STATE OF MIND: THE POSTMODERN PSYCHOLOGICAL CONTRACT

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ABSTRACT

Lyotard [5] proposed that postmodernity is not a period of time distinctive from modernity, but is a state of mind: "The old principle that the acquisition of knowledge is indissociable from the training (Bildung) of minds, or even of individuals, is becoming obsolete and will become ever more so" (p. 4). Postmodernism is significantly centred on textuality and its influence on itself and contextuality. One state of mind on the psychological contract is that it enacts exchanges of expectations between the organisation and the employee -- it is the nature of these exchanges that are discussed in this paper.

THE CONCEPT OF A PSYCHOLOGICAL CONTRACT

The notion of a psychological contract was coined by Edgar Schein [7] who argued that the employee and employer are involved in a *reciprocation* dynamic where *contributions* and *inducements* are involved between the parties. The dynamic was thought to be an unfolding interactive process of *mutual* influence and bargaining between employee and employer. The organisation expects the employee will complete a certain amount of work to an appropriate standard of quality and quantity and usually within a stated period of time. The employee expects to be justly remunerated. Of course, the psychological contract also consists of both parties' demands for, among others, respect, loyalty and security [7]. Because the psychological contract is in the middle of the two parties, it is used and abused by both parties to transition wants into needs and to communicate their terms to each other. Used to bridge the organisation's phantasy of the employee's total compliance with the employee's reality and the employee's phantasy of the organisation's total compliance to that of the organisation's reality, the psychological contract is a textual, contextual *transitional object* [8]. As long as the psychological contract is not breached, both parties are seen to be mutually compliant. It is within the context of the psychological contract's spoken and unspoken language that we would like to share our state of mind. This is that the absence of psychodynamics within the language of organisational studies has negated the intrinsic 'hows' of compliance behaviour that are implicitly stated but explicitly recognized in Schein's and others' definitions on the psychological contract.

PSYCHODYNAMICS AND THE PSYCHOLOGICAL CONTRACT

In our paper it is argued that instrumentality of 'idealised' compliance is established in childhood. Through the process of identification, compliance results from the unending process of having normal narcissism served through others' recognition of self that confers self-esteem and love. It is in childhood that the first psychological contract has been drawn. When the child first realises the attempt to minimize the child's dependence upon them, within the child are triggered feelings of isolation from their reassurance. So, it is also in childhood that the first psychological contract has been broken. To ease this alienating transition toward independence, the infant finds and uses substitutes to reconnect its self with aspects that symbolise parental presence. These substitutes are transitional objects with which

the child plays [8]. The child creates a set of rules for the transitional object's use and abuse [6] that seem like forms of play, but is really the child's first serious job. Since each child has a unique, narcissistic view of how and why the transitional object is required, it is the child who must be allowed to treat the object as though it is solely in her or his power. Although the child may be too young to articulate these rules, other forms of language are used to corroborate this power. When these rules are not followed, the child perceives this non-compliance as punishment. It is also learned that its contrary, compliance, is non-punishable [3].

In the employees interaction with the employer, or the 'organization', the employee is rewarded (narcissistically) by the employer if they embrace and *identify* with the aims, values and aspirations of the organization -- an *organization ideal*. Punishment, in the form of isolation, non-recognition and inducing feeling of guilt, can be enacted for those who fail to identify and 'mould' themselves to the organization ideal. It is through the psychodynamic processes of *identification*, that the employee derives normal healthy narcissistic gratification yet, at the same time, it needs to be acknowledged that these largely unconscious psychodynamics are in stark contrast to traditional discourses that carry and assume a largely cognitive underpinning to the dynamics of the psychological contract. Evidence of these psychodynamic processes is provided from a number of empirical studies, revealing employees may have their personality profile shaped by the work environment.

A POSTMODERN STATE OF MIND

The postmodern state of mind on compliance has its genesis in childhood psychological *contracting* that is quite different from but instrumentally integral to the objectified psychological contract that seems to be the foundation for cognitive discourse. From a postmodern perspective in both childhood and adulthood, play can be said to be textuality initiated, mobilised and immobilised as a means to achieve some other ends [1]. Through compliance and non-compliance one of these ends is the continual construction of a power base. In a postmodern psychodynamic context, interplay between organisation and employee becomes a stating of minds.

The relationship between 'power' and 'forms of involvement" (or compliance) has a long history in the traditional story about the psychological contract [2] [7]. Many of these accounts of power are that it is exercised 'over' individuals and groups. Taking our cue from the work of Foucault [3], it is demonstrably the case that the antecedents for power relationships for power relationships are reproduced 'in' the individual. Foucault used the imagery of the *Panopticon* to explain how individuals become responsible for their own discipline. The Panopticon was a circular prison that had a central watch-tower from which a guard could observe the prisoners, but the prisoners could not see the guard. Believing their every behaviour could be observed, the prisoners would police their own behaviour. That is, the prisoners would *internalise* their own surveillance. In this arrangement it was not necessary to have *any* guard in the tower. It was enough to create a *belief* that someone was watching. It was in the context of discussing the omnipresence of power in all social relations that Foucault -- in opposition to what is often argued or assumed -- concluded that the individual does not stand outside power in a detached manner. Instead, the individual is constituted by power. Foucault put his argument in the following way:

> The individual ... is not the vis-a-vis of power; it is, I believe, one of its prime effects. The individual is an effect of power, and at the same time, or precisely to the extent to which it is that effect, it is the element of its articulation. The individual which power has constituted is at the same time its vehicle. [4, p. 98]

Foucault [4] distinguished between Panopticon disciplinary power and productive power, which was the other side of the coin. Foucault viewed power as *not* attached to agents (e.g., individuals or groups) as would be ascribed to disciplinary power, but rather as being incorporated into practices. It is not possessed, but instead it is a relationship. The individual is viewed as constituted by power and exercising power as a functionary of power's purpose/plan. In such a context, we are to understand that even identity needs to be considered as a *power effect*. The question that goes unanswered by Foucault's analysis is: "How did the antecedents for power relationships become reproduced in the individual?" Put another way, "What was the psychological anchoring that could explain the faces of power Foucault had identified?"

The 'scaffolding' or broad framework of Foucault's analysis of power and induced compliance has a significant resonance with the psychodynamic explanation of compliance and those empirical studies from that genre. Foucault's metaphor of the Panopticon -- the watch-tower surveillance -- is akin to the super-ego. The super-ego is the internalized surveillance that gained its behavioural 'script' from authority and parental figures. Non-compliance with the strictures of the super-ego results in punishment in the form of guilt and anxiety, whereas compliance basically not only means avoiding punishment but the promise of narcissistic reward. Sigmund Freud's conceptualized the super-ego as being, 'above' the ego giving guidance in both a negative (punitive) and positive (as the ego-ideal) manner in a dynamic very similar to that of Foucault's notion of the two faces of power. The omnipresence of power is thus not detached, but has an internalized presence. The postmodernist theorists insistence on the importance of language is crucial in these psychodynamics, for we will show that *language should be regarded as both a key vehicle of power and, at the same time, its articulation*. It is the work of postmodernists, such as Foucault and Lyotard, that can brush against the grain of our traditional discourse and, in so doing, provide heuristic and reflexive opportunities for our field.

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