

CHAPTER 1

Introduction and Problem Statement

Problem Analysis

Practical Problem Description

In general, people cannot be separated from economic activities. It also means that people are consumers or producers at the same time. Consequently, that notion leads to a more significant concept which is called "market." A market is defined as a place or course where the buyer and seller come together, and then commercial activity happens by which the exchange of commodities is affected by supply and demand (Merriam-Webster, 2018). Presently, in the context of capitalist economy, the construct of a market is not only perceived in the context of exchange good commodities but also to reframe other economic activity such as education (McMillan & Cheney, 2009, p.3). It seems that education tends to be perceived as a commodity. However, McGlinchey firmly suggested that education is not a commodity or a service, but it can be seen as a process paid by students. The underlying reason is that when students give their tuition, they do not pay for a tangible thing, but they access to an education process and the required resources that they need to manage within the process of education itself (e.g., laboratory, library, canteen, etc.).

As education has entered the market, this trend has been pressuring higher education over past several decades and emerged a trend called "student as consumer" (Collis, 2013; Molesworth, Scullion, & Nixon 2011). Moreover, AimHigher (2006) (as cited by Maringe, 2011) stated that since students are presently paying for their higher education experience, then, directly or indirectly, the notion of student as consumer become more visible. Thereby, positioning the students as customers would cause the institutions to heed in fulfilling their demands in which this condition could put the position of educational institutions as service providers. This state has been confirmed by Koskina (2011) who asserted that the relationship between student and academic institution could be understood as a triangle in which it refers to academic as the service provider, student as service

recipient, and universities as the service organization. Hence, it has been clear that recently education has been perceived as an intangible commodity which leads to the concept of customer and service provider relationship.

The prominent reason why the trend of the student as a customer becomes more visible is that generally, college turns to be the second most expensive expenditure in people's lives (Collis, 2013). For this reason, academic institutions, notably higher education, increasingly involve students and their families in substantial financial commitments. Subsequently, the consequences of perceiving student as consumer lead to high pressure and competition among universities to develop their academic institution (Molesworth et al., 2011). Then, naturally, the response from higher education institutions to answer that competition is by investing on their tangible facilities such as expensive dorms, sports areas, or restaurants to attract the prospective students (Collis, 2013). Moreover, higher education also competes to produce educated and skilled workers that likely will increase job opportunities (Molesworth et al., 2011). Thereby, those points above indicate that the trend of the student as consumer is already clearly visible. Hence, it is clear how the commercialization of education works in our society.

As a result of commercialization in education, this condition has changed the concept of student-academic institution relationship. Presently, student-academic institution relationship is understood as an exchange relationship which means students receive an education in return of their effort and tuition (Knapp & Masterson, 2017). In clear explanation, Fullick (2011) stated that "the more tuition students pay, the more they want to get something out of their education." Therefore, based on the discussion above we can conclude that commercialization of education leads to change in the relationship between students and academic institutions in which this relationship is considered as an exchange relationship.

Essentials:

- Education is perceived as a paid process, hence it positions student as consumer.
- This trend leads to make a relationship between the student and the academic institution which is being understood as a relationship of exchange.

Theoretical View Description and Research Gap

Historically, psychological contract is defined as individual beliefs, shaped by the organization, concerning terms and conditions of a reciprocal exchange agreement between the focal person and other parties in which this contract is based on subjective assumptions (Rousseau, 1989). In her following study, Rousseau (1995) explained the psychological contract as a mental model which take into account an agreement of giving and taking between the individual and another party, based on individual perception of reciprocal arrangement. Following Rousseau, Herriot and Pemberton (1997) asserted psychological contract as "Perception of both parties to the employment relationship; organization and individual, of the obligations implied in the relationship." In a more recent study, Morrison and Robinson (1997) point out that, psychological contract is such an employee's belief about reciprocal obligations, where the obligations are built upon perceived promises between employee and the organization. Furthermore, Bordia, Bordia Hobman, and Restubog (2010) described a psychological contract as an implicit understanding whereas this contract as opposed to a written or legal contract.

