



COVID-19 Disarticulation of the Psychological Contract in Organizations: Evidence from a Human Resource Management Perspective

Onah Celestine Chijioke, PhD¹; Asadu Ikechukwu, PhD²;
& *Obioji Josephine Nneka, PhD²

(Type: Full Article)

Received: 29 October 2025, Accepted: 22 February 2026.

Accepted Manuscript, First Online

Abstract: Objective - the emergence of COVID-19 has disrupted work-life balance. This caused thousands of deaths and job losses. The COVID-19 pandemic created uncertainties and the consequent closure of socio-economic activities, thereby imposing unrestrained fears and career shocks on employees. COVID-19 created a huge vacuum between employers and employees. This led to mutual anxieties and mistrust in workplaces. Thus, neither employers nor employees could rely on the existing psychological contract, under which organizational behavior and relations were regulated, with a certain level of predictable expectations to manage businesses during COVID-19. Thus, this paper traced and identified the chaotic pattern of disconnection COVID-19 unleashed in organizations, thereby nullifying the application of the psychological contract upon which industrial relations and harmony revolved. **Methodology** - the method adopted is a qualitative literature-based research that leverages secondary data sourced from relevant existing literature, including COVID-19 reports from the World Health Organization (WHO) peer-reviewed journal articles, textbooks, government policy documents on COVID-19, and online materials written by experts in the public health sector and industrial management. The materials were aggregated and content analyzed in relation to COVID-19 and the psychological contract in organizations. **Key Findings** - findings revealed, among others, that COVID-19 abruptly terminated the psychological contracts in private sector organizations. **Conclusions** - Hence, employees were shattered with industry uncertainties, work-life imbalance, and disharmony that ruined the physical and mental health of the employees. **Recommendations** - we recommend making serious adjustments in the psyche of workers to absorb the career shock and the aftermath of COVID-19, and adopting a humane approach to the new psychological contract imposed on organizations by COVID-19.

Keywords: COVID-19, psychological contract, organization, expectations, career shock

تفكك العقد النفسي في المنظمات بسبب جائحة كوفيد-19: أدلة من منظور إدارة الموارد البشرية

أونا سيلستين تشيجيوكي، دكتوراه¹، أسادو إيكيتشوكو، دكتوراه²، *أوبويجي جوزفين نيك، دكتوراه²

تاريخ التسليم: 29 تشرين أول 2025، تاريخ القبول: 22 شباط 2026

الملخص: الهدف - أدى ظهور جائحة كوفيد-19 إلى اضطراب التوازن بين العمل والحياة، مما تسبب في آلاف الوفيات وفقدان الوظائف. خلقت الجائحة حالة من عدم اليقين، وما ترتب عليها من إغلاق للأنشطة الاجتماعية والاقتصادية، مما أدى إلى قلق متبادل وانعدام ثقة في أماكن العمل. وبالتالي، لم يتمكن أي من أصحاب العمل أو الموظفين من الاعتماد على العقد النفسي القائم، الذي ينظم السلوك والعلاقات التنظيمية، والذي يتضمن مستوى معيناً من التوقعات المتوقعة لإدارة الأعمال خلال الجائحة. لذلك، تتبعت هذه الورقة البحثية وحددت نمط الانفصال الفوضوي الذي أحدثته الجائحة في المؤسسات، مما أدى إلى إبطال تطبيق العقد النفسي الذي تقوم عليه العلاقات الصناعية والانسجام. المنهج - اعتمدت الدراسة على منهج بحث نوعي قائم على مراجعة الأدبيات، مستفيدة من بيانات ثانوية مستقاة من مصادر أدبية ذات صلة، بما في ذلك تقارير منظمة الصحة العالمية حول كوفيد-19، ومقالات منشورة في مجلات علمية محكمة، وكتب دراسية، ووثائق سياسات حكومية متعلقة بكوفيد-19، ومواد إلكترونية كتبها خبراء في قطاع الصحة العامة والإدارة الصناعية. جمعت هذه المواد وحُللت محتوياتها في ضوء كوفيد-19 والعقد النفسي في المؤسسات. أهم النتائج - كشفت النتائج، من بين أمور أخرى، أن كوفيد-19 أنهى فجأة العقود النفسية في مؤسسات القطاع الخاص. الاستنتاجات - نتيجة لذلك، عانى الموظفون من حالة من عدم اليقين في القطاع، واختلال التوازن بين العمل والحياة، واضطرابات نفسية أثرت سلباً على صحتهم البدنية والنفسية. التوصيات - نوصي بإجراء تعديلات جوهرية على نفسية العاملين لاستيعاب الصدمة المهنية وتداعيات كوفيد-19، واعتماد نهج إنساني تجاه العقد النفسي الجديد الذي فرضه كوفيد-19 على المؤسسات.

الكلمات المفتاحية: كوفيد-19، العقد النفسي، المؤسسة، التوقعات، الصدمة المهنية

1 Department: Social Sciences Unit, School of General Studies, and the Department of Public Administration and Local Government, Faculty of the Social Sciences, University of Nigeria, Nsukka, Nigeria

2 Department of Public Administration and Local Government, Faculty of the Social Sciences, University of Nigeria, Nsukka, Nigeria

* Corresponding author: josephine.obioji@unn.edu.ng,

orcid: <https://orcid.org/0000-0002-2842-5938>

1 القسم: وحدة العلوم الاجتماعية، كلية الدراسات العامة، وقسم الإدارة العامة والحكم المحلي، كلية العلوم الاجتماعية، جامعة نيجيريا، نسوكا، نيجيريا.

