



## Psychological Contract Fulfillment Improves Public Employee Performance

Sunarta<sup>1\*</sup>, Wardana<sup>2</sup>, Barida Rakhma Nuranti<sup>3</sup>

<sup>1,3</sup>Business and Finance Department, Universitas Negeri Yogyakarta

<sup>2</sup>Management Departement, Universitas Negeri Yogyakarta

**Corresponding Author:** Sunarta, [sunarta@uny.ac.id](mailto:sunarta@uny.ac.id)

---

### ARTICLE INFO

*Keywords:* Achievement Motivation, Organizational Commitment, Psychological Contract Fulfillment, Employee Performance

*Received :* 3, January

*Revised :* 17, January

*Accepted:* 31, January

©2025 Sunarta, Wardana, Nuranti:  
This is an open-access article distributed under the terms of the [Creative Commons Atribusi 4.0 Internasional](https://creativecommons.org/licenses/by/4.0/).



### ABSTRACT

This study aims to examine the role of psychological contract fulfillment in mediating the influence of achievement motivation and organizational commitment on employee performance. Data were obtained using a questionnaire distributed to respondents, then analyzed using Partial Least Square (PLS) based on Structural Equation Modeling (SEM). The results showed that achievement motivation had a direct effect on employee performance, psychological contract fulfillment was proven to mediate the effect of organizational commitment on employee performance, and organizational commitment had an effect on psychological contract fulfillment. The managerial implication of this study is that leaders need to provide employees with opportunities to excel, because achievement motivation contributes to producing better performance.

---

## **INTRODUCTION**

The development of the public organization environment, which is increasingly complex and dynamic, challenges public sector employees to not only be behind-the-desk bureaucratic staff, but also to make optimal contributions to the organization and the environment (Adams et al., 2014; Adolfsson, 2022; Davidson et al., 2021; Thomson et al., 2018). Several problems in public sectors are limited skilled resources, unemployment, poverty, and inefficient public services. Such conditions in organizations challenge employees to improve their performance, achievement motivation, and commitment to always be active and innovative to serve the best of the organization and the environment. Precisely yet ironically, in organizational practice, the attitude of pragmatism often occurs, making employees only pursue routine things such as their attendance, work routines according to main tasks, and job security, which makes their achievement motivation and commitment low in providing the best for the organization and the environment (Davidson et al., 2021).

Studies on performance prove that achievement motivation (Aminah, 2015) and organizational commitment (Angraini et al., 2021; Irawan & Rahmat, 2022) are vital factors affecting employee performance. McClelland (1998) also suggests that achievement motivation is required to perform beyond standards. Employees with high achievement motivation dislike working too easily since it dissatisfies them.

Generally, organizational commitment is related to employee loyalty in identifying themselves based on the organization's vision and goals (Sungu et al., 2019). In achieving goals, commitment is a key that determines an organization's success level. Committed employees will show a work attitude that is attentive to their duties, responsible for completing tasks, and loyal to the organization. Commitment also contains beliefs and binders, which will generate energy to do the best so that organizational commitment can impact performance (Angraini et al., 2021; Irawan & Rahmat, 2022).

Aside from achievement motivation and organizational commitment, work relationships that provide autonomy can also play an essential role in employee performance. Apart from being regulated in a formal-written relationship, the relationship between employees and the organization is often also regulated in an informal-unwritten relationship. Likewise, in the aspect of work relations between employees and the organization, they are also formal-transactional and informal-relational. The informal relationship contract, as reflected in the psychological contract, provides the potential for employee autonomy due to more productive autonomy to employees compared to strict arrangements (Adams et al., 2014; Adolfsson, 2022; Davidson et al., 2021; Thomson et al., 2018).

Not only do achievement motivation and high organizational commitment directly affect performance, but they can also mediate in fulfilling psychological contracts (Katou & Budhwar, 2012). A psychological contract gives employees autonomy and the opportunity to set performance targets and contribute to the organization. An agreement between employees and the

organization, in the form of promises and expectations, provides opportunities for employees to develop themselves, set performance targets, and contribute to the organization. Achievement motivation and organizational commitment motivate employees to fulfill promises, expectations, or guarantees to produce better performance achievements.

Theoretical and empirical literature, especially in the public sector, have explained the effect of achievement motivation and organizational commitment on employee performance (Angraini et al., 2021; Irawan & Rahmat, 2022; Aminah, 2015). Likewise, much literature has described the effects of psychological contracts on public sector performance (Tsai & Lin, 2014). However, the role of psychological contracts in mediating the effects of achievement motivation and organizational commitment on employee performance is still a gap in the literature. There is also still a gap that encourages the importance of this problem to be studied further, namely the very minimal results of similar research on public organizations in Indonesia. The results of previous studies in various literatures are also not yet conclusive so that this study is expected to expand further studies.

## **THEORETICAL REVIEW**

Performance, or job performance, is the work result in quality and quantity employees achieve in carrying out their duties (Herjanto & Franklin, 2019). Another perspective interprets performance as the work results in quality and quantity an employee achieves in carrying out his duties following their responsibilities (Mangkunegara, 2013). Furthermore, employee performance is how much they contribute to the organization, including output quantity, output quality, output period, workplace attendance, and cooperative attitude (Adamy, 2016).