Previously psychological contract solely focuses on exchange agreement, obligations, and promises within employment relation. However, Rousseau (1995) had formed a central-fundamentally concept which enlarging psychological contract into a spacious concept. She stated that psychological contract also could be applied for many interdependent relationships such as doctor-patient, customer-firm relations, or student-academic institution relationship. Fundamentally, it could

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happen because psychological contract emerges whenever the individual perceives that the contribution (he or she makes) obligates the other entities to do reciprocity (Rousseau, 1989). Concerning that, at the moment psychological contract has been articulated to understand the relationship between student and their academic institution which is mostly discussed in higher education degree. The psychological contract is used as a lens to understand and examine the issue of student expectation, in more general also to understand student retention and attrition on higher education (O'Toole and Prince, 2015). As a lens, psychological contract helps the academic institution to discover the perception of the student as a consumer of education (Baron & Corbin, 2012).

In the same vein, Bordia, Bordia, Milkovitz, Shen, and Restubog (2018) concluded that psychological contract could be used to understand students' needs and expectations in which this theoretical framework is defined as the subjective sense of obligation and expectations within student-academic institution relationship. Student expectations are important sources of information in which it can help the lectures and academic institution in designing appropriate teaching program (Sander et al. 2000; Hill, 1995). Furthermore, due to psychological contract tends to be a mental model and implicit contract (Rousseau, 1995), hence knowing the content of this unwritten contract could help educators and academic institutions in maintaining and managing their relationship with student (Knapp & Masterson, 2016). The relationship between students and university more likely viewed as an exchange relationship that consists of subjective expectation and obligation. In order to provide an exhaustive understanding, knowing the content of the contract is a must for the academic institution. Unfortunately, as a theoretical innovation, there are still few studies which focus on student psychological contract.

Several studies have been conducted concerning student psychological contract within various research settings. One of them was initially conducted by Wade-Benzoni, Rousseau, and Li (2005) who have proved that psychological contract framework can be applied to gain the insights within educational setting particularly in faculty-doctoral student relationship in the context of a

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collaborative research project. They employed an organizational context of psychological contract framework to faculty-doctoral student relationship and explore what constitutes a successful collaborative research relationship. Based on their results, a successful collaboration happens when there is a balanced contract which contains clear stipulated expectations, specific performance requirement (with clear schedule), performance feedback and characterize faculty-student interaction. Bearing their result, it shows the importance of knowing expectation and obligation between student and faculty which is substantial in order to build a productive relationship.

With a different center of focus, Bordia, Hobman, and Restubog (2010) also use a psychological framework as a lens to understand the advisor-student relationship in business education project collaboration. They focused their study on the consequence of the fulfillment and violation of the psychological contract in the context of supervision. The result indicates that the breach of psychological contract negatively affected students' project satisfaction and mental well-being. In the same vein, this research has a similar result with the newest research from Bordia et al. (2018), even though it has different participants in the study.

Bordia et al. (2018) also emphasized her research on sources of information used by the student to form their psychological contract. The university used numerous tunnel (brochures, website or presentation session) to spread the information of the university in which it could lead to the perception of promises. The perception of promises can lead to perceiving the expectation and obligation between students and their educational institution.

Another notable study of student psychological contract was conducted by Koskina (2011). She studied psychological contract in the setting of postgraduates' students in one school of business in the UK. The idea was to understand students' psychological contract in the context of students as customers, in which in that sense, the students considered their position as the focal person in the student-teacher-university relationship. Koskina wanted to identify how students perceive the notion

of the psychological contract. She found that implicit and explicit expectations formed the central point of students' psychological contract. In this context, students' expectations consist of promissory and non-promissory elements. The promissory expectation can be perceived as an obligation for the institution.

Knapp and Masterson (2017) conducted their study at a large research-oriented university in the USA by focusing on freshman and experienced student in order to find the differences in the content of their student psychological contract. They showed that students perceive numerous psychological contracts from a variety of partners in their educational institution which called exchange partner. They discovered the top of exchange partner for the students and explored the content of each exchange partner. The result showed that the main exchange partner in students' psychological contract is the university as a whole, the university educators, and classmates. That tripartite relationship represents three hierarchy levels which are organization, authority figure, and peers.

