi context.

The participant was a 35 year old mid-level manager of a world renowned software company. He had been working for this company for the last four years. Before joining this company he worked for two other internationally recognised companies, but not as reputed as the current one. He mentioned that the two most important reasons why he joined this company were the position he was offered and the reputation of the company. In his own words:

I have joined here because I felt that this was a unique opportunity for me to work for a company like this. This

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company carries a worldwide brand name. For a computer science graduate, working for this company is a dream. After joining here, I feel I have fulfilled my dream.

He also mentioned that working for this company carries huge social standing amongst relatives, peers and others. Within two months of his tenure with this company he had an opportunity to meet with one of the world's richest men, Bill Gates, for a five minute face-to-face conversation which received good media coverage. Consequently, he became a very well-known professional in the software industry. In addition, working for this company is bringing new opportunities to him. In his own word:

If I want to join another company now, the management of that company will not require me to submit my resume. Rather, I get job offers from other companies every now and then. This is a great feeling.

The interviewee also mentioned that because of his affiliation with this company he not only enjoyed recognition in Bangladesh, but in other countries as well. Being a poor country, the citizens of Bangladesh travelling abroad perceive that they are not always welcome due to the suspicion that they will not leave the country and stay illegally for a better life. However, the respondent said that during his overseas trips whenever he identified himself as a manager of this particular company he faced no additional questions from the immigration officials.

4.4 Financial Stability

Financial and non-financial rewards provided to employees in exchange for their contributions to the organisation are referred to as remuneration (Kessler 2005). These include not only salary, bonuses and vacation pay, but also medical allowances or other financial benefits that are part of an employment package (Kessler 2005). Being a country in poor economic condition, Bangladeshi culture is characterised by high uncertainty avoidance (Abdullah, Boyle & Joham 2010) and employees focus on achieving high wages and other related benefits. In Bangladesh there are no social benefits provided by the government, so employees place great value on a regular and secure form of income. Jobs that are both secure and pay well are most sought after by workers in Bangladesh.

The importance of financial stability through good salaries and benefits can be illustrated by the following narrative.

The respondent was a mid-level distribution channel manager of one of the participating MNCs. He had been working for that company for more than fourteen years. He had started his job in this company in a non-managerial position. However, over time, due to his good performance and commitment to the company he was promoted to assistant manager. Before joining his current company he had worked for a pharmaceutical company for more than six years. The main reason for his switch to the current company was low salary and lack of other financial benefits provided by his previous employer. The company's future outlook wasn't

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good either. Financial benefits and career growth are the two most important things he expects from his employer. In his own words:

Financial benefits and career growth are very crucial for me. Both of these expectations are fulfilled by this company over time. I am highly satisfied because now I can maintain my family very well with my salary. I am really very satisfied.

When he was asked about his feeling towards the company due to the fulfilment of his salary and career growth expectations, he said:

I am very devoted and dedicated to my company. I am also very motivated to work harder for the success of this company.

He mentioned that most of the time he had to work long hours and stay late which was depriving him from spending enough time with his family. However, his family understood the situation because he was highly paid and because of that they could live a good life. He added:

In private organisations and in the managerial post, it is very difficult to maintain scheduled work time because of the nature of the job. Working only stipulated hours may hinder someone to achieve his target and I am well aware of this. But, in the absence of greater monetary benefits which I am getting now, I would be reluctant to put that many hours.

5. Summary and Conclusions

This study has identified four critical elements of HR practices that can affect employee expectations (psychological contract) significantly in the non-Western context of Bangladesh. These emerged themes are: work environment, family considerations, social recognition and financial stability. These emerged themes are directly or indirectly affected by the cultural orientation of the employees.

Work environment has emerged as the most significant culturally congruent element of HR practices as 85% (n=23) of the interview participants have identified it as one of the critical things they expect their employers to provide. Bangladeshi employees' preference for a harmonious, helpful, and caring work environment is consistent with the traits of a collectivist society as outlined by Wagner and Hollenbeck (2005). Some interviewees stated categorically that they were satisfied with their current organization despite getting relatively low salaries and benefits compared to their peers working in other organizations because of the work atmosphere they enjoyed in their current organizations. This finding is consistent with Rose and Griffin's (2002) study which found strong links between work environment and employee reactions such as: job satisfaction, commitment, retention, well-being of the employees. These findings also reveal the sharp contrast between collectivist and individualistic cultures. In individualistic cultures, people prefer a more competitive and productive environment rather than a congenial, caring and low performance work environment (Hofstede 1984).

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The second most important theme that has emerged from the qualitative study is 'family considerations'. Almost 55% (n=15) of the interviewees mentioned that they expect their employers to provide them with high-level support (i.e., time, monetary and non-monetary support) to take care of their families. The notion that people are more concerned about their families in the collectivist cultures (Wagner & Hollenbeck, 2005) is clearly reflected in the qualitative data analysis. Many of the respondents linked their career goals with their family well-being. The statements presented and the two examples discussed above indicate that employees' selection of a new job, level of motivation, and commitment to the organization is directly affected by how far organizations fulfill the employees' expectations regarding taking care of their families.