At the individual level, performance is influenced by two elements: ability and willingness, which consist of elements of motivation, commitment, and opportunity (Szulc, 2022). Based on the element of motivation, achievement motivation is an important factor affecting employee performance (Kadek et al., 2015; Aminah, 2015). In the context of public organizations, organizational commitment is a strong motivator for employees in the public sector to remain willing to make high efforts to achieve organizational goals (Angraini et al., 2021; Irawan & Rahmat, 2022). Based on the element of opportunity, in addition to formal arrangements, employees in public sectors also need flexible work arrangements that provide autonomy (Rousseau, 2001) to provide opportunities/chances to develop their achievements and contributions to the organization, such as through a psychological contract.

### ***Achievement Motivation on Performance***

McClelland (1973), in his theory of achievement motivation, argued that individuals with high achievement motivation have a stronger motivation to achieve success (Moberg & Leasher, 2011). Achievement motivation boosts employees to mobilize all their abilities to achieve certain targets. An employee is considered to have high motivation for their achievements if they desire to do

better work than the achievements of other employees in several situations. Achievement motivation also encourages each individual to carry out better, faster, more effective, and more efficient activities than previous ones.

A study (Aminah, 2015) of 125 civil servants at the regional office of the Ministry of Religious Affairs of the Kalimantan Province found an effect of achievement motivation on employee performance. Another study through a survey of civil servant public service organizations at *PPPPTK BMTI Bandung* also found a relationship between the two variables of achievement motivation on work productivity (Budiwati & Shinuranti, 2019). Another study (Kadek et al., 2015) on 74 civil servants at *Sekolah Tinggi Pariwisata Nusa Dua* in Bali found that motivation affects employee performance. Another study (Deshpandé et al., 2013), through a survey of 397 company founders in Japan and 189 company founders in America, also found a positive relationship between achievement motivation and performance. Thus, it formulates a hypothesis as follows:

*H1: Achievement motivation affects employee performance.*

### ***Organizational Commitment to Performance***

In the 1990s, Allen & Meyer (Sungu et al., 2019; Yu et al., 2014) stated the importance of organizational commitment so that employees are strongly involved in organizational goals and are willing to work hard to achieve these goals. In other words, organizational commitment is somebody's identification and involvement that is relatively strong. The organizational commitment of Allen & Meyer consists of three components: (a) affective commitment, (b) normative commitment, and (c) continuance commitment. Affective commitment relates to employees' emotional feeling, identification, and involvement in an organization. Normative commitment reflects more about employees' feelings towards the obligations that must be given to the organization. Continuance commitment describes more about employee perceptions to remain part of the organization. These explanations are reinforced by previous research (ST-Hilaire & de la Robertie, 2018; Sungu et al., 2019; Yu et al., 2014), which found a positive effect between organizational commitment and performance.

A survey (Angraini et al., 2021) of employees at the Regional Office of the Institution of Personnel, Education and Training found organizational commitment's effect on employee performance. Another study (Nugroho et al., 2016), through a survey of employee respondents in a private company, also found an influence between achievement motivation and organizational commitment on employee performance. Another study (Alifuddin, 2012), through a managerial survey of course institutions, found that achievement motivation and organizational commitment significantly affect managerial performance. Another study (Irawan & Rahmat, 2022) at the Department of Transportation in Siak Regency found that organizational commitment and supervision significantly affected civil servant performance. Likewise, a study comparing the commitment of civil servants to non-civil servants in a public service organization (Budiani & Santi, 2018) has found that the commitment of non-civil servants is higher than that of civil servants. Thus, it formulates a hypothesis as follows:

*H2: Organizational commitment affects employee performance.*

### ***Achievement Motivation on Psychological Contract Fulfillment***

At the individual level, performance is influenced by ability and motivation. Performance can be work results (output) or processes with efficiency, quality, and positive behavior. Based on this performance theory, achievement motivation can affect performance through behavior. This behavior is manifested in behavior to fulfill a psychological contract.

Employees keep promises according to the behavior of employers or organizational agents, such as managerial or leadership, regarding the track record or history of the organization in keeping promises to employees (Rousseau, 1995). In a transactional relationship, employees keep their promises if the employer also keeps them (Conway & Coyle-Shapiro, 2012). Psychological contracts are reciprocal, meaning that employees and employers (owners) can mutually fulfill or violate these psychological contracts. If the employer has violated the promises, it will harm fulfilling employee promises (Conway & Coyle-Shapiro, 2012) and vice versa.

So far, empirical studies on the effect of achievement motivation on performance are still very limited (Katou & Budhwar, 2012). A study (Katou & Budhwar, 2012) on public sector employees in Greece found an indirect effect on attitudes (including motivation and commitment) on performance through fulfilling psychological contracts. Thus, it formulates a hypothesis as follows:

*H3: Achievement motivation affects psychological contract fulfillment.*

### ***Organizational Commitment to Psychological Contract Fulfillment***

Promise fulfillment is related to psychological contracts, either from the organizational or employee sides. A psychological contract is transactional and relational (Rousseau, 1995). A transactional contract involves short-term, specific, and monetary relationships such as competitive wage rates and performance-based payments. In contrast, a relational contract involves long-term, less specific, and monetary or non-monetary relationships such as job security, loyalty, training & development, careers, commitment, and trust.