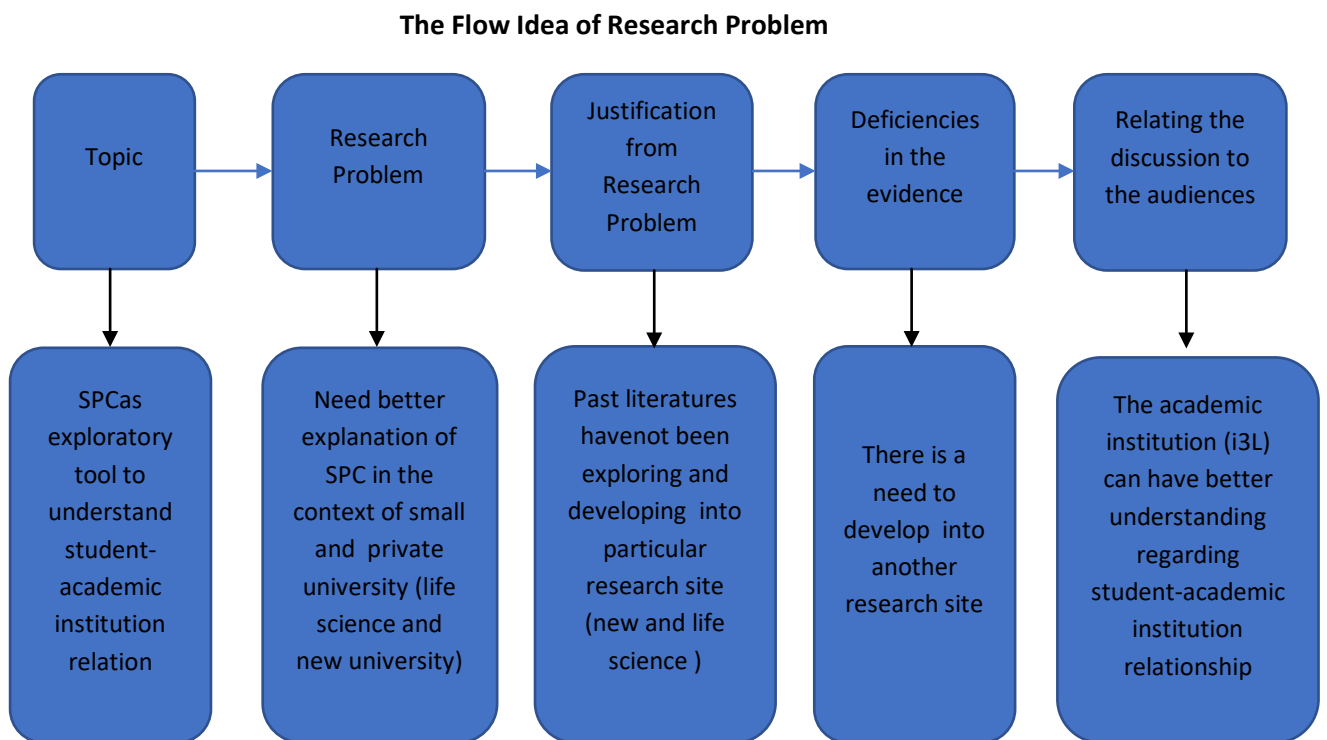


Figure 1: The Flow Idea of Research Problem ((source: adapted from Creswell (2012))

In order to make a clear conception on how the research problem was built and developed, then this research adopted Creswell's concept as showed above. First of all, as main topic of this research, students' psychological contract is used as a tool to understand student-academic institution relation. Afterwards, due to there is a lack of literature in term of students' psychological contract in the context of small and private university. Then, this research attempts to expand the existing theory of psychological contract into students' psychological contract. With the similar-initial phenomenon as Koskina's (2013) study, this research also gives attention to the "student as customer" issue within our current educational system. Furthermore, regarding how students formulate the psychological contract, as shown by Bordia's (2010, 2018) studies, thereby it is also essential to understand the source of information used by students.