In addition to 'family considerations', 'social recognition' has also emerged as a significant theme in this study. Almost 52% of the interviewees (n=14) identified social recognition of their job or organisation as a critical factor for them to select a new job or to stay in the same job. This is a significant finding in the masculine and collectivist context of Bangladesh. In masculine and collectivist cultures, people tend to seek higher social status through individual achievement (Wagner & Hollenbeck 2005; Hofstede 1984). One of the important sources of higher social status is the social recognition of the organisations for which the employees work. Consequently, it is expected that Bangladeshi employees expect to work for more reputable employers due to the social value they can generate for them. From the analysis it has been found that employees' motivation and commitment to the organisation (intention to continue) are clearly affected by the level of recognition they receive from society due to their affiliation with their organisations.

'Financial Stability' has also emerged as the fourth most important theme in the qualitative study as a quarter of the interviewees (n=6) have placed very high importance on high wages and benefits from their employers. Maintaining financial stability is a major concern for most of the employees of developing countries. In the developed countries employees receive monetary and other forms of social benefits from their governments to support themselves during the crisis period (e.g., job loss, medical problem, etc.). In the absence of such benefits, it is natural that employees in the developing countries like Bangladesh expect to get a job that pays well. Employees want to make sure that they get enough remuneration (financial and non-financial benefits) from their employers (Kessler 2005) to survive through the uncertain situations that may arise at any point of their life. It is also evident from the data analysis that employees' job satisfaction, motivation, and commitment level is positively related to how satisfied they are with the wages and other benefits they receive from their employers.

This study is a preliminary step in identifying and investigating culturally significant elements of HR practices among MNC employees in Bangladesh. Important implications for practical and future research can be guided by the findings. There is intense competition between private companies (local and foreign) in Bangladesh which continues to increase. Effective human resource management will play an important role in helping MNCs remain competitive. Therefore, as part of effective human resource management, it is critical to manage employees' expectations properly and take into account the specific cultural context, as this has been shown to influence employees' cognitive and behavioral outcomes significantly.

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There are a number of limitations associated with the study. First, the employers' perspectives of psychological contract were not measured directly in the current study. As the employment relationship is mutual and reciprocal in nature, employers' psychological contract should be taken into consideration in future studies (Conway & Briner, 2009). For example, in future studies, both employees and their employers or their agents (i.e., supervisors, managers) should be interviewed to identify the obligations from the employees and the employers. This will help to identify the common grounds of psychological contract in managing an effective employment relationship. Finally, as the data for the present study were gathered from the management level employees of MNCs operating in Bangladesh, the findings of the research may not be generalizable for other sectors of the economy (public companies, local private companies, etc.). Future research should replicate the study in other organizational settings to further examine the relationship among the studied variables. Moreover, future research should be conducted in other countries to examine cross-cultural information to increase our understanding of employees' psychological contract.

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Appendix A

Table 1: Predicted Cultural Dimensions of Bangladesh Based on Hofstede's (1980, 1993) Studies (Adapted from Abdullah, Boyle & Joham, 2010)

Cultural Dimension	Description of the dimension	India and Pakistan	Cultural dimensions for Bangladesh
Power distance (Hofstede 1980)	The extent that individuals accept differences between people as legitimate and expected.	India – Large power distance Pakistan – Large power distance	Large power distance: due to colonial legacy of hierarchical power structure, differences in family status, inequality in socio-economic conditions of the people
Uncertainty avoidance (Hofstede 1980)	The degree that people are comfortable with ambiguity.	India – Weak uncertainty avoidance Pakistan – Strong uncertainty avoidance	Strong uncertainty avoidance: due to widespread poverty in the country, high unemployment rates, uncertainty in economic progress, latent fatalism because of religious influence
Individualism – Collectivism (Wagner & Hollenbeck 2005; Hofstede 1980)	The extent that individuals focus on individual needs and wants as opposed to the needs of the group.	India – Collectivist Pakistan - Collectivist	Collectivist: due to family orientation, social structure, sense of responsibility, affiliation with groups or other people
Masculinity – Femininity (Wagner & Hollenbeck 2005; Hofstede 1980)	The degree that individuals exhibit masculine behaviors like: dominance, independence or feminine values and behaviors like: openness, interdependence.	India – Masculine Pakistan - Masculine	Masculine: due to wide gender differences, assertiveness of the people for money and other things because of poverty
Short – long term orientation (Hofstede 1984)	Whether focuses on the present and consumes resources to meet current needs, or resources are saved to meet long-term vision.	Study not conducted in India and Pakistan	Short-term oriented: due to poverty people want to maximize short-term gain and they are not willing to wait for a long time to get results