Based on the literature, psychological contracts show that an employer's promise fulfillment will be rewarded with employee satisfaction, commitment, and motivation (Katou & Budhwar, 2012). Circumstances where the fulfillment or violation of the psychological contract occurs by itself will result in positive or negative employee commitment, impacting employees in fulfilling their promises. The employer's promise fulfillment is positively related to employee commitment. In certain cases, highly committed employees will generally be motivated to keep their promises to the organization (Katou & Budhwar, 2012). Thus, it formulates a hypothesis as follows:

*H4: Organizational commitment affects psychological contract fulfillment.*

### ***Psychological Contract Fulfillment on Performance***

Initiating informal work relationships through psychological contracts can give employees autonomy (Rousseau, 1989, 2001, 2004) to manage

themselves and contribute optimally to the organization. Unwritten contracts in the form of promises or hopes (psychological) prioritize long-term relational relationships. Employees who feel their psychological contract is fulfilled according to the promises received will positively boost their efforts to improve the resulting performance.

Studies (Cioca et al., 2020; Conway & Coyle-Shapiro, 2012; Katou & Budhwar, 2012) show that psychological contract fulfillment plays an important role in performance. Likewise, psychological contract fulfillment increases performance in the in-role and extra-role perspectives (Tsai & Lin, 2014) and is also related to trust, job satisfaction, commitment, and work deviation (Cioca et al., 2020). Thus, the hypothesis that can be formulated is as follows:

*H5: Psychological contract fulfillment affects employee performance.*

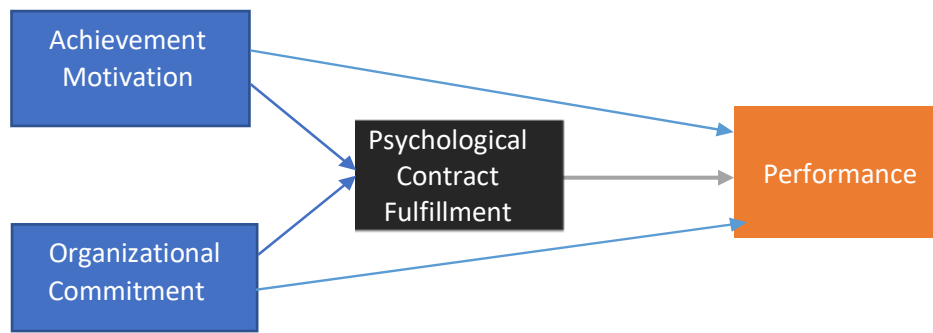
### ***Psychological Contract Fulfillment as a Mediator for the Effect of Achievement Motivation and Organizational Commitment on Employee Performance.***

A psychological contract provides employees autonomy and opportunities to set performance targets and contribute to the organization (Rousseau, 1989, 2001, 2004). Achievement motivation and organizational commitment motivate employees to fulfill promises, hoping to achieve better performance. Employees with high achievement motivation will be encouraged to fulfill psychological contracts. On the other hand, employees with low achievement motivation do not have much motivation to fulfill psychological contracts. The role of psychological contract fulfillment as a mediator of the effect of achievement motivation and organizational commitment on employee performance is still a research gap.

Several studies have found that achievement motivation (Deshpandé et al., 2013) and organizational commitment (ST-Hilaire & de la Robertie, 2018; Sungu et al., 2019; Yu et al., 2014) directly affect performance. Another study (Katou & Budhwar, 2012) found an indirect effect on performance through psychological contract fulfillment on attitudes (including motivation and commitment). Previous studies on psychological contract fulfillment and its relationship with achievement motivation, commitment, and performance have been reviewed from organizations' perspective of psychological contract fulfillment. Moreover, psychological contract fulfillment can also be viewed based on fulfillment by employees. Thus, it formulates hypotheses as follows:

*H6: Psychological contract fulfillment plays a role in mediating the effect of achievement motivation on employee performance.*

*H7: Psychological contract fulfillment plays a role in mediating the effect of organizational commitment on employee performance.*



**Figure 1. Research Conceptual Framework**

## METHODOLOGY

This study used the quantitative approach through survey design. The data were obtained through questionnaires distributed to 129 civil servants at the Kulonprogo Regency Government in the Special Region of Yogyakarta from March to June 2023. The employee performance was measured through employee self-evaluation questionnaires (self-report) with indicators developed by previous studies on employee performance in the public sector (Katou & Budhwar, 2012). The questionnaire included time management, community service, knowledge, skills, morale, hard work, and responsibility. The reliability value of statement items on the *employee performance scale* questionnaire had an Alpha-Cronbach value of 0.812.

The achievement motivation was measured through questionnaires to employees with four indicators developed by previous research (Deshpandé et al., 2013). Questionnaire items were motivation to complete assignments on time, work according to set targets, and contribute according to potential and ability. The reliability value of the statement items on the *achievement motivation scale* questionnaire had an Alpha-Cronbach value of 0.760.

