**The Effects of Repatriation on the Psychological Contract: A Saudi Arabian Case Study**

Paper submitted to Equality, Diversity and Inclusion Conference 2013

1-3 July 2013, Athens, Greece

Stream 20: Doctoral Colloquium

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**ABSTRACT**

Literature on the psychological contract has made significant contributions to our understanding of the exchange relationship between employees and employer. However, the influence of national/organizational culture on the psychological contract has largely been neglected. The research study presented here examines the influence of national and organisational culture on the way in which psychological contracts are constituted and change following international assignments and repatriation within one Saudi Arabian organization. The findings demonstrate variation in the cultural orientation of employees which was grounded in a strong cultural characteristic which emphasize collectivism and the importance of network relationships. This was found to influence the way in which psychological contracts and expectations were formed by employees who were selected for international assignments. Data highlights that following repatriation the vast majority of interviewees perceived that their psychological contract had been breached. This finding is consistent with other studies. However the research demonstrate that perceived breaches of the psychological contract were strongly influenced by what interviewees perceived as the negative influence of Wasta on career advancement. Wasta - a prevalent form of nepotism that pervades organizational life in Saudi Arabia - had been largely taken for granted by interviewees until they went on assignment. On their return however they considered it to be a highly negative influence. This research therefore supports the notion that perceptions of breaches of the psychological contract are a plausible explanation for a high-turnover rate of repatriates. More importantly however, it demonstrates the influence of wider cultural attributes shaping the psychological contract.