2 قسم الإدارة العامة والحكم المحلي، كلية العلوم الاجتماعية، جامعة نيجيريا، نسوكا، نيجيريا

Introduction

The psychological contract is an unwritten, well-understood contract of employment. It regulates the relationship between employers and employees in the management of industry. The psychological contract is more prominent in the private sector than in the public sector. The reason is that in the private sector, every work-related behavior and expectation is expressly written down, mostly in codes known as company laws, rules, and regulations. In the public sector, the codes are often referred to as civil/public service rules and regulations, or the civil/public service handbook. Both employers and employees in large, medium, and small enterprises (LMSE) operate with a certain level of unwritten expectations and behaviors known as the psychological contract. It is the psychological contract that builds trust, confidence, morality, and mutuality in the day-to-day economic sector of society across industries. Therefore, in the private sector economy, employers and employees relied heavily on the psychological contract to manage businesses responsibly. The psychological contract, although largely unwritten, is understood by employers and employees to outline what is expected of them, how they are to behave in the industry, job protection levels, the

returns and shares of profits in terms of salaries and wages, discipline, health code practices, and organizational culture. Whether written or unwritten, the psychological contract of employment regulates industrial activities, leading to industrial harmony, peace, predictability, growth, and development.

The sudden outbreak of COVID-19 and its lockdown policy measures disrupted the economic, health, and safety sectors (WHO, 2020a). The result is employees' frustration, chaos, fear, career shock, salary pay cut, work-life imbalance, uncertainties, emotional trauma, disengagement, deaths, and even zero payment of salary, which contributed to making COVID-19 a more complex and crisis-ridden problem that destroyed the already existing and applicable psychological contracts in business organizations. Abdalla et al. (2021) remarked that breaching the psychological contract can make employees develop anxiety, depression, emotional exhaustion, and perceived injustice. COVID-19 disarticulation of the psychological contract further contributed to the destruction of employees' health, safety, and well-being, apart from the direct effect of the pandemic itself. The consequences of the COVID-19

lockdown and other novel protocols traumatized employees by impairing their resilience, health, work attitude, and the perception of society in a negative proportion. Onah, Eme, & Amujiri (2021) noted that navigating the COVID-19 pandemic disruption in workplaces was tedious until technological innovation and adoption were leveraged to mitigate the effects in organizations.

However, given the outbreak of the COVID-19 pandemic, it is worth noting that the phenomenon of pandemics is not novel to mankind. Thus, the history of public health and safety is dominated by outbreaks and the prevention of pandemics. However, the COVID-19 pandemic is unique in its outbreak, considering factors such as the origin of the pandemic in China. The world in 2002, according to Zhong et al. (2003), witnessed the Severe Acute Respiratory Syndrome (SARS-CoV), which originated in Guangdong, China. Shereen et al. (2020) corroborated that SARS-CoV started in Guangdong Province, China, before spreading to other parts of the world. Also, is the World Health Organization (WHO) declaration of human-to-human pattern of transmission of COVID-19 against the speculated cause and transmission method

erroneously believed to be through consumption of meals prepared by certain live animals in China (Riou & Althaus, 2020). The swift spread of COVID-19 across national boundaries within a short period of the outbreak in December 2019 led the World Health Organization (WHO) to declare it a pandemic on 11 March 2020, having met the epidemiological criteria for such (Callaway, 2020). Thus, the disease spread to 180 countries and infected 6.5 million persons, with 383,000 deaths recorded globally as of 3rd June, 2020 (United Nations Department of Economic and Social Affairs, 2020).

Following the explosive human-to-human spreading pattern of COVID-19 transmission, measures to contain it were released by the World Health Organization (WHO) with warnings. The World Health Organization (WHO) warned that the symptoms include cough, fever, breathing difficulties, and respiratory issues (WHO, 2020b). Following these symptoms of COVID-19, among the measures to contain the scourge are physical and social distancing, regular hand washing with running water, sanitization, wearing a face mask in public, and quarantine of suspected cases until proven otherwise (WHO, 2020a).

Despite these physical measures, the speed of circulation was high, leading to the global community locking down all non-essential socio-economic (markets, places of worship, schools, offices, organizations, ceremonies, gatherings of any type, etc.) human activities as countries declared a ban on international and local movements in the bid to curtail the surge of the pandemic. According to Onah et al. (2025), even religious houses, such as churches and mosques, where people often run to for help and comfort in times of distress and pain, were not spared from being locked down due to the COVID-19 pandemic.

The enforcement of local and international lockdowns occasioned by COVID-19 compelled people to stay indoors and consequently out of offices, businesses, and socio-economic activities. The executive order to compulsorily stay indoors was crafted into a policy that further paralyzed socio-economic activities. This reconfigured workplace culture as organizations struggled for survival (health and safety of workers) and observations of the policies associated with navigating COVID-19. This arbitrarily altered the psychological contract that regulates employer-employee relations, behavior, certainties, and expectations in the

workplace. Therefore, the alteration of the psychological contract in the workplace by COVID-19, the chaotic career shock it generated, and how to navigate the new psychological contract imposed on businesses and organizations by COVID-19 and its culture of ‘new norm’ are what this paper investigates.

Materials and methods

The study employed a qualitative literature-based research method, leveraging documented data sourced from articles published in reputable peer-reviewed journals and databases, the World Health Organization (WHO) reports on COVID-19, textbooks, and online materials written by experts on COVID-19 and the psychological contract. These materials were aggregated and content analyzed in relation to COVID-19 and psychological contract in business organizations, regarding changes noticed in human resource management. Therefore, the ‘how, where, and why’ of the changes in psychological contract due to the impact of COVID-19 in organizations were identified based on themes and critically analyzed. Through this procedure, findings revealed the disarticulation of the psychological contract by COVID-19 and its negative

impacts on employers and employees in the workplace.

Content analysis is a research method based on identifying basic themes and patterns in the literature related to the major concepts under investigation. The basic themes are COVID-19, psychological contract in organizations, and human resource management. After identifying the themes, we demonstrated how they are connected and influence each other in organizations during and after the pandemic. Notably, the basic themes are identified from the research topic, serving as the dependent and the independent variables of the study. This pattern of content analysis used in the study helped to focus the literature within the established boundaries –basic concepts, dependent and independent variables of the study.

Specifically, the study traced and located the loci of psychological contract, the operational realities in business organizations before COVID-19, pinpointed how COVID-19 shattered the psychological contract in organizations, the implications for both employers and employees, COVID-19 implications on employees' health, safety, and socio-economic well-being. It

further discussed the disarticulation of the psychological contract as a career shock, the mutual understanding expected from employers and employees in organizations based on the new psychological contract imposed on employees stemming from the outcome of the psychological contract of nothingness that existed between employers and employees in organizations during the worst period of the pandemic.