Organizational commitment refers to the opinion of Meyer and Allen (Sungu et al., 2019; Yu et al., 2014), which states that organizational commitment is the identification and involvement of someone who is relatively strong in the organization. Questionnaire items were employee identification and involvement in an organization, commitment to remain serving the organization, and feelings such as responsibility, loyalty, or moral obligation to the organization. The reliability value of statement items on the *organizational commitment scale* questionnaire had an Alpha-Cronbach value of 0.965.

The psychological contract fulfillment was measured through questionnaires of employees developed from previous research (Rousseau, 2008). Questionnaire items were related to fulfilling promises and employee expectations of unwritten agreements between employees and leaders. The reliability value of the statement items on the *Psychological Contract Fulfillment scale* questionnaire had an Alpha-Cronbach value of 0.909. In measuring the variables of psychological contract fulfillment, achievement motivation, and

employee performance, the respondents filled out the questionnaire using a Likert scale of 1-5.

The research data were analyzed using the Structural Equation Modeling (SEM) model (Hair et al., 2017). PLS is an alternative approach that shifts from a covariance-based SEM approach to a variance-based one. Based on prediction measurements, evaluation of the PLS model has non-parametric properties. The PLS evaluation model is by assessing the outer and inner models. The test of the measurement model (outer model) is based on the parameter loading factor, convergent validity, discriminant validity, and reliability test. An indicator has a good convergent validity on reflective latency if it has a loading factor value greater than 0.70. In contrast, the loading factor of 0.50 to 0.60 can still be maintained for models still in the development stage. The hypothesis test used the results of calculations from the SEM (structural model), i.e., the value of the significance level (probability = p) from the t-test for the regression coefficient of the direct effect between the independent variables on the dependent variable.

## RESEARCH RESULT

### *Measurement Model Testing (Outer Model)*

The indicator provides high validity in measuring constructs if the correlation value to the construct (loading factor) is  $> 0.70$  (Hair et al., 2017). Some indicators with a loading factor of  $< 0.7$  are excluded from the model. The results of the measurement model testing (outer model) (Table 1) show the loading factor value for all constructs of  $> 0.7$ , so it already has high validity in measuring constructs.

**Table 1. Loading Factor**

	AM	KO	P	PCF
AM2	0.827			
AM3	0.803			
AM5	0.699			
AM6	0.769			
AM9	0.708			
KO1		0.804		
KO2		0.833		
KO3		0.864		
KO4		0.797		
KO5		0.794		
KO6		0.830		
KO9		0.773		
KO10		0.795		
KO11		0.715		
KO12		0.775		
KO13		0.732		
KO14		0.771		
P1			0.838	

P2			0.899	
P3			0.863	
P4			0.721	
P9			0.735	
P12			0.718	
P13			0.817	
P15			0.731	
PCF1				0.781
PCF2				0.877
PCF3				0.839
PCF4				0.761
PCF5				0.840
PCF6				0.840
PCF7				0.827
PCF8				0.817

Source: Data Processing (2023).

The next step is testing the average variance extracted (AVE). Based on Table 2, all latent variables have an AVE value of  $> 0.5$ , so all constructs are valid. It shows that the indicators forming the latent construct have good convergent validity based on the average variance extracted value. Discriminant Validity can also be seen by comparing the AVE square root and the correlation between latent constructs. If the AVE square root value is greater than the correlation between latent constructs, the latent construct has good discriminant validity in the model. If the AVE square root value is greater than the correlation between latent constructs, it can be said that the latent construct has good discriminant validity in the model.

The next step is to assess Cronbach's Alpha and Composite Reliability criteria. Each construct is said to be reliable if Cronbach's Alpha and Composite Reliability are more than 0.70. Based on Table 2, it can be seen that all latent constructs have Cronbach's alpha values and composite reliability of more than 0.70. It means that all latent constructs have good reliability.

**Table 2. Construct Reliability**

	<b>Cronbach's alpha</b>	<b>Composite reliability (rho_a)</b>	<b>Composite reliability (rho_c)</b>	<b>AVE</b>
AM	0.819	0.818	0.874	0.582
OC	0.947	0.959	0.953	0.626
P	0.915	0.930	0.931	0.629
PCF	0.932	0.933	0.944	0.678

Source: Data Processing (2023).

**Structural Model Testing (Inner Model)**

Evaluation of the inner model (Table 3) is an analysis of the results of the correlation between constructs. The R-Square of Psychological Contract Fulfillment (PCF) is 0.340, which means that Achievement Motivation (AM) and Organizational Commitment (OC) have an effect of 0.340 (34.0%) on Psychological Contract Fulfillment (PCF). The remaining 66.0% is the effect of other factors not observed in this study.

The R-Square of Employee Performance (P) is 0.544, which means that Achievement Motivation (AM), Organizational Commitment (OC), and Psychological Contract Fulfillment (PCF) contribute an effect of 0.544 (54.4%) on Employee Performance (P), while the remaining 45.6% is the effect of other factors that are not observed.