However, mostly the current studies of student psychological contract have been focused on a relatively old-established academic institution. Besides, there is still no study which focuses on exploring student psychological contract in life science education. Due to the current literature devoid of providing those two specific research site, thus it becomes interesting to explore and understand students' psychological contract when the research site is a private, relatively new, and also life science academic institution. This research gap has been articulated based on Knapp and Masterson's recommendation. They suggested that future research should recognize smaller or private universities in which the result may provide an essentially distinct student experience. Also, Knapp and Masterson (2017) also mentioned that students' psychological contract is inherently idiosyncratic and grounded in the context. Thus, every research site could have different contents of the contract; it is because the students perceive their obligation, promises, and expectation in a personal way. Lastly, speaking about the benefit on conducting this research, the institution will have a comprehensive portray of students' need and expectation which really crucial on building a positive relationship.

Besides, to build an exploratory addition to this research, this study also attempts to explore and understand how European students perceive their university's obligation. This action is fundamental in order to know how cultural background gives influence on the psychological contract. To the best knowledge, involving cultural background in students' psychological contract has not been explored in education setting before. In this research, western and eastern have been chosen as a cultural

dimension in which these categories represent individualism and collectivism culture. Moreover, this attempt also tries to understand how students from more established university see their institutional obligation. Therefore, by conducting this research, the researcher believes that this research would bring different result from previous studies.

Essentials:

- Psychological Contract Theory can be applied to understand the relationship between student and academic institution known as student psychological contract
- This theoretical innovation has not been conducted in the life science education and relatively new academic institution.
- There is a lack of literature on how cultural dimension influence students' psychological contract, especially within the western and eastern culture.

Research Objectives and Research Questions

Research Objectives

The specific objective of this research is to understand the perceived psychological contract from the students' perspective. This research aims to close the theoretical gap in term of research site. There are two accentuated points in conducting this research within life science education. Firstly, the academic institution is a private university in which the government does not fund the academic institution. Secondly, since the institution is a new institute which has a focus on the life sciences

field, thus it will enrich the current knowledge with a valuable-different point of view regarding student psychological contract.

Initially, the focus of this research explores the sources of information which are used by students to form a psychological contract. Afterward, this research will try to understand the content of student psychological contract including student expectation and obligation during their study period. In order to make exhaustive understanding, the research would like to examine and explore to student psychological contract from two different, i.e. freshman and experienced student. This research will also try to comprehend with focus on the consequences of violated contract. Besides, to make an exploratory addition, this study also tries to know how European student sees the university's obligation. This attempt aims to know how cultural background influence student's psychological contract.

Grand Question

Build upon the practical problem, theoretical view, and final objective of this research, hence the grand question is:

How does psychological contract can be utilized to enhance our understanding of the relation between student and academic institution as an exchange relationship in i3L?

Sub Questions

In order to answer the grand question and investigate the topic in comprehensive understanding, the following sub-questions are described below:

1. What are the sources of information that contribute to forming a student's psychological contract?
2. What are the contents of student psychological contract?

3. What the consequence when the contract is breached?
4. What is the different psychological contract between freshman and experienced student?

Furthermore, in order to provide additional exploration in cultural background, here is the questions for foreign students as showed below:

1. What are the contents of students' psychological contract?
2. What the consequences when the contract is breached?

Limitations

In general, this research will solely take one research site which is Indonesia International Institute for Life-Science, thus the result cannot be generalized. Furthermore, since the fundamental idea of psychological contract lies on employment relationship. Another limitation in this research is the lack of specific literature in term of students' psychological contract. So there will be combination of concept between a general psychological contract and a specific student's psychological contract. Purposely, the author would like to limit the knowledge scope regarding the source, of information, the contents, and the consequences related to students psychological contract. However, those three topic will exclude university's point of view, hence this state will also be limitation in this research.