Theoretical framework of analysis

The theory of role behavior was deployed in the analysis of COVID-19 and the dynamics of the newly imposed psychological contract in business organizations, from the viewpoint of human resource management (HRM). The theory emphasizes that the roles played by individuals and teams, when aggregated, form the basis for analyzing performance, progress, or failure in organizations. The purpose of studying and diagnosing the roles played by individuals and teams is to provide managers with correct views and vantage positions upon which organizations' decisions, policies, objectives, and general management should be geared towards in building progressive organizations. Asadu, Onah, & Obi (2020) averred that understudying role theory aims to discover ways to create a productive

workplace and to develop the required resources to encourage novel behavior in employees, to cope with the new demands of the environment. The novel work environment and its demands drive the new psychological contract imposed on workers in organizations, especially in developing economies, as the aftermath of the COVID-19 pandemic. The pandemic altered the psychological contract in organizations, thereby imposing a new psychological contract riddled with distrust, fear, gaps in communication, uncertainty, and emotional strain.

Therefore, the COVID-19 emergencies imposed a novel psychological contract alien to employers and employees, with its attendant consequences, disrupting workplace culture and organizational behaviors. The changes forced individuals and teams to adopt new role behaviors to navigate the negative impacts of COVID-19 in organizations and society at large. Therefore, role theory, according to Okala & Uche (2014), provides a deeper social and industrial psychological approach in social research. Anugwom & Okeibunor (2003) posit that one of the assumptions of the theory is that every status involves different roles, and not a particular role. Status here

refers to positions and their resultant authorities and obligations, with anticipated expectations based on the roles required by the status as it affects others in society or organization.

The behaviors of individuals and teams, employers and employees, stakeholders of organizations, and society were abruptly changed by the COVID-19 pandemic. This leads to a near-zero psychological contract in the organization, as everyone was confused and scared due to a lack of safety and assurance of reliable COVID-19 preventive health measures in the workplace. The economic stagnation caused by COVID-19 led to a total lack of hope, confidence, and trust in organizational management procedures. Stakeholders in organizations were thrown into chaos. Uncertainties shattered the established role behaviors upon which the psychological contract was regulated smoothly before the COVID-19 pandemic. The shift in role behavior occasioned by the COVID-19 pandemic, according to Onah & Chikeleze (2024), became a paradigm shift that shatters employees' performance in organizations. There is apparent disruption of roles and expected behaviors among employees and management in

organizations, following the consequences of the COVID-19 pandemic lockdown and protocols.

The implication of COVID-19 in the HRM role is that it has disrupted the flow and procedural nature and control measures used in oiling the wheel of organizational behavior upon which the psychological contract is predicated. This created a room for a lack of role complementarities in expectations and behaviors in the organization (Osadebe, 2014) and a lack of goal congruence due to the inability of stakeholders to perform their functions harmoniously for organizational success. Therefore, watching through the lens of role behavior in an organization, it is analytically observed that COVID-19 disarticulated roles (behaviors and expectations) of everyone in the organization, resulting in death or a near-zero psychological contract in the era of the pandemic surge.

The COVID-19 pandemic not only shattered workplace roles; it also disrupted homes by altering expected behaviors among spouses. At home, COVID-19 increased violence against women, especially housewives whose husbands were abused due to the work-life imbalance occasioned by COVID-

19 sit-at-home psychological trauma (Hamamra, 2022). There is widespread evidence on how lockdowns and economic pressures heightened emotional distress and interpersonal conflict at home, causing strain and trust erosion. COVID-19 induced fear and uncertainty during lockdown. This, according to Hamamra (2022), intensified aggression and emotional projection of employees' behavior and mental well-being. The pandemic's psychosocial consequences are linked to disruptions at home and in organizations, resulting in wider patterns of emotional and social instability. Roles, behaviors, and expectations were altered by COVID-19 both at home and in the workplaces.

The role behavior theory is also referred to as the role theory by many scholars who choose to shorten the full name behind the concept formation in the theory. Nevertheless, the theory remains the same, especially in its applications, analysis of society, organizations, groups, and intergroup relations. According to Okala & Uche (2014), role theory was propounded by George Herbert Mead in 1934; however, many scholars have made notable contributions in shaping and influencing the theory. A major academic form, such as

Major's (2003) study, entitled *“Utilizing role to help employed parents cope with children's chronic illness.”* The six-step processes he identified in the work as being useful in exploring role-related challenges occasioned by changes in the workplace are stated below as a valid path towards navigating/coping, or rebuilding the psychological contract destroyed in organizations by the COVID-19 pandemic, or adopting a new psychological contract entirely and jettisoning the old one. Thus, the six steps proposed by Major (2003), according to Okala & Uche (2014), are advocated below:

1. Identify the demands that new roles will make.
2. Define the roles set, that is, others who will be involved and what their roles will be.
3. Recognize the barriers created by present roles and conflicts with a new role.
4. Negotiate in detail the new role: who does what, when, and where.
5. Renegotiate roles as feedback indicates that change is needed.
6. Work on role integration, for example, by creating timetables of who does what and when, or create back-ups.

Psychological contract in perspective

The COVID-19 pandemic has introduced a psychological contract of fear and uncertainty between employers and employees in organizations. Job security (protection), salaries, and promotions that employees anchored on through psychological contract fulfillment have been cut off by the COVID-19 impacts on jobs in business organizations. The World Health Organization (WHO, 2020a) averred that COVID-19 is shrouded in uncertainties that are jeopardizing the mental health of people across the globe. Before COVID-19, workplace relationships were sustained by a psychological contract that revolved around organizational culture and policies, organizational design and development, work-life balance, organizational behavior, industrial relations laws and policies, and reward management systems that were predictable. Rousseau (1998) identified two major types of psychological contract, namely transactional and relational contracts. Employers and employees understood the two psychological contracts as they cooperate and rely on them due to trust.