**Table 3. R Square**

Endogen	R Square
Psychological Contract Fulfillment (PCF)	0.340
Employee Performance (P)	0.544

Source: Data Processing (2023).

The next step is to assess the value of the Effect Size or F Square (Table 4), namely the measurement of the effect between variables. The f Square of achievement motivation on the psychological contract fulfillment is 0.294 (between 0.15 - 0.35), indicating a medium effect. The f Square of Organizational Commitment on the Psychological Contract Fulfillment is 0.088 (< 0.15), indicating a small effect. The f Square of Achievement Motivation on employee Performance is 0.195 (between 0.15 - 0.35), indicating a medium effect. The f Square of Organizational Commitment on Employee Performance is 0.003 (< 0.15), indicating a small effect. The f Square of Psychological Contract Fulfillment on Employee Performance is 0.366 (> 0.35), indicating a big effect (Hair et al., 2017).

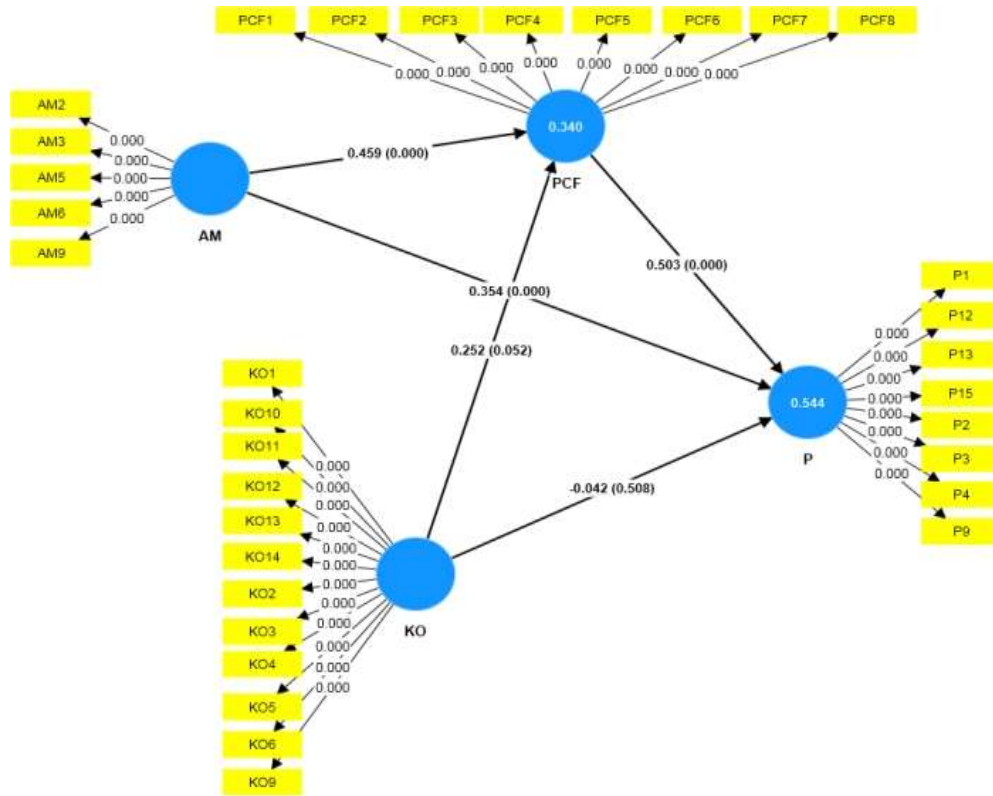
**Table 4. F Square**

Variable	Effect Size	Rating
<b>Psychological Contract Fulfillment (PCF)</b>		
Achievement Motivation (AM)	0.294	Medium
Organizational Commitment (OC)	0.088	Small
<b>Employee Performance (P)</b>		
Achievement Motivation (AM)	0.195	Medium
Organizational Commitment (OC)	0.003	Small
Psychological Contract Fulfillment (PCF)	0.366	Big

Source: Data Processing (2023).

**Hypotheses Testing**

The hypothesis test results in this study can be seen from the p-value. If the p-value is < 0.05, H<sub>0</sub> is rejected, and H<sub>1</sub> is accepted. If the p-value is > 0.05, then H<sub>0</sub> is accepted, and H<sub>1</sub> is rejected.



**Figure 2. Significance value (path coefficient, p-value)**

Source: Output of data processing using Smart PLS (2023)

**Table 5. The results of the path coefficient and t-count**

	Path-Koefficient	t-count	p-value	Conclusion
AM → P	0.354	3.895	0.000	Accepted H1
OC → P	-0.042	0.616	0.538	<b>Rejected H2</b>
AM → PCF	0.459	4.140	0.000	Accepted H3
OC → PCF	0.252	1.972	0.049	Accepted H4
PCF → P	0.503	5.095	0.000	Accepted H5
AM → PCF → P	0.127	1.612	0.107	<b>Rejected H6</b>
OC → PCF → P	0.231	4.253	0.000	Accepted H7

Source: Data Processing (2023).

Based on Table 5, the effect of Achievement Motivation (AM) on Psychological Contract Fulfillment (PCF) is significant, based on the 2-tailed test (p-value = 0.000 < 0.05). The effect of achievement motivation (AM) on performance (P) is significant, based on the 2-tailed test (p-value = 0.000 < 0.05). Thus, **H<sub>1</sub> is accepted**, meaning that Achievement Motivation (AM) significantly

affects performance (P). The effect of Organizational Commitment (OC) on Employee Performance (P) is significant, based on the 2-tailed test ( $p\text{-value} = 0.534 > 0.05$ ). Thus, **H<sub>2</sub> is rejected**, meaning that Organizational Commitment (OC) has no significant effect on performance (P). The effect of Achievement Motivation (AM) on Psychological Contract Fulfillment (PCF) is significant, based on the 2-tailed test ( $p\text{-value} = 0.000 < 0.05$ ). Thus, **H<sub>3</sub> is accepted**, meaning that Achievement Motivation (AM) significantly affects Psychological Contract Fulfillment (PCF). The effect of Organizational Commitment (OC) on Psychological Contract Fulfillment (PCF) is significant, based on the 2-tailed test ( $p\text{-value} = 0.049 < 0.05$ ). Thus, **H<sub>4</sub> is accepted**, meaning that Organizational Commitment (OC) significantly affects Psychological Contract Fulfillment (PCF). The effect of Psychological Contract Fulfillment (PCF) on Performance (P) is significant, based on the 2-tailed test ( $p\text{-value} = 0.000 < 0.05$ ). Thus, **H<sub>5</sub> is accepted**, meaning that Psychological Contract Fulfillment (PCF) significantly affects Performance (P). The influence of Achievement Motivation (AM) on Performance (P) through Psychological Contract Fulfillment (PCF) is significant, based on the 2-tailed test ( $p\text{-value} = 0.107 > 0.05$ ). Thus, **H<sub>6</sub> is rejected**, meaning that Psychological Contract Fulfillment (PCF) does not mediate the effect of Achievement Motivation (AM) on Performance (P). The effect of Organizational Commitment (OC) on Performance (P) through Psychological Contract Fulfillment (PCF) is significant, based on the 2-tailed test ( $p\text{-value} = 0.000 < 0.05$ ). Thus, **H<sub>7</sub> is accepted**, meaning that Organizational Commitment (OC) has a significant effect on Performance (P) through Psychological Contract Fulfillment (PCF).

## DISCUSSION

The performance of civil servants plays an important role in public organizations, even being the main determinant in improving the performance of public organizations. In the current era of globalization, human resources are increasingly needed in public administration, even though technology has replaced many human jobs. The performance of civil servants needs to be improved in public organizations for the effectiveness of the performance of public organizations during an increasingly complex and dynamic environment. Civil servants, as public servants, should not be passive staff; instead, they are required to be active in making optimal contributions to the organization and the environment (Adams et al., 2014; Adolfsson, 2022; Davidson et al., 2021; Thomson et al., 2018), namely contributing to dealing with various public sector problems.

Performance theory (Conway & Coyle-Shapiro, 2012) says that employee performance is influenced by two important elements: ability and willingness. Willingness consists of some elements, such as motivation and commitment (Szulc, 2022). One source of motivation is achievement motivation, which comes from the desire to obtain achievement (need for achievement) (McClelland, 1973). This study generally found that (1) achievement motivation has a significant direct effect on employee performance and (2) organizational

commitment does not have a direct effect on employee performance but through the mediation of psychological contract fulfillment.

A public organization is a rational organization that can achieve the goals of modern society. Weber (Syafri & Alwi, 2014) refers to the rational form of organization: standardization and formalization, division of labor and specialization, hierarchy of authority, professionalization, and written documentation. Public organizations have a clearly formalized/standardized performance assessment system, work procedures, career system, and salary system. Employees with achievement motivation expect rewards in the existing formal system. In contrast to achievement motivation, organizational commitment is formal-transactional and emotional and relational (attachment) to the organization. Employees with high organizational commitment do not always depend on formal systems; they sometimes rely on informal (relational) systems, such as through psychological contract fulfillment. That makes achievement motivation have a direct effect on performance, while organizational commitment has an indirect effect on performance but through a psychological contract fulfillment.

The results of this study provide implications for the important role of achievement motivation and organizational commitment of civil servants to the quality and effectiveness of active and innovative public services in providing the best performance for the organization and the environment (Davidson et al., 2021). Competitive public environmental conditions cause public organizations to design competitive structures. The organizational structure must be as simple as possible to adapt to the external-internal environment. The new public management perspective is more oriented towards decentralization, including relying on formal systems and informal (relational) systems, such as providing autonomy through psychological contracts. These results also found that employees' psychological contract fulfillment is influenced by organizational commitment.

The Psychological Contract Fulfillment significantly affects Employee Performance ( $p$ -value = 0.000 < 0.05). It is evidenced by the path coefficient value of the original sample estimate (beta) of 0.503, which indicates that the relationship between Psychological Contract Fulfillment and Employee Performance is positive or unidirectional. The results of this study also support previous research (Katou & Budhwar, 2012), which found that Psychological Contract Fulfillment is an important factor for Performance. Psychological Contract Fulfillment influences high performance and vice versa. The psychological contract is a mutual relationship between individuals and organizations (Cioca et al., 2020). Mutuality only occurs when each party has a shared goal and beliefs, and balancing the psychological contract of both parties with a mutual relationship can achieve valuable things.