The core criteria for measuring the psychological contract, according to

Armstrong (2009), are trust, fairness of treatment, and the degree to which the contract is perceived to be accomplishable. Regrettably, the advent of COVID-19 quickly altered the narratives with unexpected and ugly uncertainties. The anti-social workplace norms associated with COVID-19 ravaged workplace relationships and long-established organizational cultures that enhance industrial harmony, upon which productivity revolves. Employers and employees' lives and jobs that were largely controlled by the psychological contract are now endangered and shrouded in COVID-19 uncertainties, because people lose their lives or jobs daily due to COVID-19. Donthu & Gustafsson (2020) captured succinctly that the COVID-19 pandemic has disorganized and disrupted life and socio-economic activities, leading to many businesses closing their shops. The COVID-19 pandemic has forcefully introduced new dimensions to the HRM functions in managing the health and safety of a diverse workforce as a crucial factor in an organization (Caligiuri et al., 2020).

The psychological contract implicitly originates from the thought processes and feelings of specific behavioral expectations and actions between employers and

employees in organizations. It is largely unwritten, and it influences and shapes interactional and relational approaches in organizations. Spindler (1994) argued that the psychological contract releases emotions and attitudes upon which behavior is formed and regulated. Robert & Harvey (2001) described Psychological Contract (PC) as certain expectations that organizations and employees have to fulfill for each other. Hence, the psychological contract is a two-way affair. Its changes depend on the mutually agreed implementations of the dynamic circumstances prevalent in the organization and society.

COVID-19 is a public health, safety, and economic concern. Its emergence took the world by surprise, without an immediate solution. Fighting COVID-19 is an industrial war of crisis management proportions aimed at the correct understanding and application of damage control models in business. The reason is that there are no known decisions to foreclose or preempt COVID-19 outcomes that emit an unstable psychological contract. Armstrong (2009) noted that the pattern of development of the psychological contract is evolutionary and multi-faceted over time, and does not evolve out of a particular transaction. But for the psychological contract imposed by COVID-

19, the case is different. The current psychological contract imposed on employees and businesses is obviously revolutionary. Organizations that formerly neglected the adoption of e-administration, e-HRM, e-business models, e-marketing, e-services, ICT-compliant employees, e-recruitment, among others, have been forced to adopt them in their psychological contract models, as occasioned by COVID-19, otherwise they become uncompetitive in the business environment and may eventually fold. Gong and Sims (2022) assert that COVID-19 disruptions forced organizations and employees to adopt remote or online work patterns, which fuelled mistrust, conflict, and work-life imbalance, resulting in violation of the psychological contract. Therefore, the adoption of ICT skills and management model is now a compulsory survival strategy for businesses to integrate into their psychological contract to ensure sustainability. Onah, Eme, and Amujiri (2021) averred that ICT and its accessories were heavily relied upon by mankind in the struggle to fight the COVID-19 pandemic and stay safe.

**Loci of COVID-19 changes in
psychological contract: Human resource
perspective**

COVID-19 overhauled organizational culture and behavior beyond expected boundaries, thereby affecting social relations and productivity in the workplace. According to Jiawei (2024), COVID-19 created challenges for organizations, leading to a paradigm shift that overturned HRM practices. The post-COVID-19 psychological contract differs significantly from the psychological contract before and during COVID-19. Guest, Conway, & Briner (1996) asserted that a good psychological contract is necessary because it is connected to employees' satisfaction, better industrial relations, and higher commitment. They further stated that it strengthens the gains of pursuing progressive HRM practices. The following are the identified salient HR practices in organizations that COVID-19 negatively impacted. Thus, COVID-19 generated a new psychological contract that altered the practices of HRM in organizations, such as evident in Table 1 data that compared the old and the new psychological contract.

.

1. Organizational behavior.
2. Socialization process, onboarding, and industrial relations.
3. Change management, reward system, motivation processes.

4. Total Quality Management, work-life balance, crisis management.
5. Process engineering, product development, people resourcing.
6. Training, organization design, and development.
7. Employees' welfare and development.
8. Employees' health, safety, and well-being.

	for promotion
Team player perspective	High flyer
Complex; seeks a lot	Simple; seeks a lot
Companies defend/protect employees	Employees defend/protect cases
Companies train employees	Employees train
Companies care about work-life balance	Non-existent
Created rigid organization (static)	Created flexible

Table 1: The COVID-19 dynamic changes in psychological contract

Source: Authors' synthesis based on

The Old Psychological Contract	The New Psychological Contract Imposed by reviewed literature (2021) COVID-19
	The dynamics of the COVID-19 pandemic
Job security	No job security and psychological contract have
Office-oriented job	Work from Home (WFH) or family-friendly technology and electronically driven processes based on e-HRM practices. This
Easy job mobility due to employability	Difficult job mobility due to the lockdown leveraged the vast opportunities provided by policy e-administration to deliver excellent services
Time-bound	Timelessness to both the internal and external stakeholders
Rewards effort	of business organizations. The psychological Rewards result – outcome
Emphasizes skill randomly	Emphasizes competency specifically on ICT Harvey (2001) postulated that it should be and its accessories; open-ended to give room for renegotiations
Ability	Capability of both old and new issues. Be that as it may, psychological contract correlates with
Loyalty	Productivity organizational culture that revolves around
Socialization	Anti-socialization the socio and macro elements impacting the
Employees seek promotion	organization, leading to changes. Noe et al. (2004) succinctly captured this scenario,

thus “organizations want to be able to change as fast as customer needs and economic conditions change”. Therefore, the micro elements that trigger change in psychological contract are the organizational internal dynamics that influence and shape corporate culture in the conduct of businesses. The macro elements, on the other hand, are the external forces outside and beyond the control of organizations that shape and influence corporate culture. For example, COVID-19 has created new dimensions of macro elements in organizations’ corporate culture. The post-COVID-19 psychological contract changed organizations’ culture –methods of hiring, training, selection, motivation, policies, rewards, and the general practice of HR as identified in items 1-8 listed above.