## CONCLUSIONS AND RECOMMENDATIONS

This study found that achievement motivation directly affects employee performance, while Organizational Commitment does not directly affect Employee Performance but through the mediation of Psychological Contract

Fulfillment. This study also found that Organizational Commitment influences Psychological Contract Fulfillment.

This study provides theoretical implications regarding work arrangements through psychological contracts that provide autonomy to public sector employees amidst the organizational environment's complexity and dynamics.

This research has managerial implications; that is, leaders at the top level and the level of managers should always provide motivation and opportunities for employees to obtain achievement since the achievement motivation will encourage employees to contribute and perform better as individuals and members of the organization. Not all aspects of performance can be regulated through formal procedures, so management needs to maintain and increase employee organizational commitment through informal relationships, such as psychological contracts, to provide autonomy and improve employee performance.

### **FURTHER STUDY**

This research has several limitations. *First*, performance measurement uses self-reports, which the employees themselves evaluate. In this case, employees can assess themselves whether their work has reached work standards. Based on job analysis results, employees can assess their own performance. This method has a weakness, that is, the subjectivity of respondents in assessing their performance. *Second*, the research uses a survey approach with a cross-sectional design. This method has weaknesses in terms of time, where technological development and changes in the economic, social and cultural environment are decisive. Based on these assumptions, future research needs to consider the factors of technological development, social change, and organizational culture.

### **ACKNOWLEDGEMENTS**

This article is a development of the results of the research group of lecturers (Research Group) funded from the sources of RKA UKPA Universitas Negeri Yogyakarta in 2024. For all these achievements, the authors would like to thank the Dean of the Faculty of Vocational and Directorate of Research and Community Service Universitas Negeri Yogyakarta who has provided the opportunity and approval since the proposal to the report of the results. May all his goodness be recorded as an unbroken act of worship.

## REFERENCES

- Adams, C. A., Muir, S., & Hoque, Z. (2014). Measurement of sustainability performance in the public sector. *Sustainability Accounting, Management and Policy Journal*, 5(1), 46–67. <https://doi.org/10.1108/SAMPJ-04-2012-0018>.
- Adamy, M. (2016). *Manajemen Sumber Daya Manusia: Teori, Praktik dan Penelitian*. Universitas Malikussale.
- Adolfsson, P. (2022). Motivating and Demotivating Effects of Performance-Related Pay in Swedish Public Sector Organizations. *Review of Public Personnel Administration*, 42(3), 444–463. <https://doi.org/10.1177/0734371X21990836>.
- Alifuddin, M. (2012). Pengaruh Motivasi Berprestasi, Komitmen Organisasional dan Efikasi Diri Terhadap Kinerja Manajerial. *Jurnal Ekonomi Bisnis*, 17(3), 2012.
- Aminah. (2015). Pengaruh Daya Juang, Manajemen Diri, dan Motivasi Berprestasi, Terhadap Kinerja Pegawai Kementerian Agama Provinsi Kalimantan Timur. *Jurnal Psikostudia Universitas Mulawarman*, 4(2), 85–104.
- Angraini, R., Parawangi, A., & Mustari, N. (2021). *Pengaruh komitmen organisasi terhadap kinerja pegawai di badan kepegawaian dan diklat daerah Kabupaten Enrekang*. 2.
- Budiani, R. W., & Santi, M. (2018). Perbedaan Komitmen Organisasi Pada PNS dan Non PNS di Dinas Pendidikan Kabupaten Gresik. *Character : Jurnal Penelitian Psikologi Berbeda*, 5(3), 1–5.
- Budiwati, S., & Shinuranti, I. (2019). Pengaruh Motivasi Berprestasi Terhadap Produktivitas Kerja Pegawai Negeri Sipil ( PNS ). *Jurnal Tata Kelola Pendidikan*, 1(2), 170–175. <https://ejournal.upi.edu/index.php/jtkp>.
- Cioca, I. A., Ramos, J., Latorre, M. F., & Estreder, Y. (2020). Psychological Contract Mutuality and Work-related Outcomes: Testing a Mediation Model. *Span J Psychol.*, 23, e53. <https://doi.org/10.1017/SJP.2020.52>. PMID: 33222715.
- Conway, N., & Coyle-shapiro, J. A. (2012). The reciprocal relationship between psychological contract fulfilment and employee performance and the moderating role of perceived organizational support and tenure. *Journal of Occupational and Organizational Psychology*, 85, 277–299. <https://doi.org/10.1111/j.2044-8325.2011.02033.x>