The COVID-19 chaos (health and safety, and socio-economic distortions):

Implications for businesses

The novelty of COVID-19 assumes a heightened dimension of uncertainty for mankind across the globe. This is as a result of the global transmission rate within a short period of time, death toll, and lack of effective drugs for treatment and despair for vaccine, socio-economic disruption, human-to-human speedy pattern of transmission, and the consequent lockdown that banned

international and local movements, which brought all human activities to standstill, in the bid to contain the spread. Schoemaker, Heaton, & Teece (2018) and Van Tulder, Verbeke, & Jankowska (2019) emphasized that the concept of volatile, uncertain, complex, and ambiguous (VUCA) work environments is not novel to the management of organizations in times of crisis. But the stress and trauma imposed on workers by COVID-19 have re-echoed a new dimension of management crisis. Companies are facing bankruptcy, and many popular brands likely fizzled out as consumers remained indoors and economies closed due to the COVID-19 pandemic (Tucker, 2020). The negative implications associated with the emergence of COVID-19 have directly disorganized individual and corporate lives, means of livelihood, and survival. Thus, means of earnings for individual (small-scale, medium-scale, and large-scale businesses) and other organizational formations, both at the level of Multinational Corporations (MNCs), public and private sector economies worldwide, are undergoing a harsh and turbulent time fighting for survival due to the COVID-19 global shock. This has reconfigured the psychological contract inherent in organizational behavior and

culture, thereby scuttling expectations and social exchange processes between employers and employees in corporate business settings.

The informal sector economy, being the largest employer of labour in developing economies, is not left out among the worst hit by COVID-19. COVID-19 negatively impacted the mental well-being and the psychological perception of humans. The ever-busy world of work was subjected to a standstill and idleness. ILO (2021) remarks that COVID-19 increased inactivity more than unemployment, especially in Latin America, Southern Europe, Southern Asia, and the Caribbean. In Nigeria, the informal workers in the economy whose survival depends on daily earnings (Onyishi et al., 2020; Sefa-Nyarko, 2020; Duerksen, 2020) constitute more than 80 per cent of the workforce (Ezeibe et al., 2020), thereby demonstrating a high degree of urban poverty, which COVID-19 has increased and rendered vulnerable (Belle et al., 2020; Federal Government of Nigeria, 2020; Ibezim-Ohaeri & Okon, 2020).

Generally, the corporate survival instincts of human business organizations revolve around the health and safety of workers in

the workplace. This is achieved in organizations through the context and pursuit of socio-economic relations in society. The purpose is to make productive gains through social exchange processes among the stakeholders of a business. Hence, work-life balance in a corporate business environment is targeted at building a sustainable workforce and progressive organization capable of predictive mutual reciprocity. This facilitates gaining a competitive edge or advantage through a workable psychological contract among the stakeholders in organizational formation. Distortions in work-life balance and flexible work arrangements have impacted the well-being of workers who manage to work from home as they stay indoors, battling with work and childcare since schools were closed (Chawla et al., 2020). However, COVID-19 has scuttled the pattern of a sustainable psychological contract of expectations between workers and employers. The COVID-19 health, safety, and economic woes imposed a psychological culture of fear, and uncertainty in organizations. This undermined expectations between workers and employers. Each party struggled for survival and existence outside the context of the well-known industrial procedural

relations that engendered industrial harmony. Therefore, the COVID-19 chaotic and turbulent uncertainties have created a false and imposed culture of weariness and career shock that disarticulated all known industrial procedural justice systems of fairness.

Today's organizational behavior is severely affected by the aftermath of COVID-19 on employers and employees alike without negotiations. To this end, the International Labour Organization (ILO) (2021) reported that "working-hour losses in 2020 were approximately four times greater than during the global financial crisis in 2009". Both employers and employees are now at the receiving end of COVID-19, which dictates industrial relations. Psychological contract is no longer assured in organizations. No one knows when the salary will stop coming. In corporate workplaces that still manage to pay full or half salaries, no one knows if there will be a next deal, or when the next deal before COVID-19 will mature; workers have been downsized. Many employees have been technically relieved without them knowing the implications of management telling them to work from home when there is no actual work to do, or supporting infrastructure and operational logistics

(electricity, reliable and affordable bandwidth, computers, good communication systems, etc.) to facilitate effective online work from home, especially in developing economies. For instance, Yakubu (2021) noted that the Nigerian Government informed civil servants below grade level 12 to stop coming to work. This is a result of fears and part of the curtailment measures for the COVID-19 pandemic. It has been all fears and anxieties, mainly over health, safety, and economic well-being. COVID-19 has imposed a stress and trauma-ridden psychological contract of volatile, uncertain, complex, and ambiguous (VUCA) phenomena as the new COVID-19 organizational culture.

The underlying assumptions about psychological contract in shaping and influencing economic relations and distributions among actors in a workplace, in line with known expectations, have been thwarted by the COVID-19 pandemic. This affected decision-making, productivity, implementation, and outcome. Organizations relying on tested and proven computer simulations for data analyses that enhance decision-making with a certain level of accuracy are no longer valid in making decisions in the era of COVID-19.

COVID-19 made forecasting, planning, and budgeting impossible due to unrealistic outcomes. Making decisions in organizations, especially HR decisions, productivity, employees' performance, and marketing/sales stagnated with unpredictable flattening curves during the pandemic (Okoi et al., 2024; Yohanna & Obaka, 2020). Organizations are no longer focused on making profits; rather, the rallying point of all virtual meetings, training, and decisions in the COVID-19 era is how to stay alive and continue in business without going moribund. COVID-19 created economic nightmares. It forced many commercial outfits to shut down permanently due to scarcity of raw materials, distortions in production lines and supply chains, near-zero demand for products and services. This is due to low consumption, a downsized workforce, among others, causing serious psychological injuries to workers. Noe et al. (2004) predicted long ago that economic downturns would always occur, leading to downsizing in all organizations. COVID-19 disruptions created shock waves among employees across industries.

Disarticulation of psychological contract: A career shock perspective from COVID-19

Before the emergence of COVID-19, the psychological contract emphasized job security, promotion, a well-defined career growth path, well-scheduled motivation packages, adequate remuneration, and trust. In fact, predictability guided pre-COVID-19 psychological contract. Expectations guiding organizational behavior and relations were well-known and accurately anticipated between the employer and employees. Thus, building and sustaining industrial peace was easy for the HR managers in organizations. On the contrary, the outbreak of COVID-19 disrupted the sequence of development and the anticipatory organizational psychological contract behavior. This generated turbulence in organizations. Both employers and employees were uncertain about what would happen next, especially in today's era of the post-COVID-19 influence on industries. The industrial atmosphere was tense. This is because people were dying, economies were shrinking, salaries were not being paid, workers were being downsized, hunger was on the increase, the number of COVID-19 index cases surged daily, businesses were closed temporarily, and others were going moribund. According to

Kopp (2020) and Robinson (2020), the containment measures for people to work from home created psychological feelings of loneliness and social exclusion among workers. All these, according to the World Health Organization (WHO, 2020b), have damaged the mental well-being of the people in a huge negative proportion.

Hence, the COVID-19 pandemic has imposed a 'career shock' on employees (Akkermans, Julia, & Maria, 2020). Akkermans, Seibert, & Mol (2018) explained career shock as "a disruptive and extraordinary event that is, at least to some degree, caused by factors outside the focal individual's control and that triggers a deliberate thought process concerning one's career". The magnitude of the chaos imposed by COVID-19 on organizations is epitomized by the level of career shock that grips the workforce across the globe. The International Labour Organization (ILO) (2020) projected that 7 percent of man-hours would be lost in the second quarter of 2020, resulting in the creation of 200 million jobless individuals. The projected job losses are especially from service organizations.

The outbreak of COVID-19 created job losses in all economies. This is without exception. The travel industry was in a

mess. Up to 80 percent of empty hotel rooms in the United States remained unoccupied for many months (Asmelash & Cooper, 2020). Airlines, tourism, and other entertainment industries suffered big losses in 2020. These industries were hit with job cuts. The adverse effects of the COVID-19 career shock on employees and employers are shrouded in ugly uncertainties that COVID-19 saturated human and work environments with. This has altered the psychological contract between employers and employees across national economies. Regrettably, this was without negotiations among the parties.

The measures to contain COVID-19 create a huge gap. This led to what Follmer et al. (2018) termed a misfit experience in an organization, which imposes forceful adjustments on employees to suit the new demands of the work environment. Donthu & Gustafsson (2020) noted that Person-Environment (P-E) fit theories postulate that congruence between employees and work environment has a direct impact on productivity through the influence of motivation. Motivation has a direct influence on the psyche of workers, which helps to shape employees' perception of the psychological contract positively. However, this has been arbitrarily changed by the

outcomes of COVID-19 without the due process of negotiation between employers and employees.

Conclusion and recommendations

The outbreak of the COVID-19 pandemic has dealt a huge blow to public health and national economies. The dangers inherent in the human-to-human transmission pattern of COVID-19 exposed and jeopardized the health and safety of workers. This led to a struggle for survival by organizations, especially in developing economies. The risk of contracting COVID-19, death, lockdown, and its negative impacts on economies disrupted the psychological contract guiding organizational behaviors and expectations between employers and employees. Hence, the psychological contract in organizations that was predictable is no longer so as COVID-19 has altered the pattern of procedural expected psychological contract between employers and employees in organizations. Therefore, we recommend that employers and employees adjust psychologically to absorb the career shock unleashed by the COVID-19 pandemic. They should take their minds off profits. This is to ensure the survival of organizations and to renegotiate the new psychological contract imposed by the COVID-19 pandemic. These would help to

conquer the implications of the COVID-19 pandemic on the psychological contract completely. This study has a global relevance, and therefore is our contribution towards the achievement of the Sustainable Development Goals (notably SDG 3 – Good Health and Well-being, and SDG 8 – Decent Work and Economic Growth) to make the world a better place for all of us.

Disclosure statement

Ethical approval – The manuscript is based on a literature review and does not involve human participants.

Data availability – There are no new data to disclose since the research is based on a literature review.

Author contribution – The first author conceptualized the research idea and title, and wrote the first draft; the 2nd author handled the theory and synthesized the literature; while the third author sequenced, supervised, and edited the work.

Conflict of interest – There is no conflict of interest.

Funding – The manuscript received no external funding.

Acknowledgement – The lead author acknowledges Prof. Fred O. Eze, a lecturer in the Department of Public Administration, ESUT, and Director of ESUT Business

School, Enugu, who taught him HRM at his undergraduate and postgraduate levels. The article was not derived from any master's thesis or PhD dissertation.

References

- Abdalla, M.J., Said, H., Ali, L., Ali, F., & Chen, X. (2021). COVID-19 and unpaid leave: Impacts of psychological contract breach on organizational distrust and turnover intention: Mediating role of emotional exhaustion. *Tourism Management Perspectives*, 39, <https://doi.org/10.1016/j.tmp.2021.100854>
- Akkermans, J., Julia, R., & Maria, L. (2020). The Covid-19 crisis as a career shock: Implications for careers and vocational behavior. *Journal of Vocational Behavior*, 119:103434. <https://doi.org/10.1016/j.jvb.2020.103434>
- Akkermans, J., Seibert, S.E., & Mol, S.T. (2018). Tales of the unexpected: Integrating career shocks in the contemporary careers literature. *SA Journal of Industrial Psychology*, 44, e1503. <https://doi.org/10.4102/sajip.v44i0.1503>
- Anugwom, E.E., & Okeibunor, J.C. (2003). *Sociological theory: An insight into dominant view points*. Nsukka: Fulladu Publishing Company.
- Armstrong, M. (2009). *Armstrong's handbook of human resource management practice* (11th ed). London: Kogan Page. ISBN-13. 978-0749452421
- Asadu, I., Onah, C.C., & Obi, D. (2020). Strategic human resources management in organizations: A logical exploration of the nature, process and rationales. *International Journal of Research and Innovation in Social Science*, 4(8): 190 – 202. <https://rsisinternational.org/journals/ijriss/Digital-Library/volume-4-issue-8/190-202.pdf>
- Asmelash, L., & Cooper, A. (2020). Nearly 80% of hotel rooms in the US are empty, according to new data. *CNN*. <https://edition.cnn.com/2020/04/08/us/hotel-rooms-industrycoronavirus-trnd/index.htm>