- Davidson, R., Pacek, A., & Radcliff, B. (2021). Public Sector Employment , Quality of Government , and Well-Being: A Global Analysis. *International Area Studies Review*, 1 -12, 1-12. <https://doi.org/10.1177/22338659211011747>.
- Deshpandé, R., Grinstein, A., Kim, S., & Ofek, E. (2013). Achievement motivation, strategic orientations and business performance in entrepreneurial firms. *International Marketing Review*, 30(3), 231-252. <https://doi.org/10.1108/02651331311321981>.
- Hair, Hult, G. T. M., Ringle, C. M., & Sarstedt, M. (2017). *A Primer on Partial Least Squares Structural Equation Modeling (PLS-SEM)* (2nd ed.). Sage Publications Inc., Thousand Oaks, CA.
- Herjanto, H., & Franklin, D. (2019). Investigating Salesperson Performance Factors: A Systematic Review of the Literature on the Characteristics of Effective Salespersons. *Australian Marketing Journal*, 27(2), 104-112. <https://doi.org/10.1016/j.ausmj.2018.12.001>.
- Irawan, T. R., & Rahmat, A. (2022). Pengaruh Komitmen Organisasi dan Pengawasan Terhadap Kinerja Pegawai Negeri Sipil pada Dinas Perhubungan Kabupaten Siak. *Jurnal Ilmiah Mahasiswa: Merdeka EMBA*, 1(1), 12-23.
- Kadek, N., Juniari, E., & Riana, I. G. (2015). Pengaruh Motivasi Terhadap Kepuasan Kerja dan Kinerja Pegawai Negeri Sipil (PNS) di Sekolah Tinggi Pariwisata Nusa Dua Bali. *E-Jurnal Ekonomi Dan Bisnis Universitas Udayana*, 11, 823-840.
- Katou, A. A., & Budhwar, P. S. (2012). The Link Between HR Practices, Psychological Contract Fulfillment, and Organizational Performance: The Case of the Greek Service Sector. *Thunderbird International Business Review*, 54(6), 793-809. <https://doi.org/10.1002/tie.21504>.
- Mangkunegara, A. P. (2013). *Manajemen Sumber Daya Manusia Perusahaan*. Remaja Rosdakarya.
- McClelland, D. C. (1973). Testing for competence rather than for "intelligence". *The American Psychologist*, 28(1), 1-14. <https://doi.org/10.1037/h0034092>.
- Moberg, C., & Leasher, M. (2011). Examining the differences in salesperson motivation among different cultures. *American Journal of Business*, 26(2), 145-160. <https://doi.org/10.1108/19355181111174525>.
- Nugroho, R. A., Hartono, S., & Sudarwati. (2016). Pengaruh Komitmen Organisasi, Motivasi Berprestasi dan Gaya Kepemimpinan Terhadap

Kinerja Karyawan PT Wangsa Jatra Lestari. *Jurnal Bisnis Dan Ekonomi (JBE)*, 23(2), 194–203.

Rousseau, D. (1989). Psychological and implied contracts in organizations. *Employee Responsibilities and Rights Journal*, 2(2), 121–139. <https://doi.org/10.1007/BF01384942>.

Rousseau, D. (2001). The Idiosyncratic deal: Flexibility versus fairness? *Organizational Dynamics*, 29, 260–273.

Rousseau, D. (2004). Psychological Contracts in the Workplace: Understanding the Ties That Motivate. *Academy of Management Perspectives*, 18(1), 120–127. <https://doi.org/10.5465/ame.2004.12689213>.

Rousseau, D. (2008). Psychological Contract Inventory. *Psychological Contract Inventory*, 4. <https://www.cmu.edu/tepper/faculty-and-research/assets/docs/psychological-contract-inventory-2008.pdf>.

ST-Hilaire, W. A., & de la Robertie, C. (2018). Correlates of affective commitment in organizational performance: Multi-level perspectives. *Australian Journal of Career Development*, 27(1), 3–8. <https://doi.org/10.1177/1038416217744215>.

Sungu, L. J., Weng, Q., & Xu, X. (2019). Organizational commitment and job performance: Examining the moderating roles of occupational commitment and transformational leadership. *International Journal of Selection and Assessment*. <https://doi.org/10.1111/ijsa.12256>.

Syafri, W., & Alwi. (2014). *Manajemen Sumber Daya Manusia Dalam Organisasi Publik*. Institut Pemerintahan Dalam Negeri (IPDN) Press.

Szulc, J. M. (2022). AMO model for neuro-inclusive remote workplace. *Personnel Review*, 51(8), 1867–1882. <https://doi.org/10.1108/PR-02-2022-0085>.

Thomson, I., Grubnic, S., & Georgakopolous, G. (2018). Review: Time machines, ethics and sustainable development: accounting for inter-generational equity in public sector organizations. *Public Money and Management*, 38(5), 379–388. <https://doi.org/10.1080/09540962.2018.1477677>.

Tsai, T. T. H., & Lin, A. J. (2014). Do psychological contract and organizational citizenship behavior affect organizational performance in non-profit organizations? *Chinese Management Studies*, 8 (3), 397–417. <https://doi.org/10.1108/CMS-05-2013-0090>.

Yu, K., Lin, W., Wang, L., Ma, J., Wei, W., Wang, H., & Shi, J. (2014). The role of affective commitment and future work self salience in the abusive supervision-job performance relationship. *Journal of Occupational and*

*Organizational Psychology,*  
<https://doi.org/10.1111/joop.12101>.

89(1),

28-45.