- Belle, S.V., Affun-Adegbulu, C., Soors, W., Srinivas, N., Hegel, G., Damme, V., Saluja, D., Abejirinde, I., Wouters, E., Masquillier, C., Tabana, H., Chenge, F., Polman, K., & Marchal, B. (2020). COVID-19 and informal settlements: An urgent call to rethink urban governance. *International Journal for Equity in Health*, 19(81): 1–2. <https://doi.org/10.1186/s12939-020-01198-0>
- Caligiuri, P., De Cieri, H., Minbaeva, D., Verbeke, A., & Zimmermann, A. (2020). International HRM insights for navigating the COVID-19 pandemic: Implications for future research and practice. *Journal of International Business Studies*. <https://doi.org/10.1057/s41267-020-00335-9>
- Callaway, E. (2020). Time to use the p-word? Coronavirus enter dangerous new phase. *Nature*. 2020; 579. <https://doi.org/10.1038/d41586-020-00551-1>
- Chawla, N., MacGowan, R.L., Gabriel, A.S., & Podsakoff, N.P. (2020). Unplugging or staying connected? Examining the nature, antecedents, and consequences of profiles of daily recovery experiences. *Journal of Applied Psychology*, 105(1), 19. <https://doi.org/10.1037/apl0000423>
- Donthu, N., & Gustafsson, A. (2020). Effects of COVID-19 on business and research. *Journal of Business Research*, 117, 284–289. <https://doi.org/10.1016/j.jbusres.2020.06.008>
- Duerksen, M. (2020). Innovations needed to prevent COVID-19 from catching fire in African cities. *Africa Center for Strategic Studies*. 9 April 2020. Available at: <https://africacenter.org/spotlight/innovations-needed-prevent-covid-19-catching-fire-africa-cities/> (Accessed 5-7-2020).
- Ezeibe, C., Ilo, C., Ezeibe, E., Oguonu, C., Nwankwo, N., Ajaero, K., & Osadebe, N. (2020). Political distrust and the spread of COVID-19 in Nigeria. *Global Public Health*, <https://doi.org/10.1080/17441692.2020.1828987>
- Federal Government of Nigeria (2020). Bouncing back: Nigeria economic sustainability plan. *Report of the*

- Economic Sustainability Committee*. Available at: <https://media.premiumtimesng.com/wp-content/files/2020/06/ESC-Plan-compressed-1.pdf> (Accessed 2-8-2020).
- Follmer, E.H., Talbot, D.L., Kristof-Brown, A.L., Astrove, S.L., & Billsberry, J. (2018). Resolution, relief, and resignation: A qualitative study of responses to misfit at work. *Academy of Management Journal*, 61(2), 440-465. <https://doi.org/10.5465/amj.2014.0566>
- Gong, B., & Sims, R.L. (2022). Psychological contract breach during the pandemic: How an abrupt transition to a work from home schedule impacted the employment relationship. *Journal of Business Research*, 154, <https://doi.org/10.1016/j.jbusres.2022.08.023>
- Guest, D., Conway, N., & Briner, T. (1996). *The state of psychological contract in employment*. London: IPD. ISBN, 085292688X <https://books.google.com.ng/books/a> [bout/The State of the Psychological Contract.html?id=zg7eOQAACAAJ&redir_esc=y](https://books.google.com.ng/books/about/The+State+of+the+Psychological+Contract.html?id=zg7eOQAACAAJ&redir_esc=y)
- Hamamra, B. (2022). Domestic violence in Palestine during the outbreak of COVID-19: A qualitative content analysis. *Women & Criminal Justice*, 33(6): 395–406. <https://doi.org/10.1080/08974454.2022.2086198>
- Ibezim-Ohaeri, V., & Okon, E. (2020). Women, Covid-19 and economic, social and cultural rights in Nigeria. 16 June 2020. Available at: <https://www.gi-escr.org/blog/women-covid-19-and-economic-social-and-cultural-rights-in-nigeria> (accessed 15-6-2020).
- ILO (2020). *How will COVID-19 affect the world of work?* Retrieved 6-5-2020 from https://www.ilo.org/global/topics/coronavirus/impacts-and-responses/WCMS_739047/lang-en/index.htm
- ILO (2021). *COVID-19 and the world of work*. *ILO Monitor*, 7th edition. <https://www.ilo.org/wcmsp5/groups/public/dgreports/dcomm/documents/>

[briefingnote/wcms_767028.pdf](#)
(Accessed 18-8-2021).

Jiawei, Y. (2024). Impacts of psychological contract fulfillment on work attitudes and behaviors during the COVID-19 pandemic: Mediating role of perceived organizational support. *Current Psychology*, 43:14851–14860.
<https://doi.org/10.1007/s12144-022-03746-z>

Kopp, D. (March 22, 2020). Loneliness Is a Health Hazard, Too. *Wall Street Journal*, Retrieved April 4, 2020, from
<https://www.wsj.com/articles/loneliness-is-a-health-hazard-too-11584906625>

Major, D.A. (2003) Utilizing role theory to help employed parents cope with children's chronic illness. *Health Education Research*, 18(1): 45 – 57.
<https://doi.org/10.1093/her/18.1.45>

Noe, R., Hollenbeck, J., Gerhart, B., & Wright, P. (2004). *Fundamentals of human resource management*. New York: McGraw-Hill Companies Inc.
[https://www.amazon.com/Fundamentals](https://www.amazon.com/Fundamentals-Human-Resource-Management-Noe/dp/1259921859)

[tals-Human-Resource-Management-Noe/dp/1259921859](#)

Okala, A., & Uche, B. (2014). Some social work theories and their applications in social research. In Ikeanyibe, O. et al. (eds.). *An Anthology of Theories for Social Research*. (pp 83 – 101). Nsukka: University of Nigeria Press Ltd. ISBN: 9789788446521

Okoi, I., Effiong, C., Okoi, C., & Okon F. (2024). Coronavirus pandemic and performance of small and medium enterprises in Calabar metropolis. *Wukari International Studies Journal*, 8(4): 119-130.
<https://wissjournals.com.ng/index.php/wiss/article/view/392/357>

Onah, C.C., & Chikeleze, F.O. (2024). Information and communication technology (ICT) as a panacea for overcoming the challenges of COVID-19 pandemic: A study of academic staff performance in tertiary institutions in Enugu State, Nigeria. *Sage Open*, 14(2),
<https://doi.org/10.1177/21582440241256341>

Onah, C.C., Eme, I., & Amujiri, B. (2021). An exploration of ICT usage on the

- management of COVID-19 and human resources in China. *Covenant University Journal of Politics & International Affairs*, 1(9): 23–39. CUJPIA (202) Special Issue, 22-39. <https://journals.covenantuniversity.edu.ng/index.php/cujpiase/article/view/2747/1330>
- Onah, C.C., Eze, F., Anih, J., Ilo, P., Olorunfemi, G., & Anyadike, N. (2025). COVID-19 and congregational worship in Nigerian churches: The imperative of electronic human resource management (e-HRM) model in church administration. *African Journal of Religion Philosophy & Culture (AJRPC)*, 6(3): 297–317. <https://doi.org/10.31920/2634-7644/2025/v6n3a15>
- Onyishi, C.J., Ejike-Alieji, A., Ajaero, C.K., Mbaegbu, C.C., Ezeibe, C.C., Onyebueke, V.U., Mbah, P.P., & Nzeadibe, T.C. (2020). Covid-19 pandemic and informal urban governance in Africa: A political economy perspective. *Journal of Asian and African Studies*. <https://doi.org/10.1177/0021909620960163>
- Osadebe, N.O. (2014). Some sociological theories and their application research. In Ikeanyibe, O. et al (eds.). *An Anthology of Theories for Social Research*. (pp 205 – 235). Nsukka: University of Nigeria Press Ltd. ISBN: 9789788446521
- Riou, J., & Althaus, C.L. (2020). Pattern of early human-to-human transmission of Wuhan 2019 novel coronavirus (2019-nCoV), December 2019 to January 2020. *Eurosurveillance*. 2020; 25 (4). <https://doi.org/10.2807/1560-7917.ES.2020.25.4.2000058>
- Robert, B., & Harvey, D. (2001). *Human resource management: An experiential approach* (2nd ed.). New Jersey: Prentice Hall Business Publishing. ISBN 0134465768, 9780134465760
- Robinson, B. (April 4, 2020). *What studies reveal about social distancing and remote working during Coronavirus*. *Forbes*. Retrieved April 8, 2020, from: <https://www.forbes.com/sites/bryanrobison/2020/04/04/what-7-studies-show-about-social-distancing-and->

- [remote-working-during-covid-19/#1bfe20ca757e](#)
- Rousseau, D.M. (1998). The 'problem' of the psychological contract considered. *Journal of Organizational Behavior*, 19, 665-671. <https://doi.org/10.2307/3100282>
- Sefa-Nyarko, C. (2020) The political economy of the fight against COVID19 in Africa. Available at: <http://democracyinafrica.org/political-economy-fight-covid19-africa/> (Accessed 7-6- 2020).
- Shereen, M., Khan, S., Kazmi., A., Bashir, N., & Siddique, R. (2020). COVID-19 infection: Origin, transmission, and characteristics of human coronaviruses. *Journal of Advanced Research*. 24, 91-98. <https://doi.org/10.1016/j.jare.2020.03.005>
- Schoemaker, P.H., Heaton, S., & Teece, D. (2018). Innovation, dynamic capabilities, and leadership. *California Management Review*, 61: 15–42. <https://doi.org/10.1177/0008125618790246>
- Spindler, G.S. (1994). Psychological contracts in the workplace: A lawyer's view. *Human Resource Management*, 33 (3): 325-33. <https://doi.org/10.1002/hrm.3930330303>
- The World Health Organization (WHO) (2020a). Physical and mental health key to resilience during COVID-19 pandemic. <http://www.euro.who.int/en/health-topics/health-emergencies/coronaviruscovid-19/statements/statement-physical-and-mental-health-keyto-resilience-during-covid-19-pandemic> (Accessed May 12 2020).
- The World Health Organization (WHO) (2020b). Coronavirus. WHO; 2020. <https://www.who.int/health-topics/coronavirus> (Accessed 14 July, 2020).
- Tucker, H. (2020). *Coronavirus bankruptcy tracker: These major companies are failing amid the shutdown*. Forbes <https://www.forbes.com/sites/hanktucker/2020/05/03/coronavirus-bankruptcy-tracker-these-major->

companies-are-failing-amid-
theshutdown/#5649f95d3425

United Nations Department of Economic and Social Affairs (2020). UN/DESA Policy Brief #79: The role of public service and public servants during the COVID-19 pandemic. <https://www.un.org/development/desa/dpad/publication/un-desa-policy-brief-79-the-role-of-public-service-and-public-servants-during-the-covid-19-pandemic/> (Accessed on 14/7/2020).

Van Tulder, R., Verbeke, A., & Jankowska, B. (2019). *International business in a VUCA world: The changing role of states and firms*. Bingley: Emerald Publishing Limited. <https://doi.org/10.1108/S1745-8862201914>

Yakubu, D. (March 4th, 2021). COVID-19: Grade level 12 civil servants, others, to remain at home – FG. *Vanguard*. <https://www.vanguardngr.com/2021/03/covid-19-grade-level-12-civil-servants-others-to-remain-at-home-fg/> (Accessed 18-2-2021).

Yohanna, G., & Obaka, A. (2020). Effect of COVID-19 on retail businesses in Nigeria: A survey of selected SMEs. *Discovery*, 56(299), 748-765. <https://doi.org/10.3386/W26989>

Zhong, N., Zheng, B., Li, Y., Poon, L., Xie, Z., Chan, K., Xie, P., Liu, X., Xu, J., Li, D., Yuen, K., Peiris, P., & Guan, Y. (2003). Epidemiology and cause of severe acute respiratory syndrome (SARS) in Guangdong, People's Republic of China, in February, 2003. *The Lancet* 2003; 362 (9393):1353–8. [https://doi.org/10.1016/S0140-6736\(03\)14630-2](https://doi.org/10.1016/S0140-6736(03)14630-2)